



2022 Sustainability Report

Everywhere in Life

Contents

An Introduction from our CEO	3
About Luxfer	5
Sustainability at Luxfer	12
Sustainability Governance	13
EHS Management System	14
Our Commitment to Continuous Improvement	16
Environment	17
2025 Environmental Goals	18
Environmental Performance	19
Energy & Emissions	20
Water Usage	24
Waste to Landfill	26
Net Material Yield	30
Social	31
Employees	32
Occupational Health & Safety	38
Community	39
Supply Chain Responsibility	43
Governance	45
Our Board of Directors	46
Responsibilities	47
Integrity, Ethics, & Compliance	48
Sustainability Risks	50
Cybersecurity	54
Stakeholder Engagement	57
Appendix	58

An Introduction from our CEO

Andy Butcher
Chief Executive Officer



Dear Stakeholders,

Amid multiple global crises ranging from a pandemic to the war in Ukraine, we are reminded of both the strength and fragility of our global economic, environmental, and social systems. These events highlight the urgent need for innovation and collaboration to protect our environment and support our society. In times like these, I am reminded of Luxfer's core mission: *We help to create a safe, clean, and energy-efficient world.*

While Luxfer has always operated with integrity, ethically, and in compliance with environmental regulations, we know there is more we can do. The publication of our first-ever Environmental, Social, and Governance (ESG) Report in late 2020 provided added impetus to our existing sustainability initiatives. We began by taking a closer look at our operations, collecting data, and identifying key areas of focus. As a manufacturing company, addressing greenhouse gas emissions and energy usage in our operations are primary concerns for Luxfer. We see it as an opportunity to utilize our talent and know-how to drive significant changes in these areas. Our sustainability initiatives will continue to serve as a catalyst for value creation, risk management, employee engagement, and stakeholder trust.

We also know that if Luxfer is to truly be part of a global solution, it will take more than reducing the emissions, waste, and water from our operations. Sustainability means providing products and innovations that enable our customers to reduce their own environmental footprint. We believe that this is where Luxfer is well-positioned to lead the way. The global transition to a green economy is a strategic opportunity for our business, and whether this opportunity leads to increased demand for alternative fuel cylinders, auto-catalysis products, battery and fuel cell materials, or our lightweight magnesium rolled products, our technology and solutions will enable our customers to become active participants in the low-carbon economy.

The key to achieving sustainable development of our business and products rests with our most important asset - our people. Their empowerment, support, and motivation are, and always have been, the primary drivers behind our success. We aim to create diverse and inclusive spaces where differing points of view are embraced and respected. We will continue supporting employees in their careers by providing mentoring, education, and opportunities for professional growth. We will further foster a culture of innovation by ensuring that each employee has an opportunity to play a part in driving our sustainability initiatives. Personally, I am committed to enhancing healthy work environments and developing our talent because they are strategic priorities and because it is simply the right thing to do.

In addition to employee engagement, we will continue interacting with all our stakeholders to remain transparent on our sustainability initiatives and performance. We have an important road ahead of us and, given our progress over the last two years, I am optimistic about our future. As we continue our journey to drive ethical and transparent sustainability initiatives throughout the Company, we remain committed to:

- reducing the environmental impact of our operations;
- innovating products that support our customers' sustainability;
- investing in our communities; and,
- advancing a safe, inclusive, and respectful work environment for all.

While our sustainability ambitions push us to look forward, I believe that honoring our past is equally as important. This year marks Luxfer's 125th anniversary since our founding and our 10th anniversary as an NYSE-listed company. These major milestones are an opportunity to celebrate our customers, colleagues, and all our stakeholders who have supported us for over a century. To each of our team members, customers, partners, and shareholders — thank you. I look forward to our future together in making Luxfer the dynamic, growing, and sustainable business we intend it to be.

Sincerely,



Andy Butcher
Chief Executive Officer

Sustainability means working with our customers to provide products and innovations that address the world's greatest challenges. With our range of low-carbon and lightweight products, Luxfer is well-positioned to lead the way.



About Luxfer

- Luxfer is a **global industrial company** innovating niche applications in materials engineering.
- Our mission is to **help to create a safe, clean, and energy-efficient world**.
- Luxfer operates in two business segments: **Gas Cylinders and Elektron**.
- We were **founded 125 years ago** by British-born inventor James G. Pennycuik in 1897.
- We are led by **Andy Butcher**, Chief Executive Officer.
- Our Board of Directors is chaired by **Patrick Mullen** and includes 4 additional Non-Executive Directors.
- We are guided by our values - **Customer First, Integrity, Innovation, Accountability, Personal Development, and Teamwork**.
- Luxfer is publicly traded on the New York Stock Exchange (**NYSE: LXFR**).
- Luxfer Holdings PLC (“Luxfer” or the “Company”) is a public limited company incorporated under the laws of **England and Wales** (Company No. 03690830).



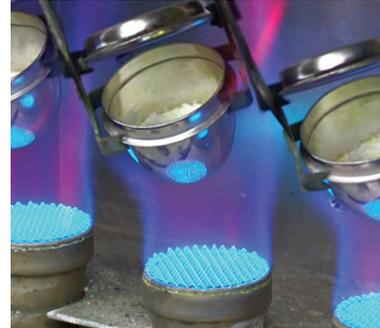
BY THE NUMBERS

For the financial year ending December 31, 2021

\$374M
revenue



~1,300
employees



12
facilities globally



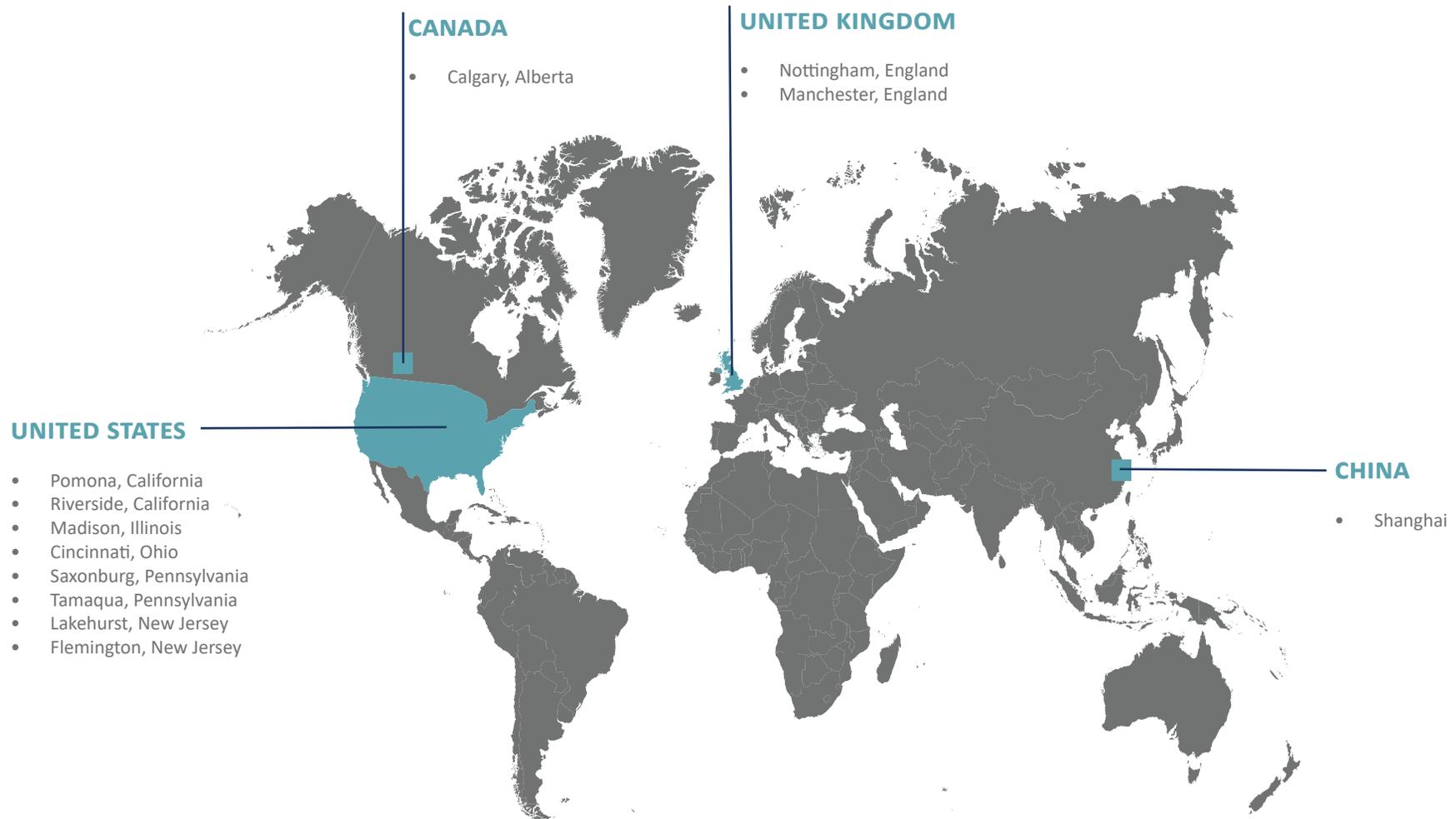
LXFR
traded on NYSE



1.6 million
sq ft of manufacturing
space

Global Operations

For 125 years, Luxfer has innovated products that help create a safe, clean, and energy-efficient world. We pioneered the application of magnesium, zirconium, aluminum, and carbon fiber in healthcare, transportation, defense and emergency response, and aerospace industries. We employ approximately 1,300 people across 12 global manufacturing plants, and aspire to be an industry leader in the advanced materials and high-performance gas cylinders markets estimated at approximately \$10 billion.



Our Values

Luxfer's core values exemplify our culture. They are the fundamental principles that define our behavior and demonstrate how all our employees are expected to act to drive the Company's growth, development, reputation, and impact with every action. Stronger than the sum of our parts, our values are shared across all our locations and bind us together as one Luxfer. Foundational to a sustainability strategy that positions Luxfer for long-term growth, our values strengthen and grow our connection with our planet and communities, and make us a company of choice for the best and brightest talent. We constantly strive to satisfy and create value by doing business based on our mission and values.

SITE SPOTLIGHT

 **LUXFER GRAPHIC ARTS
MADISON, IL, U.S.A.**



Luxfer Graphic Arts employees demonstrate Luxfer's values in small training sessions.

Luxfer Graphic Arts in Madison, IL hosts regular training sessions for employees on Luxfer's core values. In small groups throughout the year, office staff and production team members participate in a series of workshops to gain a better understanding of how Luxfer's values apply to their daily work.

Each Luxfer value has four supporting behaviors that help translate the values into day-to-day actions. By practicing these behaviors in small workshops, employees are better positioned to demonstrate them at work. In addition to the increased awareness of the Luxfer values derived from this training, these workshops foster a greater sense of unity, teamwork, and effective communication across the plant.

The Madison plant also operates an Employee Recognition Program, which gives employees an opportunity to recognize their colleagues who exemplify the Luxfer values through their actions at work. The Employee Recognition Program is an excellent way to incentivize living the Luxfer values.



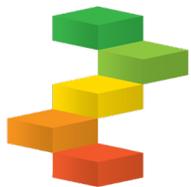
CUSTOMER FIRST

We put our customers first and make it easy to do business with Luxfer. We continually strive to exceed customer expectations and be the partner of choice.



INNOVATION

We innovate through continuous improvement, embracing new ideas, creating better ways of working, and developing new products and services that ensure our future success and growth.



ACCOUNTABILITY

We are accountable for our actions. We embrace opportunities, rise above circumstances, accept responsibility for our actions and deliver agreed results.



INTEGRITY

We act with integrity, dealing ethically and honestly with our customers, business partners, shareholders, communities and Luxfer colleagues.



PERSONAL DEVELOPMENT

We value the personal development of our employees, and we invest in their talent and potential, maximizing opportunities for individual development.



TEAMWORK

We effectively work together in teams to achieve our common goals in ways that benefit our customers, local operations, and global business.

Products & End Markets

The decarbonization of our economy depends, in part, on the private sector. Luxfer is proud to bring creative minds together to transform advanced materials into products that support the UN Sustainable Development Goals and the transition to a safe, sustainable economy.

End Market	Solutions	Sustainability Impact
<p data-bbox="142 776 380 813">Transportation</p> <p data-bbox="212 850 317 902">31% of 2021 sales</p> <div data-bbox="184 927 344 1084"> <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> </div> <div data-bbox="184 1110 344 1268"> <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> </div>	<div data-bbox="457 573 758 870"> </div> <p data-bbox="795 565 1220 623">ALTERNATIVE FUEL CYLINDERS & SYSTEMS</p> <p data-bbox="795 643 1377 776">Cylinders for the containment of hydrogen and compressed natural gas (CNG) used in alternative fuel vehicles. Our hydrogen solutions provide a cost-effective and sustainable transportation alternative without the harmful emissions of conventional engines.</p> <div data-bbox="457 902 758 1200"> </div> <p data-bbox="795 906 1352 932">ENVIRONMENTAL CATALYSIS PRODUCTS</p> <p data-bbox="795 971 1360 1162">A wide range of catalysis-grade zirconium hydroxides and oxides used for pollution control in automotive and industrial exhausts. A key component in particulate filters, our zirconium compounds help trap excess nitrous oxide, carbon monoxide, and hydrocarbon particulates from traditional gasoline engines, decreasing the number of particulates by 90-95%.</p> <div data-bbox="457 1232 758 1529"> </div> <p data-bbox="795 1235 1346 1261">LIGHTWEIGHT MAGNESIUM PRODUCTS</p> <p data-bbox="795 1300 1360 1433">Magnesium sheets and billets used to form lightweight components in vehicles, helicopters, and airplanes to increase their fuel efficiency without compromising safety. Used in engine frames, helicopter transmissions and flight control systems.</p>	<p data-bbox="1413 643 1986 862">The US, UK, and European Union have announced ambitious programs for the advancement of hydrogen as a fuel source. The European Commission sees hydrogen playing a central role in paving the way to a net-zero GHG economy by 2050. With over 80 years of expertise in high-pressure gas storage, Luxfer is well-positioned to serve as a leader in the transportation industry's use of hydrogen on the path to global decarbonization.</p> <p data-bbox="1413 971 1976 1162">In addition to the increasing demand for gasoline-electric hybrid vehicles, greater adoption of automotive catalysis products is driven by emissions legislation and regulations in the European Union and Asia. Our components ensure that particulate filters comply with regulations, while reducing the amount of toxic gasses and pollutants exhausted from internal combustion engines.</p> <p data-bbox="1413 1300 1965 1492">Magnesium alloys are the lightest commercially available structural metal and weigh 30% less than aluminum and 75% less than steel. With the earth's crude oil reserves depleting faster than they can naturally be replaced, the weight savings offered by magnesium in the automotive and aerospace industries is important for the sustainable management of nonrenewable fuel.</p>

End Market

Solutions

Sustainability Impact

Defense, First Response, & Healthcare

34%
of 2021 sales



SCBA & MEDICAL GAS CYLINDERS

Since 1972, Luxfer has supported firefighters, first responders, and emergency response personnel with our corrosion-resistant, lightweight, and highly durable Self Contained Breathing Apparatus (SCBA) life support cylinders. We also manufacture a comprehensive range of cylinders for the containment of oxygen and other medical gases used by paramedics and patients receiving in-home oxygen therapy.

Dependable SCBA and oxygen cylinders are crucial components of proper emergency preparedness for firefighters, first responders, and paramedics, whose ability to save lives depends on durable, portable equipment. In healthcare, our light-weight medical cylinders serve millions of patients who need oxygen therapy as a result of respiratory conditions, including COVID-19.



CHEMICAL RESPONSE KITS

Chemical, biological, radiological, and nuclear agents are dangerous substances intended to cause serious harm to those who come in contact with them. Luxfer's chemical agent detection and decontamination kits keep military personnel, emergency responders, and local first responders safe by detecting the presence of chemical agents and neutralizing them.

Chemical agents are among the most significant threats to those working in the military, defense, and emergency response sectors. Luxfer's high-quality chemical kits help protect global communities from the threat of chemical attacks. They can also be used to test whether water has been contaminated with hazardous chemicals, and our desalination kits can transform saltwater into purified drinking water.



SELF HEATING MEALS

Magnesium-based heating pads for self-heating meals used by emergency-relief agencies and military personnel to provide a hot meal in any situation. Critical in humanitarian and disaster relief feeding programs, our self-heating meals produce heat without the need for electricity, gas, or flame.

While not a replacement for long-term food production systems, Luxfer's self-heating meals fill a critical gap in maintaining the food supply in the face of natural disasters, extreme weather events, and humanitarian crises caused by climate change and conflict.



SORBENTS & MEDICAL DEVICES

Luxfer's zirconium-based adsorptive water-purification products remove arsenic and heavy metals from drinking water and wastewater. In the medical field, zirconium and magnesium are used for medical implants, skeletal and tissue repair, and dental prosthetics. Our magnesium sheets are used for lightweight, easy-to-wear orthopedic devices, such as braces and trusses.

The sustainable management and sanitation of water is continually strained by rising populations and industrialization. Available in a variety of sizes from small home units to larger central-treatment systems ideal for communities, our water-purification products are key to maintaining safe drinking-water quality and proper wastewater treatment. Our innovations in the medical field help ensure healthy lives and well-being for patients.

End Market
Solutions
Sustainability Impact

General Industrial

35%
of 2021 sales



GENERAL ENGINEERING

Zirconium ceramic compounds and magnesium billets, sheets, coil, and tooling plates address the need for industrial components to operate in extreme environments, such as underground, in saltwater, or at high temperatures, for longer periods.

Industrial components made of highly-durable zirconium and magnesium increase their efficiency and lifespan which helps companies build more resilient infrastructure. Because our industrial components do not need to be replaced as often, our products contribute to a lower cost of ownership for the end user and a more sustainable, resource-efficient economy.



GRAPHIC ARTS

Magnesium plates and photo engraving products used for decorative embossing on luxury packaging and high-quality printed materials. Luxfer manufactures the industry standard in magnesium photo-engraving plate and etching chemicals.

Lightweight, fast-etching, and environmentally friendly, magnesium is used for a variety of applications, including high-quality customized packaging for consumer goods.

SITE SPOTLIGHT

 **LUXFER MAGTECH
CINCINNATI, OH, U.S.A.**

A Force for Good



Luxfer Magtech employees stand in front of HeaterMeals products ready for shipment

Deeply concerned for those affected by the violence in Ukraine, we knew we were in a position to help with Luxfer Magtech's HeaterMeals® products, which supply humanitarian and disaster relief feeding programs across the globe. In March 2022, Luxfer Magtech in Cincinnati, OH partnered with NYC Emergency Management to donate and transport nearly 13,000 HeaterMeals® Plus products to the region to support the refugee crisis.

Based on a proprietary magnesium alloy blend, our flameless ration heating technology produces heat without the need for electricity, gas, or flame. Luxfer continues standing by to support the increased demand for these products while the

situation in Ukraine persists. We are also prepared to assist with our other defense and emergency response products such as our US Navy Cylinders and powders contained in military flares, both of which are sold only to NATO countries.

The ongoing conflict in Ukraine reminds us how important it is for people, companies, and countries to come together to advance global peace. Luxfer remains committed to being a force for good in the world while supporting our employees, customers, and those in need in every way we can.

Our Strategy

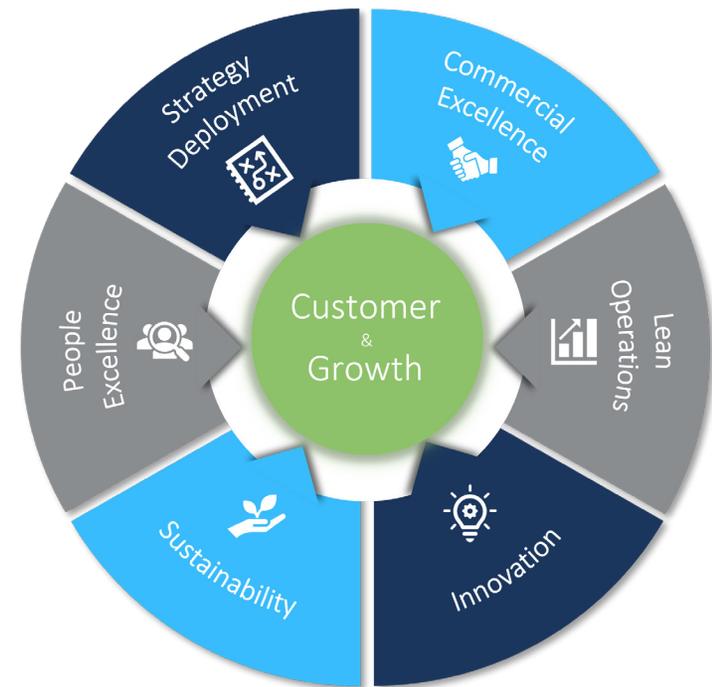
Luxfer remains committed to operating safe, clean, and environmentally compliant facilities while offering excellent customer service. We will uphold this commitment through our recently-refreshed Luxfer Business System. Building on the successes of Luxfer BEST, the Luxfer Business System was updated in 2022 to strengthen and refine our strategic priorities, with the goal to add greater value to our business and customers. Its purpose is to transform Luxfer into the all-around sustainable company that we want to be - fiscally, socially, and environmentally.

The new System standardizes our approach in six segments critical to Luxfer’s customer first commitments and sustainable growth: Strategy Deployment, Commercial Excellence, Lean Operations, Innovation, People Excellence, and Sustainability. Each of the six segments consists of the following elements:

- sponsorship by a member of Luxfer’s Executive Leadership Team who provides leadership and oversight of the segment;
- a balanced internal scorecard to track performance across a variety of key performance indicators;
- a steering committee comprised of subject-matter experts from across the Company to share and implement best practices; and
- an internal audit program designed to strengthen our processes and apply consistent standards to all our operating locations.

The Sustainability segment of the Luxfer Business System supports both compliance with regulations and voluntary activities to improve our environmental footprint, employee satisfaction, health, and safety, and maintain the highest standards of ethics and corporate governance. The Sustainability segment aligns our environmental, social, and governance priorities and actions with those of our stakeholders to deliver greater value and increase our long-term resilience.

THE LUXFER BUSINESS SYSTEM



Sustainability at Luxfer



Luxfer plays an important role in safeguarding the environment, supporting our people and communities, and acting ethically and transparently in everything we do. Consistent with our values and the Luxfer Business System, our sustainability at Luxfer is a reflection of our commitment to environmental stewardship and social responsibility. Our sustainability initiatives are operationalized at the site level and are built around three key elements: Environment, Social, and Governance (ESG). Our commitment to operating in a way that demonstrates our dedication to sustainability is reflected in the following priorities:



ENVIRONMENT

- Improve our environmental performance and achieve our 2025 Environmental Goals.
- Maximize operational efficiencies to reduce our environmental impact.
- Explore the integration of renewable energy in our operations.
- Partner with our customers to innovate products that address their sustainability needs.



SOCIAL

- Strengthen a proactive health and safety culture.
- Invest in and support employees' professional development and career growth.
- Understand and employ additional strategies to increase diversity, equity, and inclusion initiatives.
- Encourage positive community relations and make an active effort to improve our communities.
- Engage with responsible suppliers.



GOVERNANCE

- Uphold our sustainability commitments driven by our Board of Directors and management teams.
- Maintain strong policies and practices related to fair, ethical, and honest business dealings.
- Identify and mitigate climate-related and cybersecurity risks.
- Provide transparent and honest sustainability communications.

Sustainability Governance

Sustainability is a consideration at all levels of Luxfer. It is an integral part of the strategies, policies, and values that govern our business. Luxfer's Board of Directors oversees the Company's strategic direction, including our sustainability initiatives, environmental performance, and ESG-related risks and opportunities to promote long-term growth. Oversight of specific ESG-related matters are delegated to the appropriate Board Committee(s) as deemed necessary by the Board.

The CEO and Executive Leadership Team are responsible for driving the Company's strategy, performance, and managing day-to-day operations. As sustainability continues to be a priority for Luxfer, our strategy includes further integration of sustainability into our operations and culture and investing in our infrastructure and sustainability initiatives to achieve our 2025 Environmental Goals. Luxfer's General Counsel and Company Secretary, Megan E. Glise, sponsors our sustainability initiatives, ensuring they are aligned with our mission and values. She provides oversight to the ESG Steering Committee and reports directly to the Board of Directors and CEO on sustainability strategy and performance. Finally, our ESG Steering Committee is responsible for operationalizing the Company's sustainability initiatives, carrying out annual ESG Cross-Audits, sharing best practices between Luxfer facilities to improve performance at the site level, and working with local leadership and colleagues to see projects through to completion.

BOARD OF DIRECTORS

- » Audit Committee
- » Nominating and Governance Committee
- » Remuneration Committee



CEO & EXECUTIVE LEADERSHIP TEAM

Senior executives responsible for Luxfer's business units and major corporate functions.



SUSTAINABILITY SPONSOR

A member of the Executive Leadership Team sponsors the Company's sustainability initiatives.



ESG STEERING COMMITTEE

A cross-functional team representing each Luxfer location dedicated to improving our sustainability practices and performance.



EHS Management System

Codified in our Environmental, Health, and Safety (EHS) Policy, our approach to environmental and safety sustainability is implemented through our Environmental Management System (EMS). Each Luxfer business operates an EMS specific to their operations. The EHS Policy provides the structure for consistent application of EMS programs across all our operating locations, including the identification, tracking, and management of compliance and operational metrics. Our EMS and related reporting mechanisms aim to put Luxfer in a proactive, rather than reactive, position with respect to our environmental stewardship and occupational health and safety practices.

ENVIRONMENTAL, HEALTH, & SAFETY POLICY

Luxfer's global [EHS Policy](#) is the foundation on which our EMS is based. All Luxfer facilities have an EMS program specific to their operations that incorporate the principles contained in the EHS Policy. The Policy solidifies our commitment to environmental stewardship and occupational health and safety. All Luxfer employees are responsible for supporting the principles contained in the Policy and collaborating with their colleagues to continually improve EHS performance. These principles include:

- conserving energy, water, and raw materials in manufacturing processes and product development;
- handling waste responsibly and minimizing it through "reduce, reuse, recycle";
- taking a proactive approach to preventing and resolving environmental issues;
- delivering education and training on the latest environmental and safety practices and technology; and
- continually improving our EHS Management System.

Based on ISO 14001 standards, each site's EMS is comprised of policies, procedures, and objectives focused on compliance, footprint reduction, and overall EHS performance. Environmental impacts are measured and tracked across a wide range of key performance indicators, including emissions, water, waste, and safety, among others. All facilities report these metrics quarterly on a balanced scorecard, which is reviewed with the CEO twice annually.

Local leadership is responsible for driving progress and providing day-to-day oversight of the site's EMS. Our CEO and Executive Leadership Team is responsible for providing strategic guidance with respect to Luxfer's global EMS. The CEO reports to the Board of Directors regularly on key metrics and progress in relation to Luxfer's global EMS.

SITE CROSS-AUDITING

Key to understanding gaps in our performance, verifying regulatory compliance, and confirming alignment with our EHS Policy is the annual audit of each site's EMS. Each site (including new acquisitions based on their integration progress) participates in an annual cross audit, which includes a site visit by subject-matter experts and a review of records, permits, policies, and various data systems. Luxfer uses a variety of tools and resources to ensure completeness and accuracy of each audit, including:

- internal EHS compliance experts from across the Company;
- complete and robust documentation;
- findings with assessments of responsibility, due dates for closure, and tracking to completion; and
- detailed reviews of findings with the local management teams to assure corrective actions are complete.

Beginning in 2021, we incorporated various criteria related to social and governance matters into these audits and, while not compliance-related, have proven to be important in assessing the sites' progress on social and governance initiatives and upholding best practices.

66%
of revenue originating from
ISO 14001-certified operations



ESG STEERING COMMITTEE

Our ESG Steering Committee plays an important role in driving sustainable change in our operations. The ESG Steering Committee is a cross-functional team comprised of EHS, operations, human resources, legal, and corporate Luxfer employees whose purpose is to operationalize the vision and strategy of Luxfer’s sustainability initiatives. Each of Luxfer’s manufacturing facilities is represented by a member on the ESG Steering Committee.

Sponsored by a member of the Executive Leadership Team, the Committee is responsible for organizing and executing the annual EHS Cross-Audits at each of Luxfer’s facilities, sharing best practices, and driving continuous improvement in sustainability across our global operations.

ESG SCORECARD

The ESG Steering Committee is also responsible for overseeing the Company’s internal ESG Scorecard, which tracks our progress across a wide range of environmental, social, and governance key performance indicators, including our performance against our 2025 Environmental Goals. Among others, key metrics tracked on our scorecard include:

- scope 1 and 2 emissions;
- freshwater usage;
- waste;
- net material yield;
- safety;
- charitable spending;
- employee retention;
- training & education;
- whistleblowing and/or compliance-related incident reporting; and
- supplier screening

Each Luxfer location is responsible for populating their data on the ESG Scorecard once quarterly. Twice per year, representatives from each site review their ESG Scorecard in a one-on-one meeting with the CEO. The review process has proven to be an important opportunity to discuss sustainability challenges, opportunities, and achievements with each site. Data collected on the ESG Scorecard is consolidated, reviewed for accuracy and completeness, and disclosed throughout this Report.

Our Commitment to Continuous Improvement

Since publication of our first ESG Report in November 2020, we have focused on driving sustainability in our culture, strategy, operations, and policies. As detailed throughout this Report, we have made significant improvements in the last two years including:

- a projected 35% reduction in absolute emissions from 2021 by the end of 2022;
- a 48% reduction in Incident Frequency Rates from 2021 through September 2022;
- more detailed ESG data collection and regular reporting mechanisms;
- greater diversity on our Board of Directors; and
- increased supplier due diligence.

We are pleased with our progress thus far but acknowledge that there is more work to be done. Our Board of Directors and Executive Leadership Team are dedicated to holding themselves accountable on our sustainability journey as we work to improve our performance and enhance transparency on ESG matters.

PRE - 2019

- Established global Environmental Management System.
- Carried out annual safety and environmental cross-audits.



2020

- Published inaugural ESG report in November.
- Established the baseline for environmental reporting and internal processes for data collection.



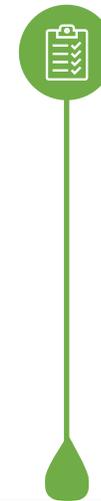
2021

- Actively worked to build sustainability into our culture.
- Launched our internal ESG Scorecard and began twice annual reporting with the CEO.
- Incorporated social and governance criteria in annual ESG cross-audits.
- Initiated multiple environmental improvement projects, with a focus on high-priority areas such as emissions and energy.



2022 - FUTURE

- Continue implementing high-priority environmental improvement projects.
- Identify and address key Scope 3 emissions.
- Fully incorporate climate-related risks and opportunities into our risk management processes and align future reports with the Task Force on Climate-Related Financial Disclosures (TCFD).
- Seek verification of post-2025 emissions reduction targets from the Science Based Target Initiative.



Environment

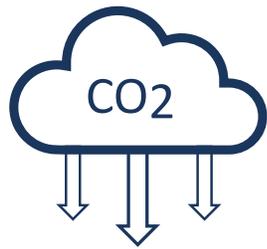
Contents

2025 Environmental Goals	18
<i>Environmental Performance</i>	19
Energy & Emissions	20
<i>Energy</i>	20
<i>Emissions</i>	21
Water Usage	24
<i>Water Scarcity</i>	25
Waste to Landfill	26
Net Material Yield	30

2025 Environmental Goals



Magnesium rolling operations at Luxfer Graphic Arts in Madison, IL



Energy & Emissions

20% reduction in total absolute CO₂e emissions by 2025



Freshwater Usage

10% reduction in total absolute freshwater usage by 2025



Waste to Landfill

20% reduction in total absolute waste to landfill by 2025



Net Material Yield

10% increase in net material yield (as % of scrap rate) by 2025

Our 2025 Environmental Goals reflect our commitment to promote business growth while reducing negative environmental impacts

In our first ESG Report published in late 2020, we made commitments to our customers, colleagues, and stakeholders to take deliberate steps towards improving the environmental footprint of our operations and fully integrate sustainability into our strategy and daily actions.

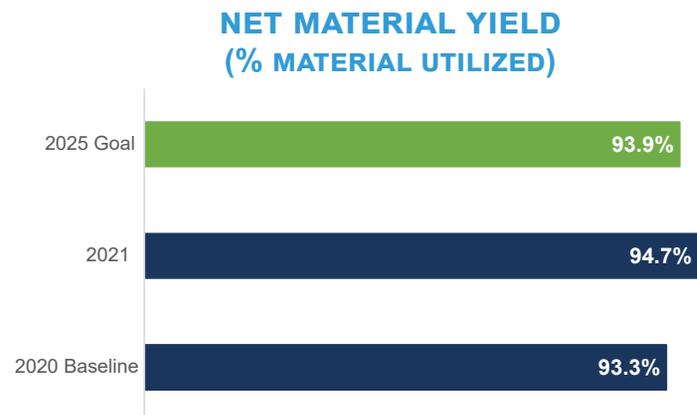
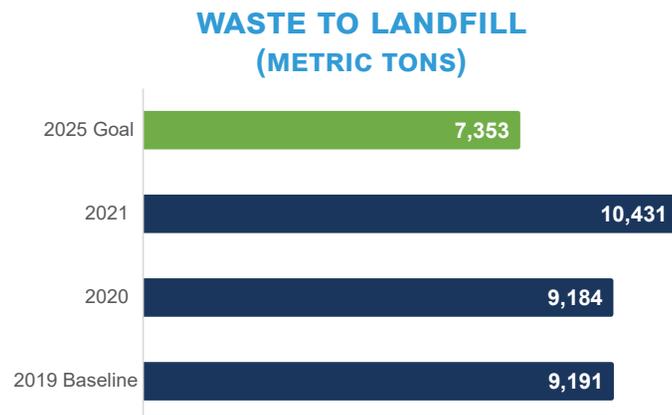
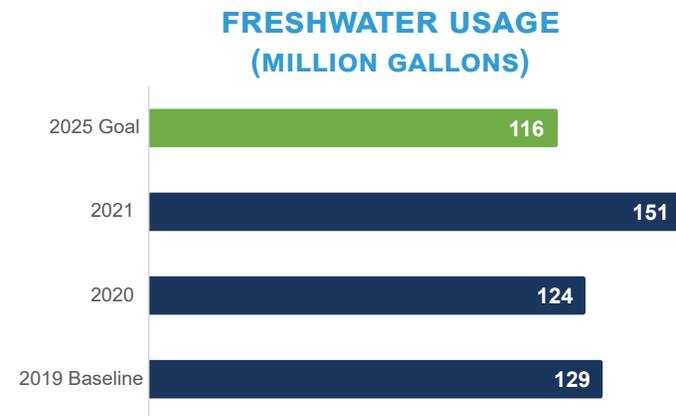
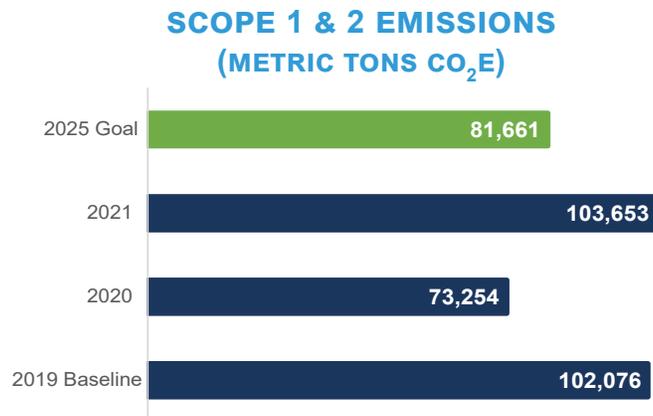
We began by refining the methods by which we collect and monitor emissions, water, and waste data through the development of our ESG Scorecard, which was launched in 2021. Through twice annual reviews of the ESG Scorecard with the CEO, we identified a series of financially sound projects to address our energy usage, water consumption, and waste management. Throughout 2021 and 2022, we implemented various projects such as:

- upgrading or replacing old equipment for energy-efficient alternatives;
- installing new energy, emissions, or waste-saving technologies
- upgrading lighting fixtures;
- refurbishing old water distribution systems; and
- implementing processes and procedures for waste streaming and recycling.

We expect that these projects will impact our environmental data for the 2022 reporting year and look forward to discussing this data in a future report. With several other environmental improvement projects in the pipeline, we are optimistic that we will achieve our environmental goals by 2025.

Environmental Performance

Reflected below is our environmental performance through fiscal year 2021. Progress towards our 2025 Environmental Goals is measured using data collected from our baseline, fiscal year 2019, with the exception of our net material yield goal, which is measured against data collected from a 2020 baseline. We look forward to providing a further update on our progress towards meeting these goals in the next round of sustainability reporting.



Energy & Emissions

(Scopes 1 & 2)



As an industrial manufacturing company, we recognize that our operations are inherently energy and emissions intensive. Our operations require fuel and electricity consumption resulting in carbon dioxide (CO₂) and carbon dioxide equivalent (CO₂e) emissions that contribute to climate change. As such, we committed to reducing our absolute CO₂e emissions by 20% by 2025 using a 2019 baseline. We view this challenge as an opportunity to maximize operational efficiencies while also having a positive impact on the environment. Our strategy to achieve our emissions target by 2025 includes several priorities:

- addressing our largest Scope 1 emissions by introducing new technology;
- reducing energy consumption by maximizing operational efficiencies; and
- incorporating renewable energy in our operations where possible.

Energy

Energy from fossil fuel resources are finite, and we recognize that we have a duty to help conserve these resources. In addition to the environmental benefits and cost savings associated with reducing our energy consumption, reliance on electricity from the grid also represents a risk to our business operations. Extreme weather events and natural disasters, including those as a result of climate change, could compromise our operations and productivity. As such, we acknowledge that we would benefit from diversifying our energy supply.

Currently, 100% of our electricity is purchased from the grid and 0% of operations are powered by renewable energy. However, investment in renewable energy aligns with our long-term sustainability strategy, reduces our risks, and will strengthen operational resilience in the face of extreme weather events and natural disasters. In the years leading up to 2025, we will work to introduce renewable energy solutions to power our operations where possible, while simultaneously reducing our energy consumption from the grid through other projects, such as those through our Reduced Energy Demand (RED) Program. In consultation with our energy partners, our RED Program helps us implement site-specific

energy saving initiatives and projects throughout our operations. RED projects begin with conducting an on-site energy audit to obtain a more granular analysis of the site's energy consumption. Our energy partner then provides proposals for technology and equipment upgrades that will reduce our energy consumption, each of which includes a detailed analysis of the financial, environmental, and safety impact of each project.

Throughout 2021 and 2022, Luxfer invested in multiple energy-saving projects in our U.S. and U.K. facilities, such as LED lighting, upgrading compressors and pumps, and replacing old equipment with energy-efficient models. In total, these projects save over 4,700,000 kWh of electricity annually - enough to cover the electricity needs of 396 homes for an entire year. We will continue saving energy through these methods as part of our overall sustainability strategy.

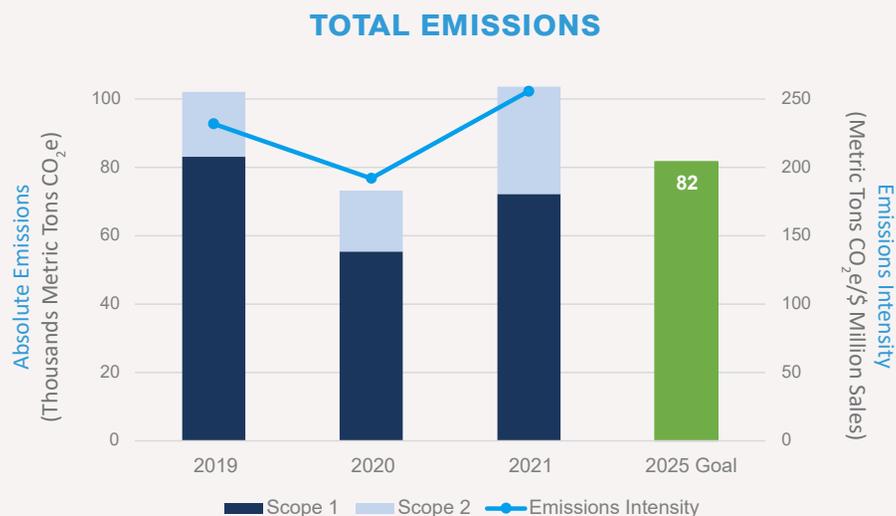
ENERGY CONSUMPTION

	2019	2020	2021
Electricity (Million kWh)	54.6	51.6	50.9
<i>North America</i>	33.8	31.5	30.7
<i>United Kingdom</i>	20.7	20.1	20.2
Natural Gas (Million kWh)	127.9	108.2	128.7
<i>North America</i>	66.2	59.6	63.6
<i>United Kingdom</i>	61.7	48.6	65.1

Emissions

Each Luxfer site compiles emissions inventories and monitors electricity and natural gas usage. Any other greenhouse gases produced as a result of our manufacturing operations, such as propane and direct CO₂ are also recorded. Scope 1 emissions consist of all direct emissions from fuel combustion, natural gas, propane, and all other sources of direct emissions. Scope 2 emissions consist of all indirect emissions attributable to Luxfer from the consumption of purchased electricity, steam, and cooling.

This data is compiled and converted to emissions to calculate our total CO₂e output. Our U.S. and Canada facilities use standard CO₂ conversion factors published by the U.S. Environmental Protection Agency, and our U.K. facilities use CO₂ conversion factors published by the U.K. Government. In general, gases that compile the bulk of our emissions have very similar CO₂e equivalency regardless of where it is sourced.



ABSOLUTE EMISSIONS ¹

	2019 ² (Baseline)	2020 ³	2021
Scope 1 Emissions (Metric Tons CO ₂ e)	83,033.4	55,427.6	72,222.0
<i>North America</i>	12,880.2	11,173.4	10,847.1
<i>United Kingdom</i>	70,153.3	44,254.2	61,374.9
Scope 2 Emissions (Metric Tons CO ₂ e)	19,042.3	17,826.9	31,431.5
<i>North America</i>	14,638.0	13,560.0	21,140.9
<i>United Kingdom</i>	4,404.3	4,266.9	10,290.6
Total Emissions (Metric Tons CO ₂ e)	102,075.7	73,254.5	103,653.4
<i>North America</i>	27,518.2	24,733.4	31,988.0
<i>United Kingdom</i>	74,557.5	48,521.1	71,665.4

EMISSIONS INTENSITY ⁴

	2019	2020	2021
Scope 1 Emissions Intensity (Metric Tons CO ₂ e/\$ Million Sales)	188.6	145.3	178.1
Scope 2 Emissions Intensity (Metric Tons CO ₂ e/\$ Million Sales)	43.3	46.7	77.5
Total Emissions Intensity (Metric Tons CO ₂ e/\$ Million Sales)	231.8	192.0	255.6

¹ Figures have been rounded to the nearest decimal.

² 2019 emissions and emissions intensity figures were recalculated to apply current conversion factors and exclude discontinued operations. Please see the Appendix for a reconciliation to previously reported CO₂e figures.

³ 2020 emissions were recalculated to apply current conversion factors. Please see the Appendix for a reconciliation to previously reported CO₂e figures.

⁴ Total sales were used to calculate emissions intensity. These figures include intra-company sales and exclude scrap (2019: \$440.32 Million; 2020: \$381.46 Million; 2021: \$405.53 Million).

SITE SPOTLIGHT

Tackling Scope 1 Emissions



**LUXFER MEL TECHNOLOGIES
MANCHESTER, ENGLAND**



Facilities & Project Manager Lee Kania stands next to the new gas mixing unit

Luxfer MEL Technologies is on track to reduce ~36,000 metric tons of Scope 1 emissions by the end of 2022

Luxfer MEL Technologies in Manchester, England is on track to reduce Scope 1 emissions by ~36,000 metric tons by the end of 2022, representing an approximate 35% decrease in Company-wide emissions compared to 2021. This achievement is the result of introducing new gas mixing technology which significantly reduces the use of Sulfur Hexafluoride (SF6) in magnesium casting operations. With this cost-neutral approach to emissions reduction, the Manchester site looks forward to seeing the impact of this project on their emissions totals going forward.

As environmental regulations tighten and customer preferences shift towards sustainable manufacturing practices, addressing emissions has become a key part of Luxfer's business strategy. In addition to the 2025 Environmental Goals set by the Company, the Manchester location also set site-specific annual emissions reduction targets. Their 2022 goal was to achieve a 66% reduction in CO₂e emissions from the magnesium process relative to the average annual emissions from the plant between 2013-2021. With the introduction of the new gas mixing unit, they are pleased to have achieved their goal.

In August 2022, the team was awarded the Environmental Responsibility Award by the International Magnesium Association for their success with this project.

In 2023, the Manchester site is striving for an additional 55% reduction in emissions relative to 2022. It is anticipated that the new gas mixing unit will facilitate a further reduction of ~11,000 metric tons of the magnesium business's CO₂e emissions annually in 2023 based on 2019 product mix. Scaling-up capabilities and developing in-house skills will enable the team to take unique approaches to further minimize their carbon footprint. Continued development of infrastructure, tooling, up-skilling of operators, and fine-tuning process methods will also contribute to future progress.



SITE SPOTLIGHT

**LUXFER MEL TECHNOLOGIES
FLEMINGTON, NJ, U.S.A**

Lighting Improvements



The Flemingington warehouse before LED lighting



The Flemingington warehouse after LED lighting

At the Luxfer MEL Technologies plant in Flemington, NJ, environmental sustainability started with lighting. Beginning in 2020, the Flemington site embraced the challenge of addressing lighting for their 65,000 square foot plant. Through teamwork with our energy partners and an energy audit through Project RED, the Flemington plant installed LED lights throughout the facility in 2021.

In addition to replacing the old incandescent and fluorescent lights with LEDs, motion sensor switches were also installed in 2022 to further increase the bulb's lifespan and decrease energy consumption. In total, these projects are expected to reduce

the site's energy consumption by approximately 243,000 kWh, equating to 172 metric tons of CO₂e emissions annually. The emissions savings associated with the project will be reflected in Flemington's Scope 2 emissions in 2022.

As pictured on the left, the facility is considerably brighter following the installation of the LEDs, making Flemington a safer place to work for all employees.

SITE SPOTLIGHT

**LUXFER GAS CYLINDERS
RIVERSIDE, CA, U.S.A**

Equipment Upgrades



One of Riverside's new energy efficient pumps

Luxfer Gas Cylinders in Riverside, CA has worked to reduce power consumption by replacing multiple pumps in their operations. These pumps rely on electric motors to power the equipment and to supply hydraulic pressure for hydrotesting Type 3 SCBA cylinders as part of the quality and product verification process. After considerable research, the Riverside team opted to install several new high-efficiency pumps, which yield a 5.7 kWh reduction in power consumption.

These energy-saving upgrades amount to 41,040 kWh of power saved per year, the equivalent of 17.8 metric tons of CO₂e emissions annually. With the average residential home in the U.S. using approximately 893 kWh of electricity per month, savings from this project equate to powering 3.5 homes for a full year. In addition to the energy savings, the new pumps are significantly quieter, which give additional benefits to improved workplace safety.

Water Usage



Luxfer recognizes that water resource management and reducing our dependence on freshwater resources are key factors in a sustainable company. We also acknowledge that water is an integral component in our manufacturing processes, quality testing procedures and, in some cases, are a material input in our products. While our use of water cannot be completely eliminated, we are committed to decreasing our consumption of freshwater wherever possible. As such, we seek to achieve a 10% reduction in our absolute freshwater usage by 2025 from our 2019 baseline.

In 2021, Luxfer consumed a total of 321.6 million U.S. gallons of water. Of that, 170.2 million is borehole water and 151.4 million is freshwater. Due to the depths at which a borehole penetrates into the earth, the water bypasses aquifers that would naturally filter out any impurities and generally is not considered potable water. Therefore, borehole water is not considered freshwater for purposes of our calculations against our 2025 reduction target. Freshwater is quantified based on the amount of water consumed that was supplied by the municipality or that which was sourced from a well. These figures include freshwater used on-site by our employees and in any manufacturing operations, testing, or cleaning. The vast majority of our freshwater usage is comprised of potable water drawn from municipal sources. Regardless of its source, any wastewater produced is discharged to public treatment systems or is treated, recycled, and reused through on-site water treatment plants.

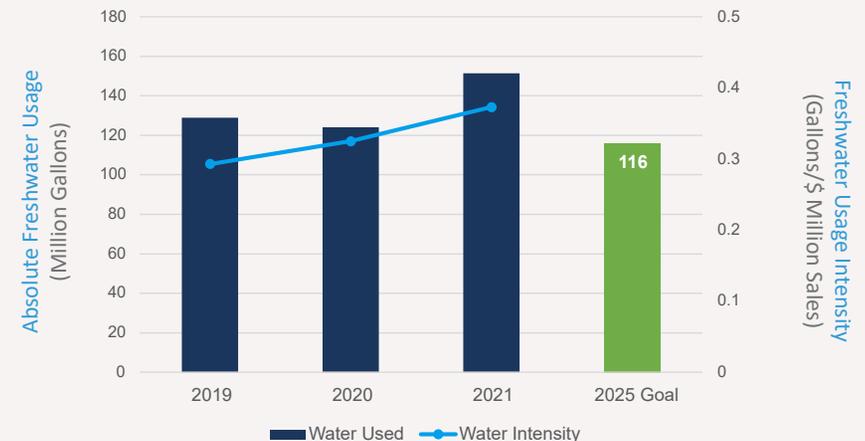
To achieve a reduction in our freshwater usage by 2025, we are taking steps to analyze our consumption and identify key areas of the manufacturing process where water can be reduced or eliminated. We also engage in regular best practice sharing amongst our production facilities, conduct water audits, and repair leaking pipes.

For example, the Luxfer MEL Technologies plant in Tamaqua, PA recently completed an audit of its water usage, which revealed the existence of a large on-site leak. The Tamaqua plant was using over 300,000 gallons more than its sister location in Saxonburg, PA. The leak has since been repaired, and the Tamaqua plant is looking forward to seeing an accurate reflection of their water usage totals in 2022.

⁵ Figures have been rounded to the nearest decimal.

⁶ Total sales were used to calculate water usage intensity. These figures includes intra-company sales and exclude scrap (2019: \$440.32 Million; 2020: \$381.46 Million; 2021: \$405.53 Million).

TOTAL FRESHWATER USAGE



ABSOLUTE & INTENSITY FRESHWATER USAGE ⁵

	2019	2020	2021
Absolute Freshwater Usage (Million Gallons)	129.0	124.0	151.4
<i>North America</i>	48.8	43.7	41.1
<i>United Kingdom</i>	80.2	80.3	110.2
Freshwater Intensity ⁶ (Gallons/\$ Million Sales)	0.293	0.325	0.373

Water Scarcity

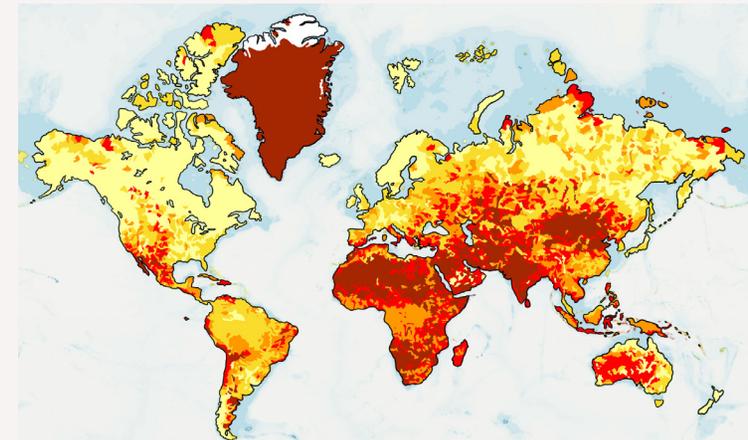
The global demand for water is expected to continue increasing as a result of growing populations and economic development. In addition, the Intergovernmental Panel on Climate Change (IPCC) reported⁷ in 2018 that risks and effects from extreme weather events, such as heavy rain and drought, would increase if temperatures rose by 1.5°C. As such, the reliability of the earth’s water supply becomes a more pressing concern with each passing year.

Physical risks, such as changes in precipitation patterns associated with climate change, represent a potential business risk to Luxfer in the long-term. The risk of water scarcity and drought could result in a loss of production due to inadequate water supplies, given that we rely on water in our manufacturing processes.

As depicted in the graph on the right, 8 of 12 of Luxfer’s manufacturing sites operate in geographical regions where the water risk level is classified as low and low-medium by the World Resources Institute’s Aqueduct Water Risk Atlas. Furthermore, borehole water supplied approximately 53% of our total water consumption in 2021. As discussed above, due to the depths at which boreholes penetrate into the ground, borehole water provides a consistent, reliable supply of water in drought conditions. While the risk of water scarcity impacting our operations is presently low, we remain committed to reducing our freshwater consumption wherever possible.

⁷ Full title: An IPCC Special Report on the Impacts of Global Warming of 1.5°C Above Pre-Industrial Levels and Related Global Greenhouse Gas Emissions Pathways, in the Context of Strengthening the Global Response to the Threat of Climate Change, Sustainable Development, and Efforts to Eradicate Poverty.

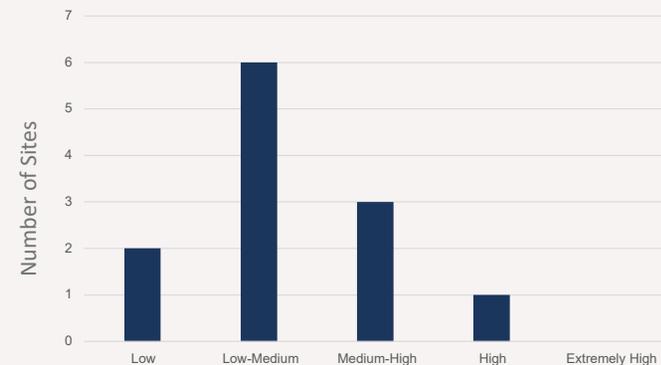
GLOBAL WATER RISKS



■ Low
 ■ Low Medium
 ■ Medium High
 ■ High
 ■ Extremely High

Created based on the World Resources Institute’s Aqueduct Water Risk Atlas (aqueduct.wri.org).

WATER RISK LEVEL BY MANUFACTURING SITE



Waste to Landfill

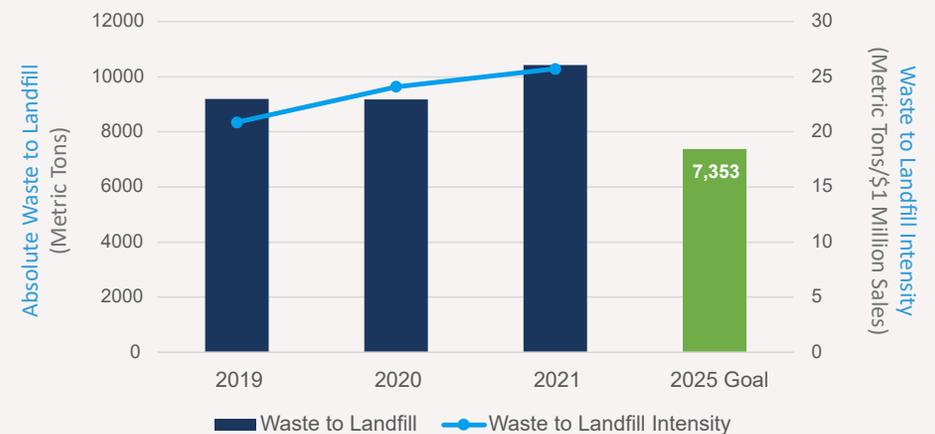


Waste – any unusable material – is a natural byproduct in Luxfer’s manufacturing operations. With the understanding that landfills and excessive waste generation can contribute to climate change, everyone at Luxfer has a responsibility to reduce, reuse and recycle as much as possible. This responsibility is driving our commitment to reduce our absolute waste to landfill by 20% by the end of 2025 from our 2019 baseline.

We monitor the amount of waste generated from all our locations to help us better understand our waste streams and achieve progress in minimizing it. Waste to landfill is defined as waste from any source that is sent to landfill. Such wastes include non-hazardous and hazardous process waste and general waste. Hazardous waste is treated before it is landfilled in accordance with local, regional, and national regulations. Where applicable, Luxfer’s sites contract with various waste vendors specializing in hazardous waste transport, treatment, and disposal. We also monitor the amounts and destination of other wastes, including that which is sent to an incinerator or is recycled.

To achieve our waste reduction goal, our sites conduct waste stream analyses to determine ways in which we can best collect and separate our waste. We also reprocess and recycle unused and non-conforming magnesium and other recyclable or reusable scrap. Glass, plastics, paper, and cardboard are sorted for recycling. Where waste is unavoidable, we comply with site-specific legal and environmental regulations to dispose of it safely and responsibly.

TOTAL WASTE TO LANDFILL



ABSOLUTE & INTENSITY WASTE TO LANDFILL ⁸

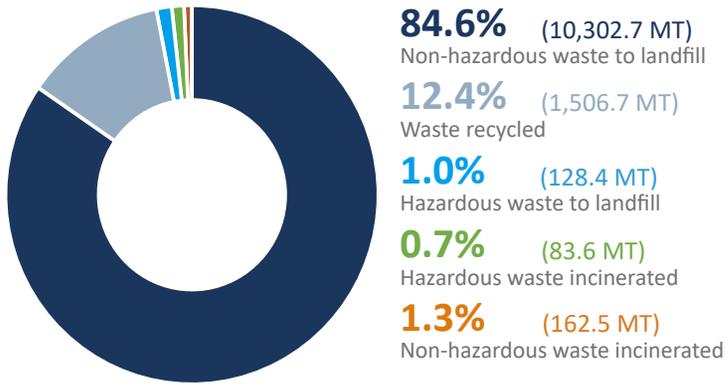
	2019	2020	2021
Absolute Waste to Landfill (Metric Tons)	9,191.3	9,183.8	10,431.2
<i>North America</i>	2,102.4	1,691.1	3,215.9
<i>United Kingdom</i>	7,088.9	7,492.8	7,215.3
Waste to Landfill Intensity ⁹ (Metric Tons/\$ Million Sales)	20.87	24.08	25.72

⁸ Figures have been rounded to the nearest decimal.

⁹ Total sales were used to calculate waste to landfill intensity. Sales figures includes intra-company sales and exclude scrap (2019: \$440.32 Million; 2020: \$381.46 Million; 2021: \$405.53 Million).

In 2021, Luxfer generated a total of 12,183.9 metric tons of waste. Of that, 10,431.2 metric tons of non-hazardous and hazardous waste was sent to landfill. We acknowledge the uptick in the amount of waste to landfill in 2021 compared to 2020. In addition to increased volume following the COVID-19 pandemic, greater oversight and improvements to our data collection methods has led to higher quality waste data. We believe both of these factors to have contributed, in part, to increased waste to landfill year-over-year. We will work to continually improve the quality of this data and remove estimations where possible. We remain committed to ongoing improvements in our waste metrics and will continue exploring opportunities to expand our waste diversion practices to achieve our waste goal by 2025.

2021 WASTE MIX (AS % OF TOTAL WASTE GENERATED)



2021 WASTE TO LANDFILL BY TYPE ¹⁰

	2021
Non-Hazardous Waste to Landfill (Metric Tons)	10,302.8
<i>North America</i>	3,176.9
<i>United Kingdom</i>	7,125.9
Hazardous Waste to Landfill (Metric Tons)	128.4
<i>North America</i>	39.0
<i>United Kingdom</i>	89.8
Total Waste to Landfill (Metric Tons)	10,431.2

¹⁰ Figures have been rounded to the nearest decimal.

SITE SPOTLIGHT

LUXFER GRAPHIC ARTS
MADISON, IL, U.S.A

Reduce & Reuse



Pucked magnesium used in place of raw material

Luxfer Graphic Arts in Madison, IL creates magnesium rolled products. Magnesium sheets are flooded with mineral oil during the grinding process to keep the magnesium cool during processing and produce a smooth, high-quality finish. This process produces a mixed waste made of magnesium fines and mineral oil known as swarf.

In March 2021, the Madison plant installed a new briquetting machine that separates the magnesium fines from the oil, allowing for reclamation and re-use of each material. The briquetter also compresses the magnesium fines into pucks (pictured left), which can be reintroduced during the casting process in place of new magnesium to

form new sheets without compromising the quality of the finished product.

Prior to installation of the briquetter, the Madison plant generated approximately 12 barrels of swarf per week that would be landfilled. After the briquetter, the magnesium is recovered at a 40% yield, and over 600 drums of oil has been saved from landfill to date. In addition to its environmental benefits, this project has resulted in lifetime cost savings of over \$500,000. Future projects include a review of other oily and paint waste generated in the backcoat and topcoat operations.

SITE SPOTLIGHT

Near Zero Waste to Landfill



**LUXFER GAS CYLINDERS
NOTTINGHAM, ENGLAND**

The Luxfer Gas Cylinders, Nottingham team accepting the Sustainability Award from The Business Desk (Pictured left to right: Lewis Anderson, Paul Hardiman, Peter Murphy, and Trevor Bryan)



Luxfer Gas Cylinders Nottingham sent 0.02% of its waste to landfill in 2021

The Luxfer Gas Cylinders (LGC) site in Nottingham, England sent 0.02% of its waste to landfill in 2021 and is Luxfer’s first site to attain near-zero waste to landfill. This figure, down from 45% in 2007, comes from many years of due diligence, employee education, strict process definition, and annual auditing. LGC Nottingham remains dedicated to working with their certified waste carriers to address the remaining waste.

The site has a minimum of 13 waste streams that are sorted daily and processed by certified recycling companies. Close collaboration is essential in maintaining a strong understanding of needs and expectations of both parties. More effective sorting and separation of waste streams by Luxfer leads to better handling by recycling companies. LGC Nottingham also works with their inbound suppliers to minimize waste brought into the facility. They also operate an educational program to ensure that every employee is actively engaged in efforts to remove or eliminate waste.

Working on-site with a controlled management system in ISO 14001:2015 helps maintain the right procedures and ensures continuous improvement in all areas of certification. With these standards in mind, LGC Nottingham developed an Environmental Journey of Sustainability, for which they were recently recognized by The Business Desk as part of the East Midlands Annual Business Awards in 2021.



SITE SPOTLIGHT

**LUXFER GRAPHIC ARTS
MANCHESTER, ENGLAND**

Efficient Machinery

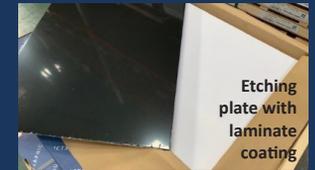


The new double laminating machine at Luxfer Graphic Arts, Manchester

Luxfer Graphic Arts in Manchester, England has serviced the U.S., Japanese, and U.K. copper engraving market for many years. Engraving plates are traditionally laminated in lacquer to protect the back of the plate during the etching process. The Manchester team discovered the potential to substitute the lacquer with a laminate film. Following positive internal testing and keen interest from customers, the Manchester site installed a new double laminating machine.

There are several environmental benefits associated with this project. The new machine is significantly more energy efficient. By 2024, it is expected to save approximately 265 kg of CO₂e. The previously-used lacquer is less environmentally friendly and requires landfill disposal. The lacquer also contaminates the copper plate, making scrap offcuts from the process

difficult to recycle. The new laminate machine eliminates the use of lacquer entirely, allowing the Manchester plant to save on process waste disposal costs. Moreover, the customer saves on downstream disposal and operational costs, as no additional processing is needed to remove these coatings prior to recycling the materials. Through these methods, the Manchester plant will continue offering the quality products that customers expect, while simultaneously reducing the amount of waste generated.



Etching plate with laminate coating

SITE SPOTLIGHT

**LUXFER GRAPHIC ARTS
MADISON, IL, U.S.A**

Waste Streaming



Designated recycling bins on site throughout the Madison, IL plant



Outdoor wood accumulation and staging area



Paper recycling bins and shredders throughout the plant

Luxfer Graphic Arts in Madison, IL introduced an on-site recycling and full waste streaming program in 2022. A cross-functional team dedicated to the plant's recycling efforts was established. The team identified numerous opportunities to reduce the amount of waste sent to landfill through various projects, resulting in cost savings for the plant. The team began by establishing dedicated waste accumulation and staging areas to increase recycling of general materials such as plastics, wood, and paper. Specialized waste areas for process materials such as magnesium, oil, and other metals were also established. The team conducted various trainings for employees and made each recycling area highly visible and identifiable through colored bins and signage. The Madison plants expects to recycle a total of approximately 104 U.S. tons by the end of 2022. Compared to 2021, these projections represent an 86% increase in the amount of waste recycled.

Net Material Yield

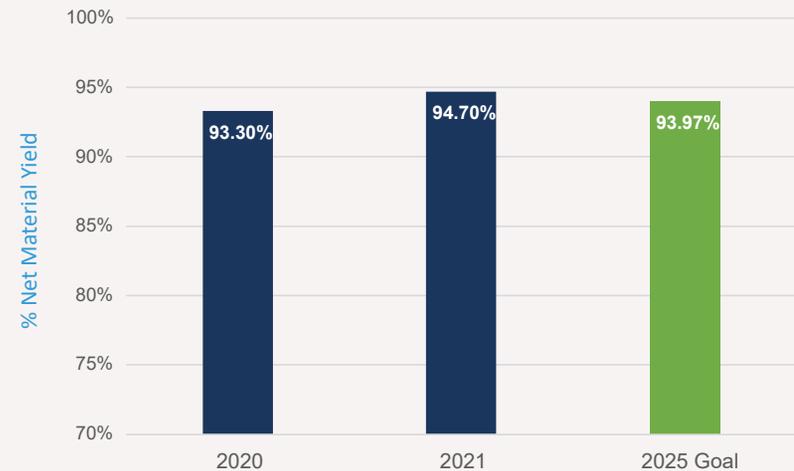


Luxfer remains committed to finding innovative solutions to protect the earth’s natural resources by minimizing material waste from our production processes. Accordingly, we committed to continuous improvement in our material efficiency by improving the net impact of scrap and material utilization by 10% by 2025 from our 2020 baseline.

A 10% improvement in material yield is measured against the failure rate (i.e., scrap rate) to establish our 2025 goal of a 6.03% scrap rate (or 93.97% material yield rate). With a 5.3% scrap rate in 2021, we have decreased our scrap rate by over 20% compared to the prior year (2020: 6.7%). We are pleased to report that we have achieved our 2025 material yield goal ahead of schedule in 2021.

Scrap metrics are tracked and reviewed regularly across the Company as part of the Lean Operations pillar of the Luxfer Business System. This metric is also evaluated during our Lean Cross-Audits, which take place at each Luxfer facility once annually. We will continue monitoring and disclosing material yield metrics to ensure that we can maintain this improvement and, if appropriate, announce a new material yield target in a future sustainability report.

NET MATERIAL YIELD (% OF MATERIAL UTILIZED) ¹¹



	2020	2021	2025 Goal
Net Material Yield (%)	93.30%	94.70%	93.97%
Scrap Rate (%)	6.70%	5.30%	6.03%

¹⁰ Figures exclude the following facilities; (i) discontinued aluminum operations in Riverside, California; (ii) Worcester, United Kingdom; (iii) Shanghai, China; and (iv) Pomona, California.

Social

Contents

Employees	32
Employee Well-Being	33
Growth and Talent Development	34
Engagement & Retention	35
Diverse & Supportive Workplaces	36
Occupational Health & Safety	38
Community	39
Supply Chain Responsibility	43
Third Party Code of Conduct	43
Supplier Assessments & Due Diligence	43
Conflict Minerals	44
Human Rights & Labor Practices	44

Employees



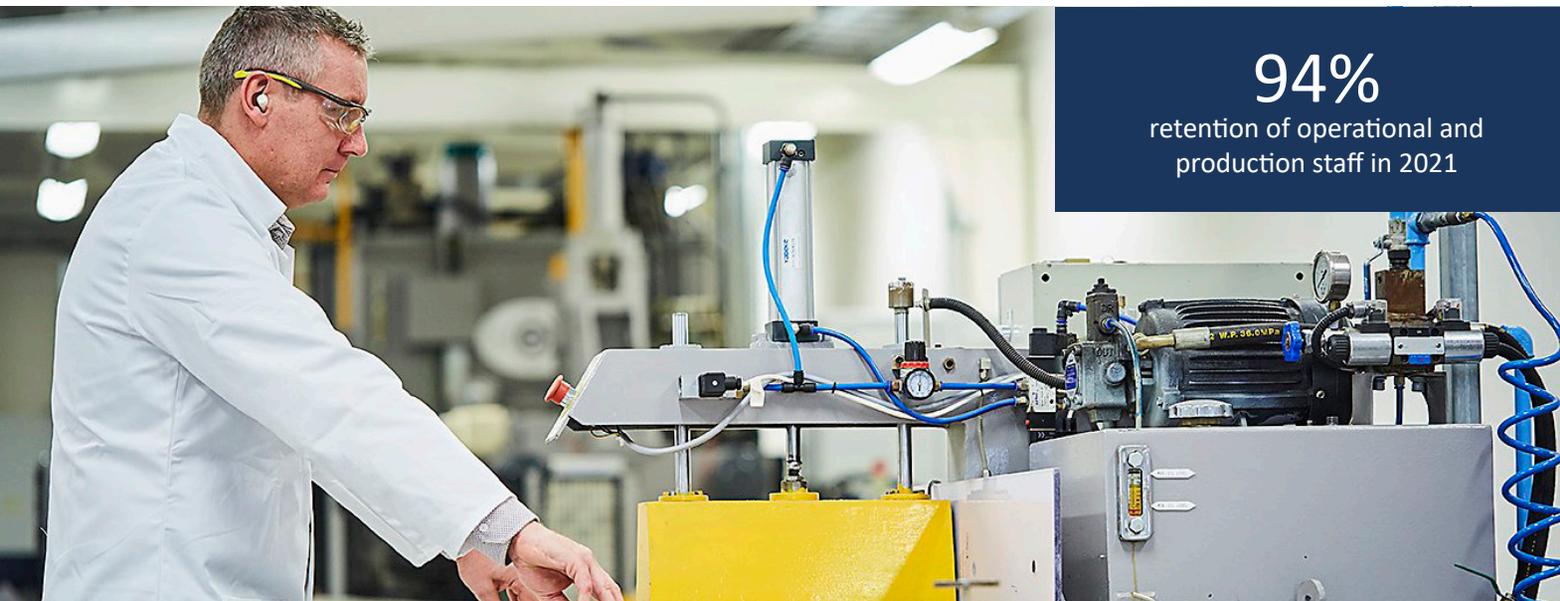
Luxfer Gas Cylinders, Riverside team celebrates pride month

Our social commitments begin with our employees. As a central part of everything we do, our sustainable growth depends on our employees. Luxfer remains dedicated to fostering a safe and healthy environment that allows all employees to excel professionally and personally.

To succeed in an ever-changing and competitive labor market, we have developed human capital management strategies, objectives, and measures that drive recruitment and retention, support business performance, advance innovation, foster employee development, and support our mission and values. Luxfer's approach to human capital management is focused on the following programs and initiatives: (i) supporting financial, health, and social well-being; (ii) creating opportunities for growth and talent development; (iii) promoting a diverse and supportive workplace; and (iv) ensuring occupational health and safety.

Our human capital management initiatives are informed by data. All Luxfer facilities collect and report key metrics related to employee retention, diversity, and safety. These metrics are reported to the members of our Executive Leadership Team and Board of Directors regularly, who play a key role in setting our strategy and driving accountability for meaningful progress. Human capital management initiatives are supported by local leadership, with significant functional oversight by our local human resource teams.

97%
retention of office and professional staff in 2021



94%
retention of operational and production staff in 2021

Employee Well-Being

Luxfer's workforce is one of our greatest sources of sustainable value. Our ability to deliver on our objectives and build lasting relationships with our customers depends on the capabilities, attraction, and retention of the talented individuals who come to work every day. As such, we continuously strive to offer competitive pay and benefits in an environment that fosters a work-life balance, job satisfaction, and increased recruitment and retention.

FAIR WAGES & COMPETITIVE BENEFITS

The Company's compensation philosophy aims to attract, retain, and motivate employees through its incentive and benefit programs. Our compensation packages are informed by market data, and are dependent on company and employee performance. Luxfer offers 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. Employees are offered paid time off, and full-time employees are eligible to participate in the Company's various pension and retirement savings plans. U.S. employees are eligible for a 401(k)-retirement savings contribution match and U.K. employees are offered retirement savings options through our pension schemes. We offer group medical, dental, vision, and life insurance plan options available to all regular full-time employees and eligible dependents. U.S. employees are also supported through family and medical care leave benefits, as required by the Family and Medical Leave Act and the California Family Rights Act. U.K. employees are eligible for maternity, paternity, and adoption leave in accordance with national and local regulations.

EMPLOYEE SHARE PLANS

Luxfer encourages employees to participate in the Company's U.S. Employee Stock Purchase Plan (ESPP) and U.K. Share Incentive Plan (SIP), which provide employees an opportunity to become Luxfer shareholders at a reduced price. Through convenient payroll deductions, U.S. employees can purchase Company stock at a 15% discount under the ESPP. Similarly, under the SIP, U.K. employees can purchase company stock through payroll deductions and, in turn, the Company grants participating employees one free share per every two shares purchased.

FITNESS AND WELLNESS PROGRAMS

Luxfer also provides fitness and wellness programs and healthy living incentives to our employees. We offer group medical, dental, and vision plans, along with life, disability, and paid family leave offerings which vary by jurisdiction. Luxfer is proud to offer several optional fitness and wellness programs, such as our Employee Healthy Lifestyle Program. Available to our U.S. employees, this program offers partial reimbursement for certain gym and fitness center memberships, weight loss programs, and group exercise classes. U.S. employees are also eligible to participate in a smoking cessation program through which employees who complete a 90-day program are rewarded with lowered insurance rates.



SITE SPOTLIGHT

**LUXFER MEL TECHNOLOGIES
MANCHESTER, ENGLAND**
**LUXFER GAS CYLINDERS
NOTTINGHAM, ENGLAND**

Growth & Talent Development

One of Luxfer's core values is Personal Development because we are only as strong as our employees who achieve, lead, and revolutionize our business. 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 and take advantage of career opportunities.

Employees are provided training, learning, and development opportunities at all levels of the Company. At the management level, our management and executive development program focuses on individual strengths and fosters technical skills and knowledge to create the next generation of well-rounded Luxfer leaders. With a multi-faceted curriculum, the Program provides critical problem-solving, business management, and leadership skills. At the workforce level, management teams work closely with employees to ensure they have the skills, knowledge, experience, and support necessary to accomplish their goals. Management utilizes a variety of tools to evaluate employee performance, including skills assessments, self-evaluations, and the achievement of personal objectives. Personal objectives - a list of goals the employee will strive to achieve - are set at the beginning of each year in the form of a balanced scorecard. Managers review employees' performance in relation to their objectives throughout the year. For eligible employees, annual bonuses are tied to the achievement of personal objectives. Moreover, setting personal objectives promotes employee involvement in the Company's overall strategy and improves engagement, thereby supporting Luxfer's growth and profitability.

To further support the personal development of our employees, Luxfer offers a company-wide online training and development platform designed to increase access to critical business, leadership, management, productivity, collaboration, and computer software skills. The platform provides access to over 180,000 courses, videos, books, and audio books on a variety of topics from world-class experts. The content is made to suit different learning styles; all one click away in the same user interface. Employees can access the content 24/7 on any desktop computer or mobile device, providing them with the opportunity to improve their performance anytime, anywhere.



Through apprenticeship programs at our U.K. sites, we are developing Luxfer's next generation of innovators

Luxfer's sites in Manchester and Nottingham England operate apprenticeship programs in partnership with local universities. Apprentices study university-level courses for a nationally recognized qualification while receiving paid on-the-job training at Luxfer in roles related to their future careers.

Apprentices are paired with a mentor, a full-time Luxfer employee, who works in their area of interest. Luxfer has adopted a system in which apprentices rotate to various engineering departments, providing them with exposure to different disciplines and skills. Our apprenticeship programs provide value to both Luxfer and the apprentices themselves, as many apprentices advance to full-time roles at the Company following graduation. This program is one way that we are working to develop the next generation of skilled innovators at Luxfer.

In November 2022, the Manchester site was honored with several Excellence Awards from STEGTA, a provider of engineering training in the greater Salford area. Two of our apprentices, Chloe Rimmer (pictured right) and Thomas Anslow (pictured middle) were awarded for their performance in electrical equipment and engineering maintenance, respectively. Lee Kania (pictured left), Luxfer's Project & Facilities Engineer, was awarded for outstanding mentoring support.

SITE SPOTLIGHT

Engagement & Retention



**LUXFER GAS CYLINDERS
RIVERSIDE, CA, U.S.A**



Luxfer Gas Cylinders, Riverside improved turnover rates by 14% using new engagement and retention techniques.

As technology becomes more advanced, so too do roles in manufacturing, and fewer people are choosing to pursue education and training in the industry as roles become increasingly technical and demanding. In order to increase retention, Luxfer is working proactively to better understand why an employee may leave before doing so, and is focusing on what would encourage them to stay.

In August 2022, Luxfer Gas Cylinders in Riverside, CA partnered with industry experts to further explore employee retention. It was discovered that new hires were statistically more likely to stay with the business if they remained employed for at least 60 days. Accordingly, an internal target was set, with the goal to retain 80% of all new hire operational employees for over 60 days.

Improving retention began by enhancing the candidate experience, and exploring firsthand what it feels like to be a candidate going through the new hire process. There was a need to provide candidates with a realistic, in-depth preview of the position for which they may be hired. Accordingly, the Riverside site created a video highlighting the work of operational employees and what their career will look like at Luxfer, which is available to view by following the link [here](#).

The Riverside plant is also focused on improving the experience of current employees via a process called

the Stay Interview. These simple yet meaningful discussions between current employees and their managers give insight into what the employee was learning, why they chose to stay with Luxfer, what factors would make them consider other employers, and what Luxfer's management can do to improve their daily work experience. The feedback from these sessions resulted in a series of action items that are intended to improve the work experience at Luxfer and result in stronger teamwork.

Additionally, the Riverside plant began hosting new-hire employee huddles weekly, involving new hires, recruitment staff, the local human resource department, and management. The huddles are used to identify and remove barriers in the new-hire experience, thereby encouraging retention. They serve as a forum for discussion on how new hires are adapting to the workplace and how Luxfer can resource solutions to address the challenges they may be facing.

This model is being piloted at the Riverside plant and has yielded positive results. As of November 2022, the site has retained 90% of employees within their first 60 days and has seen an overall improvement of approximately 14% in turnover rates. As Riverside proceeds with the Stay Interviews, their goal is to decrease turnover by 25% by mid-year 2023. The team is excited to continue this work and share best practices with other Luxfer facilities around the world.

Diverse & Supportive Workplaces

The professional conduct of our employees furthers the Company’s mission, promotes productivity, minimizes disputes, and enhances our reputation. As such, Luxfer is committed to creating and maintaining a work environment in which people are treated with dignity, decency, and respect. Pursuant to our [Equal Opportunity, Non-Discrimination, and Anti-Harassment Policy](#) and our [Human Rights and Labor Practices Policy](#), the work environment at Luxfer is characterized by mutual trust and the absence of intimidation, oppression, and exploitation and operates free of discrimination or harassment.

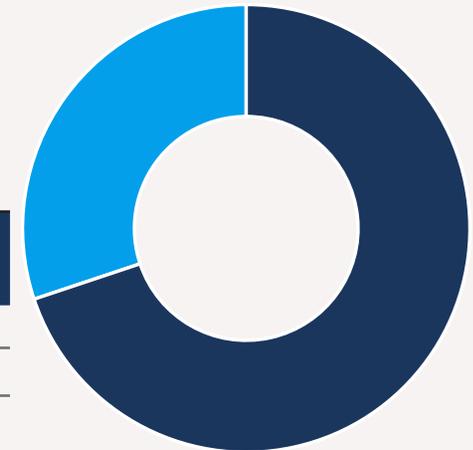
Luxfer’s diversity initiatives include, but are not limited to, practices and policies on recruitment and selection, including targeted sourcing of personnel from diverse backgrounds; compensation and benefits; professional development and training; advancement opportunities; and the ongoing development of a diverse and inclusive work environment. To ensure effective teamwork and achievement of common business goals, all Luxfer personnel are required to complete a variety of anti-harassment, non-discrimination, diversity, 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. Further, Luxfer monitors the composition of its current workforce for diversity, age, and gender demographics. We are continuously working to improve the quality of this data to ensure that a diverse and talented workforce is maintained and to enhance employment and recruitment practices to provide the most inclusive work environment possible.

2021 WORKFORCE BY GENDER ¹² (GLOBAL)

70%
Male

30%
Female

	2021	
	Male	Female
Directors	5	2
Senior Managers	34	10
Employees	926	404



2021 WORKFORCE BY ETHNICITY ¹³ (U.S. ONLY)

42%
White (Not Hispanic or Latino)

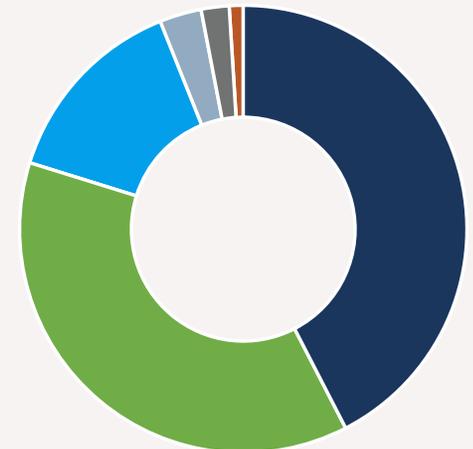
1%
Native Hawaiian or Pacific Islander

15%
African American

3%
Asian

37%
Hispanic or Latino

2%
Two or More Races



¹² 2021 Workforce by Gender is based on currently available self-reported data covering 100% of Luxfer employees worldwide as of December 31, 2021.

¹³ 2021 Workforce by Ethnicity is based on currently available self-reported data in the U.S. and excludes data from the following Luxfer facilities: (i) Manchester, England; (ii) Nottingham, England; (iii) Calgary, Canada; and (iv) Shanghai, China.

SITE SPOTLIGHT

Diversity in Engineering



**LUXFER MAGTECH
CINCINNATI, OH, U.S.A**



Engineering Co-Op Leah Gebara (right) and Laney Sage (left) stand behind the machine they designed and built at the Cincinnati site.

Embracing diverse perspectives by supporting women in engineering

Cincinnati, Ohio is home to the University of Cincinnati, which operates an innovative engineering program. Engineering students spend six months of the year in the classroom, and six months working as a co-op for businesses in Cincinnati and around the U.S. Participating in the program gives co-ops an opportunity to determine where they want to work following graduation with hands-on training and experience. Luxfer Magtech in Cincinnati, OH was excited to participate in the program, and hired Leah Gebara in August of 2020 as an engineering Co-Op.

During her time at the Cincinnati plant, Leah was often referred to as the “Swiss army knife” as she was enthusiastic to work on a variety of tasks and projects. She developed a complete process flow chart for our most complicated chemical kit and composed work instructions for various operations. She also developed reference binders for various machines in other areas of operations, documenting all programming commands for the machines.

During her last semester, Leah and her fellow classmate Laney Sage challenged themselves to modify a specific piece of machinery to make it suitable to withstand certain materials used in our products. Luxfer’s engineering department was impressed with the co-op team’s final concept, prototype, and their ambition in developing a complete machine that will suit our purposes. The co-op team fabricated and assembled their machine at the Cincinnati facility with support from Luxfer’s internal engineering, maintenance, and materials resource teams. Leah’s work on this machine served as her senior project in April 2022.

Supporting Leah’s growth and maturity through this process was rewarding for the Cincinnati team, and they are proud to support more women in engineering through the co-op program in the future.

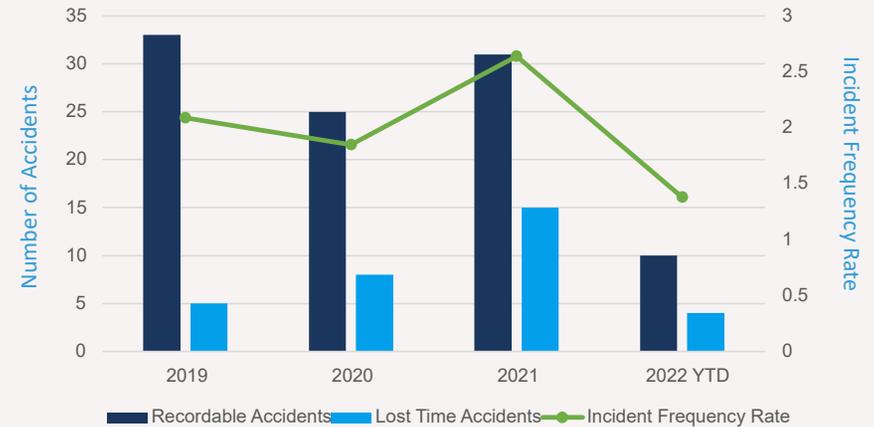
Occupational Health & Safety

The occupational health and safety of employees is fundamental to delivering sustainable economic performance. Luxfer has well-defined health and safety policies and procedures, as well as ongoing employee training, as part of our commitment to being an industry leader in safety. Gap analyses are regularly conducted and safety goals and objectives for all locations are developed. As part of the Company’s enterprise-wide risk management system, these objectives are monitored, and performance related to them is regularly reviewed.

Employees are encouraged to submit suggestions, ideas, and observations about safety hazards. These suggestions are incorporated into a “safety moment” at the beginning of each meeting to increase awareness and reinforce positive safety behavior. Additional efforts include monthly safety meetings with employees, annual safety cross-audits, and the inclusion of safety initiatives as part of select employees’ incentive plans.

Luxfer utilizes a mixture of leading and lagging indicators to assess the health and safety performance of its operations. Leading indicators include reporting and closure of all near miss events and safety concerns identified. Lagging indicators include the recordable Incident Frequency Rate (IFR), which is defined by the U.S. Occupational Safety and Health Administration (OSHA) as the number of work-related injuries per 100 full-time workers during a one-year period. These safety measures are integrated into the performance evaluations of certain management members and executives and are reported to the Board at least quarterly.

SAFETY TRENDS



	2019	2020	2021 ¹⁴	2022 YTD ¹⁵
Recordable Accidents	33	25	31	10
Lost Time Accidents	5	8	15	4
Incident Frequency Rate	2.09	1.85	2.64	1.38

¹⁴ 2021 safety data excludes the following facilities: (i) Niagara, Canada; (ii) Aluminum Operations in Riverside, CA, U.S.A.; (iii) Graham, NC; (iv) Aluminum Operations in Worcester, U.K.; and (v) Shanghai, China. Data from our facility in Pomona, CA is included beginning April 2021.

¹⁵ Through September 2022.

Community



Luxfer Gas Cylinders employee in Calgary, Canada volunteer at a Grow Calgary event

Social responsibility and serving as an active member in our communities is an integral part of our business. We recognize that we are in a position to help our communities by engaging locally and investing our time, skills, and experience to make a difference in the world. Luxfer and its individual locations support a wide variety of local organizations and charitable events through volunteer hours and monetary contributions, working at the local level to address prevalent social issues in the communities in which we operate.

Community activities, donations, and employee engagement in volunteering are consistently encouraged and sponsored by our Executive Leadership Team. We encourage all our employees to participate in

volunteer activities through our Company-wide Volunteer Time Off (VTO) Program. Through the VTO Program, employees can volunteer one working day per calendar year toward a non-profit or charitable organization of their choice. The time spent volunteering is considered paid time off. Beginning in 2021, all Luxfer sites report on their community engagement efforts on our internal ESG Scorecard. Key metrics, including monetary donations and the number of hours of charitable work, are recorded by each site and reviewed with the CEO and local leadership twice annually.

Community engagement is a cornerstone of Luxfer’s sustainability efforts. We are always seeking opportunities to do more and look forward to building on our charitable efforts in the coming years.



SITE SPOTLIGHT

Partnering for Housing



**LUXFER GAS CYLINDERS
RIVERSIDE, CA, U.S.A**



Luxfer Gas Cylinders, Riverside partners with Habitat for Humanity to give everyone a place to call home

Some of the highest populations of homeless in Riverside County are found in the City of Riverside. This population grew by 5% between 2019 and 2020. Situated between two homeless shelters, Luxfer Gas Cylinders in Riverside, CA launched an initiative to make a positive impact on the local homeless community. In partnership with Habitat for Humanity, the Riverside plant began work on the Mulberry Ave Project, which aims to build 10 cottages for transitional homeless families. This temporary shelter will also serve as a connection to other community resources, such as case management and supportive services, as those families work to secure more permanent housing.

Beginning in December 2021, a team of seven Luxfer employees painted the exterior trim on the cottages. They also took time to learn about the unique needs of the temporary residents who will live there as they seek a better life for themselves. Moved by the spirit and purpose of the project, a second group of Luxfer employees was mobilized in March 2022. In celebration of International

Women's Day, a group of eight women from Luxfer returned to continue construction on the Mulberry Ave homes. Women from all disciplines within the Company, including accounting, IT, purchasing, human resources, and engineering volunteered to dig ditches, paint, and install electrical boxes alongside the Habitat for Humanity Team.

In June 2022, a small but mighty team of three Luxfer employees returned to the site to provide support with installing siding on the cottages. By July, significant progress had been made on the cottages, and another team of seven operational employees from Luxfer returned to the site to put the finishing touches on the exterior by painting and sealing the trim.

The teams from Luxfer Riverside working side-by-side with Habitat for Humanity, professional builders, and other volunteers demonstrates what it means to be part of a community. The Riverside team looks forward to participating in similar projects in the future.

SITE SPOTLIGHT

Giving Back...


**LUXFER MEL TECHNOLOGIES
FLEMINGTON, NJ, U.S.A**


Luxfer MEL Technologies in Flemington, NJ volunteered time to support Grow-A-Row, a local charitable organization whose mission is to provide fresh produce to residents in food scarce areas across New Jersey and eastern Pennsylvania.

With support from local partnerships and volunteers, Grow-A-Row harvests produce grown on their own farms and other local partner farms. The produce is cleaned, packed, and delivered every other week throughout the season (mid-July through October) to residents in these areas free of charge.

Volunteers from the Flemington site spent the morning cutting potatoes in preparation for replanting and harvesting. The Flemington team cut 50 bags of potatoes, each of which will yield 1,000 pounds of potatoes after harvesting, for a grand total of 50,000 pounds of potatoes. This amount translates to 200,000 servings that the volunteers from Flemington helped produce for the local community.


**LUXFER MEL TECHNOLOGIES
SAXONBURG, PA, U.S.A**


Luxfer MEL Technologies in Saxonburg, PA organized a community service day for its employees in summer 2022, where participants helped distribute food at their local food bank. Several colleagues from the Saxonburg site spent the day sorting and handing out food donations.

For millions of children across the U.S., summertime is often the hungriest season of the year, as they lose access to meals served at school. The pandemic exacerbated this issue, increasing food scarcity among families who already faced this issue. Because many food pantries rely heavily on volunteers, the Saxonburg site was pleased to have given their time to a worthy cause.


**LUXFER MEL TECHNOLOGIES
MANCHESTER, ENGLAND**


Several colleagues from the Luxfer MEL Technologies plant in Manchester, England supported the 5th Wilmslow Scout Group's 'Chamboree Cub Challenge,' which works to build awareness for and promote science, technology, engineering, and mathematics (STEM) activities for children. Participants were challenged to use teamwork and innovation to design, build, and race a moon buggy. Luxfer staff supported the event with their time and a monetary donation. Similarly, Emiliana Dvininov, Head of Zirconium Research & Development at LMT, supported the Industrial Cadets Gold and Bronze Project Awards in 2022, for which the Manchester site sponsored the Best STEM Solution Award.

A second group of volunteers from the Manchester site donated their time to Ski Rossendale, a non-profit charity organization whose mission is to promote health and wellbeing to the local public, schools, clubs, and special needs groups. The Manchester team was tasked with making the venue more attractive and welcoming to guests. They spent the day painting fences to give the property a fresh new look. Sarah Greenwood, Senior Analytical Chemist at Luxfer, spearheaded the initiative and was assisted by four of her colleagues on the day.

SITE SPOTLIGHT

...To Those Who Need It


**LUXFER GRAPHIC ARTS
MADISON, IL, U.S.A**


In 2021, Luxfer Graphic Arts in Madison, IL donated their time painting murals at a local pet resource center located in the heart of east St. Louis. Gateway Pet Guardians is leading the animal welfare industry by investing in people and communities to end the cycle of animal homelessness. On the day, colleagues from the Madison plant worked together to create a fun mural on the walls of the outdoor play area for dogs. The event was also an opportunity to speak with other volunteers, learn more about other ways to volunteer at the facility, and interact with the adoptable pets.

Following this event, the Madison plant has continued to encourage additional volunteer events through Luxfer's VTO Program. An increased number of employees utilized the program to volunteer at local charitable events and organizations, including schools, fire departments, and student camps.


**LUXFER MEL TECHNOLOGIES
TAMAQUA, PA, U.S.A**


Volunteers from Luxfer MEL Technologies site in Tamaqua, PA are set to participate in the Wreaths Across America event in December 2022. Wreaths Across America works to support active military and veterans by remembering the fallen, honoring those who served, and teaching children the value of freedom. The team from the Tamaqua site will honor the veterans buried at Sky-View Memorial Park by laying a total of 3,545 Remembrance Wreaths on each of the graves of the veterans laid to rest here. Wreaths Across America and other event volunteers will further honor these veterans by providing information about them in a formal ceremony to ensure their memory will live on.

The Tamaqua plant supplies products to support the U.S. Armed Forces that safeguard and protect our U.S. communities. By honoring past, present, and future service men and women, this event showcases Tamaqua's dedication to their communities, their products, and those who use them.


**LUXFER GRAPHIC ARTS
MANCHESTER, ENGLAND**


Luxfer Graphic Arts in Manchester, England became involved with the Christie Cancer Hospital when a relative of a colleague was diagnosed with a rare form of cancer. Based in Manchester, the Christie Cancer Hospital is the largest single-site cancer center in Europe, with many young adults and children receiving treatment each year. The Manchester team thought about what they might do to help.

After consulting with the hospital, the Manchester team donated easter eggs to the young patients in an effort to raise their spirits and encourage a greater sense of community. In total, the Manchester team donated over 100 easter eggs to the hospital. They intend to repeat this gesture on an annual basis going forward.

Supply Chain Responsibility



Third-Party Code of Conduct

To ensure that our partners conduct business with a high degree of integrity and in a socially and environmentally responsible manner, all third parties with whom we do business (including suppliers, distributors, contractors, agents, service providers, and customers) are expected to adhere to our [Third Party Code of Conduct](#). Based on our own Code of Ethics and Business Conduct, the Third Party Code of Conduct applies to all third parties worldwide. Under the Code, third parties are expected to respect, acknowledge, uphold, and comply with the following key themes and extend these standards to their supply chain:

- Working conditions;
- Employee health and safety;
- Prohibition of child labor, forced labor, and human trafficking;
- Business ethics, anti-corruption, and anti-bribery;
- Data privacy;
- Environmental responsibility;
- Conflict-free mineral sourcing; and
- Product and service quality.

Beginning in late 2021, the establishment of new commercial contracts and the continuation of existing commercial arrangements with Luxfer require certain suppliers and vendors to sign and return an acknowledgment form as a means to verify compliance with the Third Party Code of Conduct. To ensure ongoing compliance, Luxfer requests that third parties renew their signature on the form once every three years. Presently, attestation to the Third Party Code of Conduct applies only to vendors and suppliers who do \$50,000 or greater in business with Luxfer annually. In 2022, we will continue to implement the appropriate internal processes to ensure that all Third-Party Representatives have certified Luxfer's Third Party Code of Conduct. This metric is tracked quarterly by each Luxfer location on our internal ESG Scorecard and is reviewed twice annually with the CEO and senior management. We look forward to further refining our internal processes so that we may extend this requirement to 100% of our supply chain in the future.

Supplier Assessments & Due Diligence

Although Luxfer sources a significant portion of our raw materials from European and North American suppliers, it is understood that some goods and services we purchase, and the countries from which they are sourced, may carry greater risks. As such, Luxfer operates a supplier selection process and has considerable knowledge and understanding of our major suppliers with whom we have close and long-standing business relationships. Our purchasing department teams are regularly trained on the supplier standards covering human rights, labor requirements, and working conditions. These objectives are integrated into our buyers' performance reviews to incentivize the identification of risks in our supply chain.

Examinations of new and existing vendors and suppliers are conducted regularly. We utilize several methods to ensure that our standards are met, including supplier risk assessments. Through this approach, supplier assessments are conducted based on multiple factors (e.g., risk profile, engagement and activity, geography). These assessments evaluate the supplier's ability to meet both our internal and industry standards for quality, safety, and reliability. Results are reviewed with local management regularly.

Pursuant to our Third Party Code of Conduct, suppliers are required to allow representatives from Luxfer and, if requested, Luxfer's customers full access to their production facilities, records, and workers for confidential interviews. We use appropriate due diligence procedures to vet our vendors prior to entering into any business arrangements and reject those who do not fulfill our requirements or meet our standards.

Conflict Minerals

Rule 13p-1 of the Securities Exchange Act of 1934 requires companies to file a specialized disclosure report if it manufactures or contracts to manufacture products containing certain minerals. Luxfer takes seriously its reporting responsibilities under this rule and the Dodd-Frank Wall Street Reform and Consumer Protection Act, as well as our due diligence requirements under the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas. We understand that (i) these minerals have been linked with human rights violations in the Democratic Republic of Congo and other conflict zones and (ii) there is a risk that these minerals may enter our supply chain.

To fulfill our due diligence requirements for tracing and sourcing, Luxfer's Third Party Code of Conduct contains standards regarding conflict-free mineral sourcing. Third-Party Representatives must establish management policies and procedures to actively trace the materials they use to ensure that such materials do not contain conflict minerals. Additionally, Luxfer regularly requires declarations from its Third-Party Representatives, verifying that materials supplied to Luxfer are from conflict-free sources. Such declarations also list mineral sources for traceability (including supplier, mine name, and location). Moreover, Luxfer undertakes a formal review of all products at least once annually. If it is determined that any materials used to manufacture Luxfer products contain quantities of 3TG and/or materials containing 3TG, Luxfer requires its suppliers to complete, in good faith, conflict mineral-related questionnaires inquiring about the material's country of origin and the country of origin of any materials recycled from scrap sources. Had any of our suppliers been non-responsive to the questionnaire or indicate that the material originated from a covered country, Luxfer has the appropriate procedures in place to cease doing business with such suppliers and notify affected parties immediately.

Our disclosure on conflict minerals is published once annually and can be found on our website at: <https://www.luxfer.com/investors/sec-filings/>.

Human Rights & Labor Practices

Luxfer remains committed to upholding the fundamental human rights of all workers throughout our operations and value chain. Our [Human Rights and Labor Practices Policy](#) embraces the key principles set forth in various guiding international declarations, covenants, and guidelines, including:

- UN Guiding Principles for Business and Human Rights;
- International Bill of Rights (consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social, and Cultural Rights);
- OECD Guidelines for Multinational Enterprises; and
- ILO Declaration on Fundamental Principles and Rights at Work.

Our Human Rights and Labor Practices Policy should be read together with Luxfer's [Code of Ethics and Business Conduct](#); [Equal Opportunity, Non-Discrimination, and Anti-Harassment Policy](#); and our [Third Party Code of Conduct](#). The underlying principles described in these policies require compliance with applicable laws and respect for internationally recognized human rights in all global operations. All Policies apply to the entire Luxfer organization and those with whom we conduct business, including our partners, suppliers, and vendors.

To ensure compliance with these standards and policies, all employees undergo annual training on a variety of topics, including our Code of Ethics and Business Conduct, Human Rights and Labor Practices Policy, health and safety, and identifying human trafficking, among others. Beginning in 2021, all employees are required to provide an annual written acknowledgment that they have read, understand, and agree to comply with each policy. Completion of trainings and certifications are tracked by the Company.



Governance

Contents

Our Board of Directors	46
Responsibilities	47
Integrity, Ethics, & Compliance	48
Key Policies	48
Compliance Training & Education	49
Raising Concerns	49
Sustainability Risks	50
Oversight & Management	51
Enterprise Risk Management	52
Climate-Related Risks	53
Cybersecurity	54
Oversight & Management	55
IT Policies & Incident Response	56
Training & Compliance	56
Stakeholder Engagement	58

Our Board of Directors



Complete profiles for our Directors can be found on our website at:
<https://www.luxfer.com/investors/governance/director-profiles/>



ANDY BUTCHER
Chief Executive Officer



PATRICK MULLEN
Board Chair



CLIVE SNOWDON
Non-Executive Director



RICHARD HIPPLE
Non-Executive Director



LISA TRIMBERGER
Non-Executive Director



SYLVIA A. STEIN
Non-Executive Director

Responsibilities



Oversight

Luxfer's Board of Directors is responsible for overseeing the Company's long-term business strategy, which includes, among other things, the Company's approach to sustainability matters. Our Board considers our systems of risk management, governance and ethics policies and practices, and how we advance environmental sustainability, health, safety, and community engagement in our business and operations. The Board's responsibility for oversight of Luxfer's sustainability strategy and initiatives demonstrate its importance to Luxfer's long-term business strategy and objectives.

Strategy

Luxfer's Board of Directors considers the views of all our stakeholders including our customers, employees, communities, and shareholders. The Board fulfills this role by providing oversight of Luxfer's long-term business strategy, which includes, among other matters, our approach to sustainability and sustainability-related risks. Working with Luxfer's management team, our Board engages in an in-depth strategic review of Luxfer's outlook and strategies at least once per year to consider specific issues relevant to the overall conduct of our business, including financial performance, emerging challenges and opportunities, enterprise risks, safety, sustainability, culture, mergers & acquisitions, and other strategic matters.

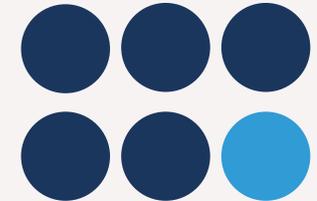
Risk Management

Luxfer's Directors oversee the management of risks relevant to the Company as part of regular Board and Committee meetings. While the full Board maintains overall responsibility for the oversight of business risks, certain risks, including sustainability-related risks, are delegated to the appropriate Board Committee with the skills and experience to oversee them. The Board is comprised of the following Committees, which meet regularly throughout the year: Audit, Nominating and Governance, and Remuneration. The Chair of each Committee provides updates to the full Board on the activities within their respective Committee's remit.

INDEPENDENCE

5 of 6 Directors

are independent



Andy Butcher (CEO)

DIVERSITY

33% Diverse

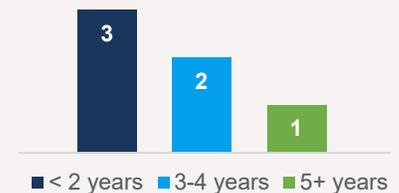
2 of 6 directors are ethnically and/or gender diverse



TENURE

3 Years

average Director tenure



Integrity, Ethics, & Compliance



Key Policies

We recognize that our ongoing responsibility to ethics and compliance helps us earn and retain the trust and business of our customers, employees, investors, and all other stakeholders, while fostering a transparent and honest culture that reflects our core values. Integral to our success is the commitment of our employees to uphold our values and conduct business in an honest and ethical manner. Through strong policies and regular compliance training, we actively identify and mitigate risks related to violations of company policy, regulatory requirements, and laws. Our [Corporate Governance Guidelines](#), [Articles of Association](#), [Charters of the Board Committee](#), [Reservation of Powers](#), and our [Code of Ethics and Business Conduct](#) provide the framework for the governance of the Company and are available on our website. These key policies are reviewed, updated, and approved by the Board once annually

CORPORATE GOVERNANCE GUIDELINES

The intent of Luxfer's Board of Directors is that the Board itself will be a high-performing organization that actively works to create shareholder value and competitive advantage for the Company. Our [Corporate Governance Guidelines](#) promotes the effective functioning

of the Board and assists the Board and its Committees in defining and fulfilling their responsibilities. It also describes principles and best practices that the Board has committed to follow in order to (i) ensure that the Company is run ethically, responsibly, and with transparency and (ii) support the Company's core objectives, mission and values.

Specifically, such responsibilities include: (ii) reviewing, approving, and overseeing performance in accordance with the long-term business, financial, and growth strategies of the Company; (iii) evaluating performance and management's progress in delivering on its strategic objectives for long-term shareholder value; (iv) overseeing the Company's enterprise-wide risk management approach, including overseeing policies, procedures, and practices for managing its exposure to risk; (v) evaluating the performance of, and approving the compensation applicable to, the CEO and other senior executives; (vi) overseeing and reviewing Director and executive succession planning, talent development, and human capital management; (vii) monitoring and encouraging a culture of ethical behavior and compliance with laws, regulations, and corporate policies; and (viii) overseeing strategy and key initiatives, practices, and policies related to ESG. Specific powers and matters upon which the Board has reserved decision-making authority are set forth in the Board's Reservation of Powers.

CODE OF ETHICS & BUSINESS CONDUCT

Luxfer's [Code of Ethics and Business Conduct](#) is designed to guide the behaviors and decision making of our Board of Directors, Executive Officers, employees, and anyone conducting business on Luxfer's behalf. It provides a guide to appropriate business conduct and prohibits unethical behavior, such as conflicts of interest, kickbacks or bribery, and mandates compliance with the laws of the countries in which we do business. Compliance with the Code is a condition of employment and doing business with Luxfer. Luxfer's Code is publicly available on our website. The Board reviews and approves of the Code of Conduct once annually, incorporating any best practices and developments in corporate governance if applicable. All Luxfer employees are required to participate in annual training on principles contained in the Code of Conduct.

ANTI-CORRUPTION & ANTI-BRIBERY

Luxfer is committed to preventing corruption and bribery in all its forms. Our [Anti-Corruption Policy](#) requires compliance with all applicable anti-bribery laws, including the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, and local laws where Luxfer conducts business. This requirement applies to all parties doing business for or with Luxfer. The Policy sets forth the Company's principles and procedures relating to situations presenting corruption or bribery issues. Anti-bribery and corruption training is required annually for all non-production employees, and more thorough trainings are provided to employees in high-risk roles, such as sales, internal audit, finance, marketing, legal, and export/import.

Compliance Training & Education

All Luxfer employees are required to participate in annual compliance training on Luxfer’s policies related to ethics, integrity, our Code of Ethics and Business Conduct, and other compliance topics. They are also required to provide written acknowledgment that they have read, understand, and agree to comply with each policy.

Our compliance training utilizes a combination of in-person and online learning including leadership-sponsored staff meetings and site-level trainings. Our online compliance trainings are assigned to employees based on their role and area of responsibility within the Company, with a number of courses considered mandatory, including those related to ethics, compliance, and integrity. Examples of recent training modules include:

- Global Business Ethics
- Integrity in the Workplace
- Global Conflicts of Interest
- Insider Dealing
- Anti-Bribery & Corruption
- Anti-Trust and Foreign Corrupt Practices Act
- Promoting Diversity and Avoiding Discrimination
- Global Privacy and Information Security

Legal & Compliance Scorecard

In an effort to assess the Company’s ethics and compliance performance, Luxfer maintains a Compliance & Legal Scorecard covering our all manufacturing locations and corporate functions. Managed by Luxfer’s General Counsel, the Scorecard considers key data sources, including the percentage of completed compliance trainings; whistleblowing or other compliance hotline reports; lawsuits and government actions; supplier compliance with Luxfer’s Third Party Code of Conduct; and corporate policy management and attestations from employees. Luxfer’s General Counsel tracks Scorecard progress and reports results to the Board’s Nominating and Governance Committee on a quarterly basis.

Raising Concerns

Luxfer encourages employees, former employees, candidates, and parties with whom Luxfer has a business relationship to report any behavior by or within Luxfer that is or is reasonably believed to be unethical, illegal, or contrary to Luxfer’s Code of Ethics and Business Conduct. Luxfer highly encourages reporting of any wrongdoing regarding business ethics or human rights concerns through our whistleblowing hotline at +1-866-901-3295 or online at www.safecall.co.uk/report. Operated by an independent third party, our whistleblowing hotline offers a means to anonymously report concerns 24/7 with multi-lingual support for reporters in over 170 languages.

Reports through the hotline will be reviewed by Luxfer’s General Counsel to determine whether it pertains to an accounting violation or some other violation. Disclosures relating to an accounting violation will be forwarded to the Chair of the Audit Committee. Disclosures relating to any other violation will be forwarded to the Chair of the Company’s Nominating and Governance Committee. The Chair of the appropriate Committee will delegate investigations to the General Counsel, internal audit function, or other person(s) deemed appropriate by the Chair. The outcome of such investigation will be discussed by the Committee at its next regularly scheduled meeting or as needed. The person(s) investigating the report will update the appropriate Board Committee all findings of fact, conclusions, and proposed recommendations for remedial actions, if any. Confidentiality will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review. For concerns that are substantiated, disciplinary actions may be taken including, but not limited to, warnings, suspension, termination, and referring the matter to governmental authorities when necessary.

As stated in our [Whistleblowing Policy](#), retaliation against anyone who raises a concern in good faith or cooperates in an investigation is strictly prohibited. Should claims of retaliation be identified, the investigation team will pursue appropriate action, including disciplinary action, including, without limitation, termination of employment.



Sustainability Risks

The climate emergency poses a threat to humanity. Chronic and acute physical climate risks continue to worsen, with severe weather events and rising temperatures on the horizon or, in some places, already commonplace. With that being said, regulatory pressures and market shifts are driving heightened transition risk with investors demanding more transparency. On the other hand, new opportunities are emerging and the demand for clean energy solutions has never been stronger.

As a manufacturing company with a diverse portfolio of products and a global operational footprint, Luxfer is exposed to climate-related physical and transition risks. These risks could materially impact our performance and longer-term resilience in the form of loss of production, increased operating costs, supply chain interruptions, and reputational damage, among others. Our physical ability to operate could also be impacted, and the safety of our employees be put at risk. With the window to combat climate change closing, it is appropriate to factor climate-related risk considerations into our business decisions.

In 2020, Luxfer’s sustainability journey started with data collection, setting our 2025 Environmental Goals, and increased transparency through sustainability reports. These actions represent our first steps towards reducing our environmental footprint and aligning with widely accepted sustainability reporting frameworks. Sustainability risk and opportunity analysis is a developing discipline, and its application to industrial manufacturing is continually maturing. Luxfer views assessment of climate risks and opportunities as an ongoing process. As models, regulations, and our understanding of climate impacts continue to evolve, Luxfer will update our process for assessing climate risks and opportunities as appropriate.

Luxfer is committed to discovering and preparing for all potential climate risks to assure our long-term success. We acknowledge that gaps remain in our complete alignment to the Task Force on Climate Related Financial Disclosures (TCFD), and we are dedicated to addressing those gaps. In the interest of transparency, the following sections represent a preliminary discussion on the potential climate risks facing Luxfer.



Oversight & Management

THE BOARD'S ROLE

As part of its role in risk oversight, Luxfer's Board of Directors acknowledge the need to consider all ESG-related risks, including climate risks, in their decision making, and are committed to providing the appropriate level of oversight to ensure we are able to manage the potential impacts of ESG risks on our business. In general, the Board is responsible for overseeing the management of ESG risks, the Company's overall sustainability strategy, and monitoring progress against targets. Luxfer's Sustainability Sponsor and the CEO provide quarterly updates to the Board on our sustainability initiatives.

BOARD COMMITTEES' ROLE

The full Board delegates responsibility for specific sustainability matters across its Committees, considering the Committees' responsibilities, and the skills and experience of the Committees' members. All of Luxfer's Board Committees are comprised entirely of independent Non-Executive Directors in accordance with NYSE listing standards. The Committees may assign responsibility of a specific sustainability matter or related risk to the appropriate members of management. The Committee will provide oversight of management's actions to identify, access, mitigate, and remediate material ESG risks. The Committees provide updates to the full Board of Directors during each regular quarterly meeting or as needed.

Audit Committee

The Audit Committee is primarily responsible for assisting the full Board in its oversight responsibility related to the Company's financial statements, financial reporting processes and internal controls over financial reporting, engagement with the Company's independent auditor, and the performance of the Company's internal audit function. The Committee is also responsible for reviewing and discussing with management the Company's ESG-related reporting process, key climate-related metrics, applicable internal controls surrounding those metrics and disclosures and management's evaluation of such controls.

Nominating & Governance Committee

The Nominating and Governance Committee assists the full Board in fulfilling its responsibilities with respect to the oversight corporate governance and Board operations. The Committee is responsible for developing and recommending corporate governance principles applicable to the Board and the Company's employees, including those principles pertaining to the Company's broader ESG strategy. The Committee oversees compliance with policies and governance practices which form the Company's ESG strategy, regulations of the SEC, and rules of the NYSE, and requirements of any other applicable regulatory authority.

Remuneration Committee

The Remuneration Committee is primarily responsible for overseeing the Company's compensation programs. The Committee is also responsible for overseeing, and making recommendations to the full Board on, sustainability matters relevant to human capital management practices which form part of the Company's broader ESG strategy. Such matters may include gender pay equity, charitable contributions, diversity and equity, and talent retention as determined by the Committee from time to time.

MANAGEMENT'S ROLE

With direction from the Board and our CEO, the Executive Leadership Team and our Sustainability Sponsor maintain the vision, strategy, and operation of our sustainability initiatives. They have authority over Luxfer's sustainability initiatives within their respective business units and ensure that local teams are appropriately supported. Members of the ESG Steering Committee and local management are responsible for operationalizing and implementing sustainability action plans and projects at the site-level; day-to-day monitoring; and reporting progress and their impacts on the environment, our employees, and our communities.



Enterprise Risk Management

RISK IDENTIFICATION

Our Enterprise Risk Management (ERM) program is the Company's overall framework for identifying, assessing, monitoring, and mitigating the Company's most significant risks. A wide breadth of risks relevant to Luxfer are evaluated under our ERM program, including risks related to climate change and sustainability that could present financial, operational, or strategic risks. Luxfer's ERM applies standard risk management assessments, definitions, and terminology aligned with the Committee of Sponsoring Organizations (COSO) Enterprise Risk Management Framework to each of Luxfer's business units and corporate functions.

Key features of our ERM Program include our ERM Framework and our annual business risk assessments. The Risk Framework consists of a series of potential risks facing the business, including climate risks. The Risk Assessment is the process through which each risk contained in the ERM Framework is analyzed.

ROLES & RESPONSIBILITIES

Luxfer's Audit Committee is responsible for overseeing our annual ERM processes and ensuring it is carried out in the context of Luxfer's strategy and business objectives. Our risk appetite and risk tolerance are determined regularly in line with our company-wide Risk Management Policy.

Luxfer's Internal Audit Director is responsible for designing, implementing, and administering the Risk Framework and Assessment to the management of each business unit once annually. Our Internal Audit Director reports directly to the Audit Committee on progress and results of the annual ERM program.

Management teams are tasked with assessing each risk outlined in the Risk Framework and determining the materiality of each risk to their business unit and/or corporate function. They are also responsible for carrying out response plans related to certain risks that are determined to be material.

ASSESSING RISK SIGNIFICANCE

Our Risk Framework and Assessments are accompanied by an internal manual to ensure a consistent and methodical assessment of the risks to which the Company is exposed. The manual provides guidance to help quantify the materiality of each risk, including its timing, likelihood, magnitude, scope, and financial impact.

Each risk identified in the Risk Framework is reviewed by our Internal Audit team and management. Risks are prioritized based on their relative likelihood and magnitude of the range of expected financial impact. The Internal Audit team reviews and consolidates risk assessment results at the enterprise level, ensuring they reflect the combined impact of interrelated risks such that they would be managed effectively. Risks identified as "top risks" are reviewed annually with Luxfer's Executive Leadership Team, the Audit Committee, and the full Board of Directors.

MANAGING RISKS

After material risks are reviewed, our ERM program involves the development, recommendation, and implementation of response plans appropriate to each risk. Response plans are developed and recommended by regional risk management teams, and then reviewed and modified as necessary by Internal Audit. Once approved, the response plans are implemented under the oversight of management teams across the relevant locations or functions. Throughout the year, Internal Audit, with oversight from the Audit Committee, monitors the implementation and progress of response plans. Specifically, our Internal Audit Director oversees annual audits of risk response plans, including assurance that the plans are being followed, and assesses whether the response plan is delivering the intended risk reduction. Results from the audit are reported to the Audit Committee or full Board of Directors as appropriate.

Climate-Related Risks

Various climate-related physical and transition risks are, and have been, assessed under our Risk Framework and Assessments as part of our annual ERM processes. Such risks include extreme weather events and natural disasters, in addition to several transition risks, such as policy and regulatory changes, energy costs and reliability, and reputational risks. Beginning in late 2022, we performed a gap analysis to identify the relevant climate risks missing from our ERM processes. We utilized the recommendations of the TCFD as a key input with respect to its identification, assessment, and monitoring of climate risks. We identified several climate risks that were not included in our Risk Framework, such as changing precipitation patterns, shifting customer behavior, and the transition to lower-emissions operations. These risks were determined to be relevant to Luxfer and have since been included in our Risk Framework. The following chart describes the climate risks that we have identified as those that could potentially impact our profitability. These climate risks will be subject to a materiality assessment during the Risk Assessment review process in 2023. We look forward to providing a more in-depth discussion on material climate risks in future reports.

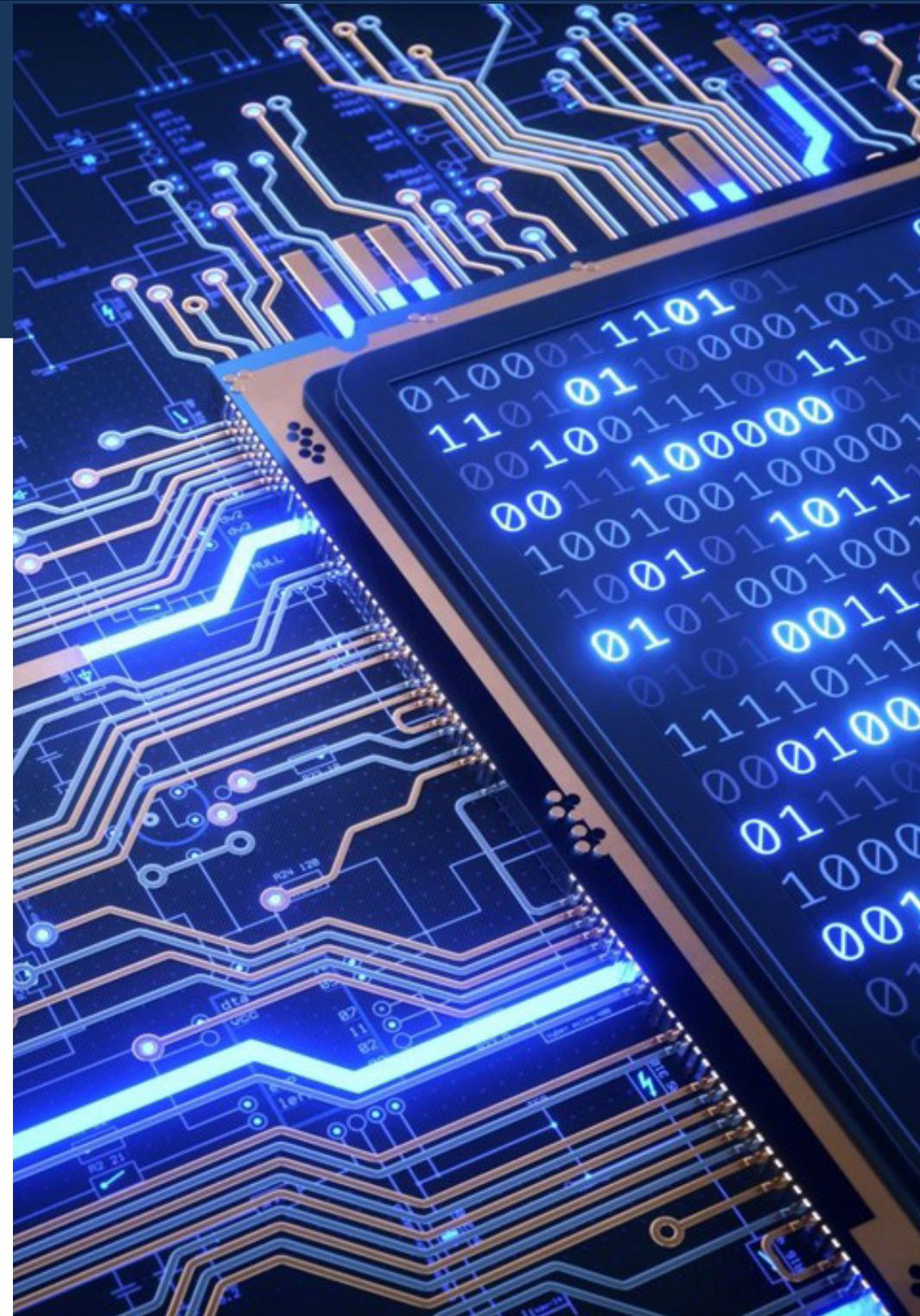
Risk Category	Risk Drivers	Description	Potential Impact
Physical Risks associated with increased frequency and severity of climate change-induced events	Extreme weather events or natural disasters	Increased severity of extreme weather events such as flooding, wildfires, and storms (including hurricanes, cyclones, and typhoons)	<ul style="list-style-type: none"> Loss of production due to damage to site or operational disruptions Supply chain interruptions Greater operating costs due to increased input prices and energy consumption
	Unpredictable climate patterns	Extreme variability in climate patterns leading to more high-heat and extreme-cold days	
	Changes in precipitation patterns	Rising mean temperatures due to climate change causing water shortages and drought	
Transition Risks associated with the shift towards a low-carbon economy	Policy and regulatory changes	Emerging climate-related regulations and legal requirements such as carbon taxes in the states and/or countries in which they operate	<ul style="list-style-type: none"> Penalties and fines as a result of failure to comply with legal requirements Greater production costs as a result of increased input prices for energy Reduced revenues from lower sales and output Reduced revenue as a result of decreased demand for some products Damage to the Company's reputation Increased costs for or inability to deploy new emissions-saving processes or equipment.
	Energy cost and reliability	Sudden or significant increases in electricity and/or fuel prices	
	Shifting customer behavior	Shifts in consumer preferences for low-carbon or sustainable products leading to lower demand for some products	
	Reputation	Reputational risks related to stakeholder's expectations for sustainability practices, disclosures, and performance	
Transition to lower emissions operations	Reducing emissions requires capital investments to adopt and deploy new processes and technologies, which may impact profitability		

Cybersecurity

As customer preferences and business-efficiency demands lead to a more connected and digitized world, cybersecurity and privacy risks have become critical business issues. Luxfer understands the systemic nature of cybersecurity threats to the safety and security of our Company, customers, and employees. As such, Luxfer is committed to safeguarding and protecting our information technology (IT) network, equipment, and systems against cybersecurity threats to ensure our future security and reduce risk.

Accordingly, we will continue to enhance ongoing governance, policies, and practices, particularly with respect to the following objectives:

- Ensure business continuity by protecting Luxfer's technology, data, intellectual property, and information assets;
- Increase cyber-resiliency and enhance controls for detecting and mitigating cybersecurity incidents;
- Safeguard the availability and reliability of Luxfer's network infrastructure, systems, and services;
- Ensure compliance with all applicable regulations and Luxfer policies, controls, standards and guidelines; and
- Comply with the confidentiality and privacy requirements of Luxfer's customers, vendors, and employees.



Oversight & Management

THE BOARD'S ROLE

As a part of its regular risk oversight, Luxfer's Board of Directors is responsible for overseeing cybersecurity, information security, and technology risk. The Audit Committee Chair has earned the Computer Emergency Readiness Team (CERT) Certificate in Cybersecurity Oversight. Additionally, three of Luxfer's Board members have information security experience. Luxfer's Senior Leadership provides regular reports on information security matters at least once quarterly to the Board, as it is their responsibility to oversee management's actions to identify, access, mitigate and remediate material risk.

MANAGEMENT'S ROLE

Luxfer's cybersecurity program is managed by our IT Steering Committee. Comprised of Group IT Managers and chaired by an executive leader, the IT Steering Committee maintains the vision, strategy and operation of Luxfer's cybersecurity program. Group IT Managers, who have operational responsibility for the actions of the Committee, ensure the effective implementation of the Company's IT policies. They also manage the local IT teams and ensure that they are appropriately supported. Local IT teams have the day-to-day responsibility for implementing and monitoring the operation of Company IT policies within their respective business units.

CYBERSECURITY RISK MANAGEMENT

We devote significant resources to network security, data encryption, employee training, monitoring of networks and systems, patching, maintenance and backup of systems and data. We also follow best practices for IT and data security as our IT controls are aligned with DFARS/NIST 800-171 IT Security Standard for US Government Contractors. Although there have been no cybersecurity incidents material to the Company to date, cyber-attacks are continually becoming more sophisticated, and our IT is still potentially vulnerable to threats and incidents in the future.

To assure long-term success, Luxfer is committed to discovering and preparing for all potential cybersecurity threats. We set out below certain mitigating actions that we believe help us manage our principal cybersecurity risks. Additional information about cybersecurity risks can be found on in our Annual Report on Form 10-K filed with the SEC.

Risk	Risk Description	Management of Risk
Network and Systems	Luxfer's operations are increasingly dependent on IT systems and management of information, and a cyber-attack could inhibit our business operations, including disruption to sales, production, and cash flows.	Luxfer has a wide breadth of controls in place to protect against cyber-attacks including firewalls, threat monitoring systems, protected cloud architecture, and more frequent security patching. We have phased out vulnerable operating systems and updated legacy servers with advanced security. Applications that run and manage our core operating data are fully backed up.
Employee Error or Misuse	As cyber-attacks and phishing scams are becoming more advanced, employees may fail to recognize the signs of a cyber-attack or rely solely on the Company's IT defenses.	We have global policies covering IT security standards, annual training modules for employees, and engage our employees with cybersecurity through email phishing simulations.
Third-Parties	In part, we depend on the reliability of certain tested third parties' cybersecurity measures, including firewalls, virus solutions and backup solutions. Our business may be affected if these third-party resources are compromised.	Our IT Steering Committee performs thorough due diligence and risk analyses on third party vendors, verifying that sufficient security testing is performed on all software before installation on Luxfer's network. The IT Steering Committee also monitors and reviews access and permissions to all software and programs regularly.
Regulations	We are required to comply with the UK General Data Protection Regulation (GDPR) relating to the security of personally identifiable information that we process. A data breach can result in non-compliance with the GDPR, leading to fines or litigation.	We make every effort to comply with the GDPR and implement best practices, including annual review of and training on our Data Protection Policy for employees; maintain secure networks, systems, and access control measures; and regularly monitor and test our networks to protect data, payment information, and personally identifiable information.

IT Policies & Incident Response

IT ACCEPTABLE USE POLICY

Our IT systems are intended to promote effective communication and working practices. Our IT Acceptable Use Policy outlines the acceptable use of our IT and communications systems and the standards of conduct that employees are expected to observe when using these systems. The Policy iterates our standards for (i) IT equipment, data, and communications systems security; (ii) multi-factor authentication; (iii) password requirements on computers and mobile devices; (iv) email security and standards for safe use; (v) handling confidential information including customer data and payment information; (vi) safe internet use; and (vii) how to identify and report a potential data breach.

DATA PROTECTION POLICY

We rely on centralized or local information technology networks and systems to collect, use, transmit, and store data, including proprietary business information and confidential information. We also have access to confidential or personal information that is subject to privacy and security laws, regulations, and customer-imposed controls. We are committed to complying with our obligations under applicable data protection laws and regulations, including the UK's General Data Protection Regulation (GDPR), and maintaining a clear and transparent dialogue about our use of personal data. The Policy iterates Luxfer's expectations, procedures, and security measures that apply to Luxfer employees who handle, process and transact with sensitive or personally identifiable information and data, including customer data and payment information.

Training & Compliance

Our employees are a key line of defense against cybersecurity threats and malicious actors. In addition to our IT Policies, Luxfer has a comprehensive cybersecurity training and awareness program to educate employees on how to recognize cybersecurity threats, prevent cyber-related incidents, and how to report a potential threat or breach. Our online compliance training program is mandatory for all employees worldwide, and includes cybersecurity awareness and IT security trainings, along with other compliance and governance related topics. Within each training module, employees are required to review a Company IT policy applicable to the topic of the training, and attest that they have read, understood, and agree to comply with the Policy. Training topics for 2022 include Global Internet, Social Media & Electronic Communications; Privacy and Information Security; and Global Cybersecurity Basics.

BRING YOUR OWN DEVICE POLICY

Our Bring Your Own Device Policy sets out the expectations and standards that employees must follow when working from home or when connecting their personal devices to the Luxfer network. Devices must be pre-approved by the local IT team and have security software applied to them before they are allowed to connect to Luxfer's network. Employees using their own equipment must also follow a specific set of technical requirements, use requirements, and application security measures.

INCIDENT RESPONSE

In accordance with the SEC's Statement and Guidance on Public Company Cybersecurity Disclosures of 2018, we understand our obligations to disclose cybersecurity risks, material breaches, and the potential impact of breaches on the Company's finances and operations. While Luxfer has not experienced a material information security breach in the last three years, we are fully committed to fulfilling our obligations under this Guidance so that investors can make the most risk-informed decisions possible.

In 2021, we developed and adopted an IT Incident Response Plan to quickly identify, track, and respond to potential or confirmed cybersecurity incidents. Our Incident Response Plan defines roles, responsibilities, emergency contacts, and specific responses depending on the type of threat.

In 2018, Luxfer's IT Steering Committee launched an internal phishing simulation campaign to engage employees with cybersecurity, raise awareness, and educate employees on how to recognize and report phishing attacks. Through the simulation, we were able to test our employees' reaction to phishing emails and collect important metrics such as click rate. Data collection allowed us to pinpoint trouble spots and target additional trainings to specific teams or locations. This information is also reported once quarterly to Luxfer's Senior Leadership Team and has proven to be an important supplement to our overall IT security training program.

Stakeholder Engagement

In fulfillment of our mission to help to create a safe, clean, and energy-efficient world, Luxfer provides unique and innovative products and services that deliver superior value to our customers, shareholders, and all our stakeholders. As we continue developing as a company through our range of global activities, we seek to create economic value while providing products that help move the world closer to solving its biggest sustainability issues. Luxfer is committed to all stakeholders, including our customers, employees, shareholders, and the communities in which we do business.

Stakeholder and public engagement are essential to maintaining our strong corporate governance practices and building on our sustainability initiatives. Luxfer is committed to stakeholder involvement in the development, implementation, and evaluation of company policies, and any information contained in this Report. We welcome feedback through our website at www.luxfer.com/contact/ or by emailing us at investor.relations@luxfer.com. Stakeholders or other interested parties may also contact us by sending a letter to c/o Company Secretary, Luxfer Holdings PLC, 8989 North Port Washington Road, Suite 211, Milwaukee, WI, USA, 53217.



Appendix



REPORT SCHEDULE AND PERIOD

Current Issue: December 2022

Next Issue: Scheduled for 2024

Previous Issue: November 2020

This Report provides data, facts, and figures based on activities during Luxfer’s fiscal years 2019, 2020, and 2021 (January 1 to December 31). Information, data, facts, and figures based on activities during 2022 cover the period January 1 to December 1.

FORWARD LOOKING STATEMENT

This Report contains certain forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those projected in the forward-looking statements. Examples of such forward-looking statements include but are not limited to: (i) statements regarding the Company’s results of operations and financial condition; (ii) statements of plans, objectives or goals of the Company or its management, including those related to products, services, targets, plans, commitments, and 2025 Environmental Goal progress; (iii) statements of future sustainability performance; (iv) environmental, health, and safety (EHS) data as it relates to environmental and safety performance, management systems, implementation, and regulatory compliance, including data collection systems to track and collect EHS data through company-wide EHS reporting systems; (v) social data as it relates to employee metrics, social practices, diversity data, and community engagement programs derived from various databases from within the Human Resources departments; and (vi) statements of assumptions underlying such statements or data. Words such as “believes,” “anticipates,” “expects,” “intends,” “forecasts,” and “plans,” and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that the predictions, forecasts, projections, and other forward-looking statements will not be achieved. The Company cautions that several important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates, and intentions expressed in such forward-looking statements. These factors include, but are not limited to: (i) lower than expected future sales or sustainability performance; (ii) increasing competitive industry pressures; (iii) general economic conditions or conditions affecting demand for the products and services it offers, both domestically and internationally, including as a result of post-Brexit regulation, being less favorable than expected; (iv) worldwide economic and business conditions and conditions in the industries in which the Company operates; (v) fluctuations in the cost of raw materials, utilities, and other inputs; (vi) currency fluctuations and hedging risks; (vii) the Company’s ability to protect its intellectual property; (viii) the significant amount of indebtedness it has incurred and may incur and the obligations to service such indebtedness and to comply with the covenants contained therein; and (ix) risks related to the impact of the global COVID-19 pandemic, such as the scope and duration of the outbreak, government actions, and restrictive measures implemented in response thereto, supply chain disruptions and other impacts to the business, and the Company’s ability to execute business continuity plans, as a result of the COVID-19 pandemic. The Company cautions that the foregoing list of important factors is not exhaustive.

These factors are more fully discussed in the sections entitled “Forward-Looking Statements” and “Risk Factors” in its Annual Report on Form [10-K](#) for the year ended December 31, 2021, which was filed with the U.S. Securities and Exchange Commission on February 25, 2022. When relying on forward-looking statements to make decisions with respect to the Company, investors and others should carefully consider the foregoing factors and other uncertainties and events. Such forward-looking statements speak only as of the date on which they are made, and the Company does not undertake any obligation to update or revise any of them, whether because of new information, future events, or otherwise.

ORGANIZATIONAL BOUNDARIES

As of November 2022, the environmental data in this report covers 85% of Luxfer's owned and leased manufacturing facilities worldwide. Environmental and social data and metrics are preliminary, unaudited, and subject to revision. Acquisitions are included in data sets once legally owned and fully integrated onto Luxfer systems. As such, our facility in Pomona, California has been excluded from the scope of this report during the performance period. Our site in Pomona will commence reporting in 2023. Any significant organization changes are identified in our [Form 10-K](#) and [Proxy Statement](#) filed with the SEC.

In accordance with the Greenhouse Gas Protocol, Revised Edition, companies may exclude up to 5% of its Scope 1 and Scope 2 emissions combined in the boundary of the inventory and target. Accordingly, this Report excludes data from our facility in Shanghai, China as it accounted for less than 0.5% of CO₂ emissions in the 2019 baseline year. The omission of this facility in the data set does not have a substantial impact on Luxfer's overall environmental performance during the performance period.

DATA COLLECTION & ADJUSTMENTS

Financial Information:

Financial information referenced in this Report is collected and reported in compliance with the requirements of the United States Securities and Exchange Commission as part of the Company's Annual Report on Form 10-K filed on February 25th, 2022.

Environment, Safety, and Social Data:

The EHS data in this Report related to environment, safety performance, EHS management systems, employee retention, and community relations have been derived from various databases and data collection systems in place at all reporting locations to track and collect such data. Key metrics are recorded and reported by each reporting Luxfer location on various internal scorecards. This data is aggregated to form totals across the Company.

Base Year and Other Adjustments:

As stated in our 2020 ESG Report, Luxfer made a commitment to increase our use of recycled packaging by 15% by 2025, with the intention to increase use of post-consumer recycled cardboard in product shipment. Because cardboard is among the easiest materials to recycle, we believe that we can make a greater environmental impact by focusing our resources on reducing our non-hazardous waste to landfill, our largest waste stream, as detailed on Pages 26-27 of this Report. As such, Luxfer has decided to forego the previously stated recycled packaging target from our 2025 Environmental Goals. We intend to collect an inventory of all materials used in our product packaging including plastic, wood pallets, and steel drums, in addition to cardboard, when setting a holistic target related to product packaging, if appropriate, in the future.

Luxfer's 2025 Environmental Goals utilize a 2019 baseline, with the exception of Net Material Yield, which uses 2020 as a baseline. Wherever necessary, Luxfer has adjusted base-year and other year's data if data collection methods change or if data errors are identified. Any significant changes in the measurement methods and/or data values applied to key environmental metrics from previous years are disclosed throughout this Report.

Luxfer's corporate structure has changed since the establishment of our 2019 baseline, which similarly impacts our previously stated emissions totals. Additionally, the factors by which specific carbon sources are converted to CO₂e emissions has been standardized across all reporting facilities in accordance with conversion factors published by the U.S. and U.K. Governments. In the chart below, Columns A through C show previously reported CO₂e data for FY 2019 and 2020 ("unadjusted"). Unadjusted data includes discontinued operations and applies outdated CO₂e conversion factors. Columns D and E show the actual CO₂e totals for 2019 and 2020, excluding discontinued operations and applying updated CO₂e conversion factors ("adjusted"). For the purposes of transparency and traceability, the chart below provides a comparison between our adjusted and unadjusted 2019 and 2020 emissions data.

Metric	Units	A ¹⁶	B ¹⁷	C ¹⁸	D ¹⁹	E ²⁰
		FY 2019	FY 2019 (Restated in 2021)	FY 2020	Adjusted FY 2019	Adjusted FY 2020
Absolute Scope 1 Emissions	Metric Tons CO ₂ e	71,905	71,765	54,124	83,033	55,428
Absolute Scope 2 Emissions	Metric Tons CO ₂ e	39,202	29,447	10,218	19,042	17,827
Total Absolute Scope 1 & 2 Emissions	Metric Tons CO ₂ e	111,107	101,212	94,342	102,076	73,254
Emissions Intensity Scope 1	Metric Tons CO ₂ e per \$ Million Sales	162	192	166.6	188.6	145.3
Emissions Intensity Scope 2	Metric Tons CO ₂ e per \$ Million Sales	88	79	123.8	43.3	46.7
Total Emissions Intensity Scope 1 & 2	Metric Tons CO ₂ e per \$ Million Sales	251	271	290.4	231.8	192.0

¹⁶ FY 2019 CO₂e figures were first published in the Company's UK Statutory Reports and Accounts in April 2020 and includes 6 facilities formerly owned by Luxfer which are now considered discontinued operations: (i) Graham, North Carolina; (ii) Gerzat, France; (iii) Niagara, Canada; (iv) Magnesium Elektron Czech Republic; (v) aluminum operations in Riverside, California; (vi) Worcester, United Kingdom. Standard conversion factors were not applied when calculating these totals.

¹⁷ FY 2019 CO₂e figures were restated in the Company's UK Statutory Reports and Accounts in April 2021 and includes 3 facilities formerly owned by Luxfer that are now considered discontinued operations: (i) Gerzat, France; (ii) Niagara, Canada; and (iii) Magnesium Elektron Czech Republic. Standard conversion factors were not applied when calculating these totals.

¹⁸ FY 2020 CO₂e figures were published in the Company's UK Annual Reports and Accounts in April 2021 and excludes all discontinued operations. Standard conversion factors were not applied when calculating these totals.

¹⁹ Adjusted FY 2019 CO₂e figures apply standard conversion factors and exclude all currently discontinued operations. These figures are the baseline against which performance is measured toward the Company's 2025 Environmental Goals.

²⁰ Adjusted FY 2020 CO₂e figures apply current conversion factors.





LUXFER

2022

Sustainability Report

Everywhere in Life