



Stock Ownership Guidelines



Version 3.0

Owner: Board of Directors of Luxfer Holdings PLC

Effective Date: November 30, 2022

Creation Date: March 3, 2022

1.0 PURPOSE AND APPLICATION

- 1.1 The Board of Directors (the “Board”) of Luxfer Holdings PLC (the “Company” or “Luxfer”) believes that it is important for the Company’s Named Executive Officers and Directors to have a financial stake in Luxfer such that their interests align with those of the Company’s shareholders. In addition to such alignment of interests, the Board believes that stock ownership promotes sound corporate governance and demonstrates a commitment to the Company. To meet these objectives, the Board has established these Stock Ownership Guidelines (“Guidelines”) as expected best practice in relation to stock ownership in Luxfer by the Company’s Named Executive Officers and Directors.
- 1.2 These Guidelines apply to all Non-Executive Directors, Named Executive Officers, and other key employees that the Remuneration Committee may identify from time to time in consultation with executive leadership. The Company’s Articles of Association do not currently require Directors to hold a minimum number of shares in the Company in order to qualify for appointment to the Board of Directors. However, the Company’s Non-Executive Directors and Named Executive Officers are expected to comply with the terms of these Guidelines. Notwithstanding the foregoing, any term relating to shareholding requirements contained in a Named Executive Officer’s or other employee’s employment contract shall be binding on any such employee and supersede these Guidelines.

2.0 MINIMUM OWNERSHIP GUIDELINES

- 2.1 Each Named Executive Officer and Director of the Company is expected to own equity in the Company having a total value equal to the multiple of such person’s annual base salary or retainer fee (as applicable) as set forth in the table below.

Position	Guideline
Chief Executive Officer	4x annual base salary
Chief Financial Officer	3x annual base salary
Named Executive Officers	2x annual base salary
Non-Executive Directors	3x annual retainer fee

- 2.2 The above table represents minimum ownership guidelines. Named Executive Officers and Directors are encouraged to own equity in the Company above these levels. Unless otherwise specified in a separate written agreement, Named Executive Officers and Directors are encouraged to attain these minimum ownership guidelines within five (5) years of their appointment, election, or promotion to said role; provided, each person serving as a Named Executive Officer or Director of the Company as of June 9, 2021 shall satisfy their respective guideline by June 9, 2026.

3.0 RETENTION REQUIREMENTS

- 3.1 Until each Named Executive Officer or Director has attained their minimum ownership guideline, they are expected to make continuous progress toward their respective ownership guideline and shall retain 100% of their Net Shares until such guideline has been attained.
- 3.2 “Net Shares” means those Luxfer shares that remain after shares are sold or withheld, as the case may be, to (i) pay any exercise or conversion cost applicable to an equity award and (ii) satisfy withholding tax obligations arising in connection with the exercise, vesting, or payment of an equity award.

4.0 EVALUATION AND CALCULATION OF STOCK OWNERSHIP

- 4.1 The Remuneration Committee will evaluate, at least once per year, the Named Executive Officers' and Directors' progress towards attaining and maintaining these Guidelines. On each measurement date, progress will be measured using each Named Executive Officer's base salary and Non-Executive Director's annual retainer fee then in effect. The equity will be valued using the average closing price per share of the Company's ordinary shares over the twenty (20) trading days immediately preceding the measurement date.
- 4.2 Once a Named Executive Officer or Director attains the applicable ownership guideline, such attainment shall continue, regardless of any changes in base salary or retainer fee (except for increases resulting from a promotion to a different role) or the share price of Luxfer's ordinary shares, so long as such person continues to own at least the number of ordinary shares required in order to initially attain the applicable guideline.
- 4.3 The following types of equity count toward calculating stock ownership for purposes of these Guidelines:
- shares owned separately by the Named Executive Officer or Director or owned either jointly with, or separately by, their immediate family members residing in the same household;
 - shares held in trust for the benefit of the Named Executive Officer or Director or their immediate family members;
 - shares owned by an entity in which the Named Executive Officer or Director holds, at minimum, a 51% ownership interest; provided, however, such shares shall be counted toward the ownership guideline in proportion to the Named Executive Officer's or Director's ownership interest in such entity;
 - shares held by the Named Executive Officer or Director in Luxfer's employee benefit or share incentive plans;
 - shares purchased through Luxfer's Share Incentive Plan or Employee Stock Purchase Plan;
 - shares purchased on the open market;
 - shares obtained through the exercise of stock options;
 - vested but unexercised stock options;
 - vested shares of restricted stock or restricted stock units ("RSUs"); and
 - granted but unvested time-based awards, including restricted stock, RSUs, and stock options.
- 4.4 The following types of equity do not count toward determining stock ownership for purposes of these Guidelines:
- unvested performance-based awards; and
 - shares held in a margin account or pledged as collateral for a loan.¹

¹ Luxfer's Insider Trading and Dealing Policy prohibits Directors and Executive Officers, as well as other covered persons, from holding Company Securities in a margin account, pledging Company Securities as collateral for a loan, and hedging Company Securities. "Company Securities" means ordinary shares, options, and any other securities that the Company may issue.

5.0 ATTAINMENT AND MAINTENANCE OF GUIDELINE

- 5.1 A Named Executive Officer's or Director's failure to show sustained progress toward attainment of their ownership guideline may result in the Remuneration Committee taking any reasonable action it deems appropriate under the circumstances.
- 5.2 Notwithstanding subsection 5.1, there may be instances where these Guidelines would place a severe financial hardship on a Named Executive Officer or Director. Thus, the Remuneration Committee may, in its discretion, modify the guidelines or the applicability of these Guidelines in special circumstances. Upon the request of a Named Executive Officer or Director, the Remuneration Committee may evaluate whether an exception or modification should be made in consideration of personal circumstances of such Named Executive Officer or Director.

6.0 RESPONSIBILITY FOR AND ADMINISTRATION OF THESE GUIDELINES

- 6.1 The Company's Board of Directors has overall responsibility for these Guidelines. The Board, with the assistance of the Company Secretary, will review these Guidelines annually and may update these Guidelines from time to time in connection with such review.
- 6.2 The administration of these Guidelines shall be overseen by the Remuneration Committee.