



LUXFER

MAGNESIUM ELEKTRON LIMITED
UK GENDER PAY GAP REPORT

Fiscal Year 2024



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

WHAT IS THE GENDER PAY GAP?

The UK Equal Pay Act of 1970 made it illegal to pay males and females different amounts to perform the same work. However, the gender pay gap is different from equal pay. While equal pay and gender pay do overlap, the gender pay gap shows the difference between the average pay of a company’s male and female employees, regardless of the type of work they do. The reported figures also show the bonus pay gap and the proportion of males and females in each quartile of the pay structure within the company. Magnesium Elektron Limited recognizes that collecting and reporting this data helps us understand and take action to close our own gender pay gap. By knowing where we stand, we know where we need to be.

ABOUT US

Magnesium Elektron Limited (the “Company”) is a subsidiary of Luxfer Holdings PLC (“Luxfer”), a global industrial company innovating niche applications in materials engineering. Luxfer focuses on value creation by using its broad array of technical know-how and proprietary technologies to help create a safe, clean and energy-efficient world. Luxfer's high-performance materials, components and high-pressure gas containment devices are used in defense, first response and healthcare, transportation and general industrial applications.

The Company’s primary operations are located in Manchester, England. The Company employed a total of 296 people as of the snapshot date of 5 April 2024. As such, the Company falls within the scope for reporting under the Act. Luxfer’s consolidated gender pay gap report can be found on our website at <https://www.luxfer.com/environment-social-and-governance/social/>.

		Number of Employees			
		2023		2024	
Magnesium Elektron Limited	Female	56	18%	52	18%
	Male	258	82%	244	82%
	Total	314		296	

Percentage: Female: 17.6% Male: 82.4%

HOURLY PAY GAP

What is it? The difference between average hourly earnings received by males and females in the pay period ending on the snapshot date of 5 April 2024, calculated in proportion to the average hourly earnings received by males and expressed as a percentage. ¹

7.3%

Mean hourly pay gap

2023: 12.7%

4.8%

Median hourly pay gap

2023: 11.5%

What does it mean? Being the average, the mean hourly pay gap gives an overall indication of the size of our hourly gender pay gap. The median hourly pay gap is intended to give an indication of the ‘typical’ situation, as it identifies the average hourly earnings in the middle of a list ordered from highest to lowest, and thus is less likely to be distorted by unusually high or low earnings.

What changed? The mean hourly pay gap and the median hourly pay gap both decreased from 2023 to 2024. In 2023, the upper pay quartile was comprised of 88% for males and 12% for females. In 2024 this shifted slightly to 86% for males and 14% for females. Additionally, the top 10 highest earners included two females, compared to only one in 2023. The reduction in the mean and median hourly pay gap percentages from 2023 reflect this shift, although the percentages still indicate that our hourly pay gaps are skewed in favor of males.

¹ “Average hourly earnings” includes ordinary pay (salary or hourly wages), bonus pay, and any other relevant payments that were made in the pay period ending on the snapshot date. “Average hourly earnings” excludes overtime pay.

BONUS GAP

What is it? The difference in average bonus earnings received by males and females during the 12-month period leading up to 5 April 2024, calculated in proportion to the average bonus earnings received by males and expressed as a percentage.

47.0%

Mean bonus gap
2023: 13.1%

-%

Median bonus gap
2023: 11.8%

What changed? The mean bonus gap widened in 2024, while there was no difference in the median bonus. Cash bonuses were minimal in 2024, with the majority of the bonus paid being in the form of stock options. Stock options tend to be awarded to the Company's executive and senior leaders, which is skewed towards males. We believe this shift in the mean bonus gap is due to only 7% of females receiving a stock option bonus compared to 12% of males. There was no difference in the median bonus gap given the large number of males and females not receiving a bonus of any form in 2024.

For the reporting period, cash bonuses relate to performance over the 2023 fiscal year, which are paid in the 2024 fiscal year, while bonuses in the form of stock options relate to performance in previous years. For the purposes of this Report, bonuses are calculated as of the date the employee incurs income tax charges, which, in the case of stock options, occurs as of the date the employee exercises their stock options.

PROPORTION RECEIVING A BONUS

What is it? The proportion of males and females who received a bonus during the 12-month period leading up to 5 April 2024.

9.6%

Proportion of females
receiving a bonus
2023: 96.4%

13.9%

Proportion of males
receiving a bonus
2023: 89.5%

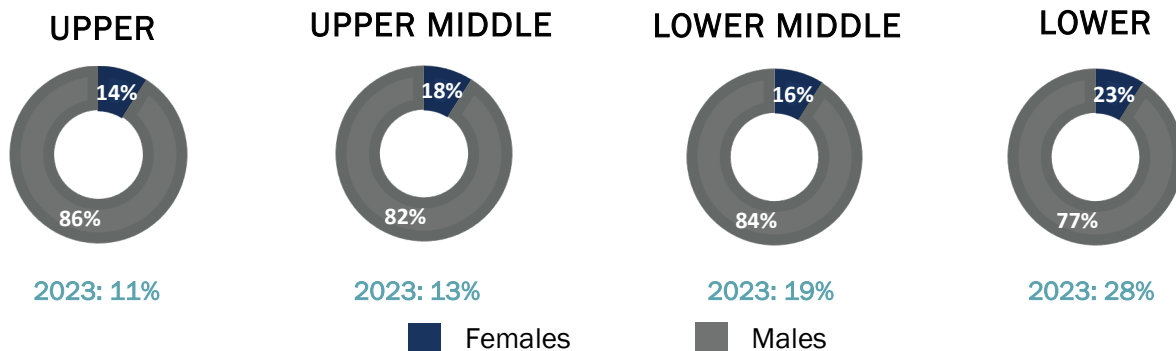
What does it mean? Comparing the proportion of males and females who received a bonus within the 12-month bonus period tells us how much more likely male full-pay relevant employees are to receive any amount of bonus payment compared to female full-pay relevant employees, and vice versa.

What changed? The Company has a cash bonus scheme, which includes variable incentive pay associated with individual performance and the performance of the Company as a whole, including both short-term cash incentive pay and long-term equity awards. Fewer employees received bonuses in 2024 compared to 2023 due to the performance of the Company against its annual performance targets. In fact, only 1.2% of males and 1.9% of females received a cash bonus in 2024. Bonuses were paid out in the form of stock options, recognized at the date of exercise, which have typically been granted to executive and senior leaders, which is skewed towards males.

PAY QUARTILES

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

Percentage of Females in Each Pay Quartile



This compares to the percentage of females in the business of 18% in both 2024 and 2023.

What changed? Compared to 2023, there was a slight increase in the percentage of females in the upper two pay quartiles of the business, and a decrease in the percentage of females in the lower two pay quartiles in 2024 (2023: Upper 11%, Upper Middle 13%, Lower Middle 19%, Lower 23% respectively). The increase in the percentage of females in the upper pay quartiles is explained by internal promotions and the recruitment of females into higher paying roles. The increase in the percentage of females in the upper quartiles, combined with the decrease in the lower quartiles, demonstrates that there is a relatively equal distribution of males and females across each pay quartile, although there are still far fewer female than male employed by the Company.

OUR COMMITMENT TO IMPROVING OUR GENDER PAY GAP

Entrenched in longstanding policies of Luxfer, we work to promote workforce diversity, support employee growth and development, and create and maintain an inclusive work environment. We know that there is work left to do, and that significant change takes time. We are committed to enhancing workforce representation through external hiring and internal mobility and by promoting a culture where our people are not only recognized for doing meaningful work but also feel a sense of belonging. To support our aims, we continue to enhance our people processes, policies, and practices to enable more effective access to, and retention of, a broadly diverse workforce.

Hiring a Diverse Workforce

In accordance with our [Equal Opportunity, Non-Discrimination, and Anti-Harassment Policy](#), we've implemented inclusive hiring standards, such as (i) advertising vacancies to a diverse section of the labor market; (ii) asking job candidates experience-related questions and avoiding questions that may suggest an intention to discriminate; (iii) using a number of individuals to complete shortlisting; and (iv) using inclusive language in advertisements, so as to encourage a diverse slate of candidates to apply.

Promoting From Within

We understand the diversity that exists amongst our current workforce and, therefore, in addition to recruiting diverse talent from outside of the organization, we also recruit talent internally to promote our existing workforce. We understand the impact that the investment on career growth has on both the individual and on the organization. Thus, we strive to attract, retain, and encourage internal employees to seek new roles within the organization.

Growth and Talent Development

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

Ongoing Training

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

Competitive Pay and Benefits

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

KEY TAKEAWAYS

We continue to implement actions to close our gender pay gap and have made reasonable progress to date. We recognize that, like many other organizations in our industry, our pay and bonus gap is largely due to the lower representation of women in senior roles. While we have been more successful in shifting our gender mix at more junior levels, this underrepresentation does bring down the average pay for women across our organization. However, we believe this is a short-term impact. Through awareness of the underlying cause and implementation of actions to address this cause, we aim to continue to grow and include more women in future senior roles, thereby closing our gender pay gap.

APPROVAL

This Report, which is provided pursuant to the UK Equalities Act 2017, has been approved by the Board of Directors for Luxfer Holdings PLC for the fiscal year ended 31 December 2024.



Andy Butcher
Chief Executive Officer and Executive Director
Luxfer Holdings PLC

5 March 2025