

Conflict of Interest Policy

Purpose

The purpose of this Conflict-of-Interest Policy is to establish guidelines and procedures to identify, disclose, and manage conflicts of interest within Ludlum Measurement Inc. (LMI). This policy is designed to ensure that personal interests do not interfere with professional responsibilities, thereby preserving the integrity of LMI's operations and decision-making processes. The policy aims to promote transparency, uphold ethical standards, protect stakeholder interests, and prevent undue influence in business decisions.

Definition of Conflict of Interest

A conflict of interest occurs when an individual's personal, professional, or financial interests have the potential to interfere with, or appear to interfere with, their ability to act in the best interests of LMI. Such conflicts can compromise the objectivity and integrity of decision-making processes and can arise in various situations. Examples include:

- **Financial Interests:** Owning significant percentage of shares or having a financial stake in a company that competes with or does business with LMI.
- **Outside Employment:** Holding a position or providing services for another organization that might affect the individual's ability to perform their duties for LMI.
- **Familial Relationships:** Having a close family member employed by or involved in business dealings with LMI.
- **Personal Relationships:** Engaging in relationships with colleagues, clients, or vendors that may compromise the objectivity of business decisions.

Scope

This policy applies to all employees, officers, directors, contractors, and consultants (collectively, "Covered Persons") of LMI. It encompasses all business activities, transactions, and interactions where conflicts of interest might arise.

Duty to Disclose

Covered Persons are required to disclose any actual, potential, or perceived conflicts of interest as soon as they become aware of them. Disclosure is essential in situations such as having financial interests in competing entities, engaging in outside employment that might impact responsibilities to LMI, or having relationships that could influence impartiality in business decisions. Disclosures should be made in writing to the individual's immediate supervisor or the Human Resources Manager, including a detailed description of the conflict, an assessment of its potential impact, and any proposed steps to mitigate or resolve the conflict.

Review and Management

Upon receiving a disclosure, the Human Resources Manager, in collaboration with senior management, will review the nature and extent of the conflict and its potential impact on LMI.

This process may involve consulting with legal counsel. The appropriate actions to manage or mitigate the conflict will be determined, which may include requiring the Covered Person to recuse themselves from related decisions, divesting financial interests, modifying their duties, or disclosing the conflict to third parties for transparency. The Human Resources Manager will maintain comprehensive records of all disclosed conflicts, including evaluation and management decisions. These records will be reviewed periodically. LMI will also implement ongoing monitoring, which includes regular reviews of disclosed conflicts, providing training on identifying and managing conflicts of interest, and updating the policy as needed to address new issues or changes in operations.

Consequences of Non-Compliance

Any employee who breaches this policy will face disciplinary action up to and including termination and may face legal repercussions.