Related Party Transactions Policy

Effective November 13, 2026

1 Purpose and Authority

This Related Party Transactions Policy (the "Policy") establishes procedures for identifying, reviewing, approving and overseeing related party transactions of The LGL Group, Inc. and its subsidiaries and controlled affiliates (the "Company"), consistent with Item 404 of Regulation S-K and Section 120 of the NYSE American Company Guide.

The Audit Committee (the "Audit Committee") of the Board of Directors (the "Board") administers this Policy and has primary responsibility for review, approval and oversight. The Audit Committee may refer a transaction to independent and disinterested Board members when appropriate. If the Audit Committee lacks a disinterested quorum, those directors or a committee of them shall act. References to the Audit Committee include an authorized body acting under this Policy.

2 Definitions

"Executive Officer" means an executive officer under Rule 3b-7 of the Securities Exchange Act of 1934, as amended, and any other officer designated by the Board as subject to Section 16 of that Act.

"Immediate Family Member" means a child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law, or a person sharing the applicable person's household other than a tenant or employee.

"Related Party" means a director or Executive Officer during the applicable SEC disclosure period; a director nominee; a person known by the Company to beneficially own more than 5% of any class of its voting securities when the transaction occurred or existed; or an Immediate Family Member of any such person.

"Transaction" means a financial transaction, arrangement or relationship, or a series of similar or related transactions, including indebtedness and guarantees, employment or compensation, purchases, sales, leases, investments, financial services and charitable contributions.

"Related Party Transaction" means a Transaction in which the Company was, is or will be a participant and a Related Party had, has or will have a direct or indirect material interest.

3 Materiality Threshold

Prior review and approval under this Policy is required for a Related Party Transaction in which the aggregate amount involved exceeds $120,000, or any lower threshold applicable to the Company under Item 404(d) of Regulation S-K. While the Company is a smaller reporting company, that threshold is the lesser of $120,000 or 1% of its average total assets at year end for the last two completed fiscal years.

The amount involved shall be calculated under Item 404, including its requirements for aggregating related transactions, periodic or installment payments and indebtedness. The calculation is not limited to amounts paid in a single fiscal year. Transactions may not be divided to avoid this Policy.

Transactions below the applicable threshold may be cleared through management screening under Section 4 without separate Audit Committee approval. Any review required by applicable law, NYSE American rules or an Audit Committee direction remains required regardless of amount or any pre-approval under this Policy.

4 Disclosure and Management Screening

Each director, Executive Officer and director nominee shall promptly disclose any proposed Transaction involving a potential Related Party interest before the Company makes a commitment, regardless of the amount of the Proposed Transaction, and any material change to a previously disclosed relationship or Transaction. The disclosure shall identify the Related Party, the nature of the interest, the business purpose, the amount and duration, and the material terms.

The Principal Financial Officer shall screen potential Related Party Transactions, with outside counsel consulted as needed. The screening officer shall document whether separate Audit Committee review is required and the basis for any exception or standing approval. Uncertain cases shall be referred to the Audit Committee Chair. If the Principal Financial Officer has an interest in the Transaction, the officer may provide information but shall not make the screening determination, and the matter shall be referred to the Audit Committee Chair.

5 Pre-Approved Transactions

The Audit Committee's approval of this Policy constitutes standing approval for the following categories, subject to applicable law and listing requirements. Separate approval is not required when management verifies and documents that the relevant conditions are satisfied and that the Related Party has no additional material interest:

(a) Compensation to directors or Executive Officers approved by the Board or Compensation Committee of the Board to the extent it satisfies the applicable compensation exceptions in Instruction 5 to Item 404(a). This category does not automatically exempt employment or compensation of Immediate Family Members.

(b) Transactions in which the interest arises solely from service as a director of another organization, from the aggregate direct or indirect ownership by all applicable Related Parties of less than 10% of a non-partnership entity, or both, consistent with Instruction 6 to Item 404(a). A limited partnership interest qualifies only if the applicable Related Parties hold less than 10% in the aggregate and the interested person is not a general partner and does not hold another position in the partnership.

(c) Transactions in which the interest arises solely from ownership of a class of the Company's equity securities and all holders of that class receive the same benefit on a pro rata basis.

(d) Services as a bank depositary, transfer agent, registrar, trustee under a trust indenture or similar services, to the extent covered by Instruction 7(b) to Item 404(a). This category does not automatically include investment management, advisory, lending, brokerage or other financial services.

(e) Transactions whose rates or charges are determined by competitive bids, or common-carrier, contract-carrier or public-utility services at rates fixed by law or governmental authority, to the extent covered by Instruction 7(a) to Item 404(a).

Ordinary-course status and market terms alone do not create an exemption. The Audit Committee may grant advance standing approval for defined recurring arrangements, including ordinary-course, shared-services and financial-services arrangements, specifying counterparties, scope, aggregate limits, pricing or fees, duration and any reporting requirements. Transactions within that approval do not require individual approval; material changes or amounts exceeding the approval require further prior review.

6 Audit Committee Review and Approval

Transactions requiring approval must be approved before commitment, renewal, extension or material amendment, unless covered by an existing standing approval. Where authorized by the Audit Committee and permitted by its charter and applicable requirements, the independent and disinterested Chair may approve a Transaction between meetings and shall report the decision at the next Audit Committee meeting.

Only independent and disinterested directors may deliberate or vote on a Transaction. An interested director shall recuse from deliberations and voting but may provide requested factual information.

Management shall provide the material facts and reasonably available alternatives. The Audit Committee shall consider the business purpose and benefit to the Company; the amount and nature of the Related Party's interest; potential conflicts and director independence; and whether the Transaction is in the ordinary course of business and on terms comparable to an arm's-length transaction with an unrelated third party.

The Audit Committee may approve a Transaction if it determines that the Transaction is fair and reasonable and consistent with the interests of the Company and its stockholders. It may impose conditions and obtain independent legal or financial advice; a fairness opinion is not required by this Policy. Continuing arrangements requiring specific approval, including those under a specific standing approval, shall be reviewed by the Audit Committee at least annually. Material changes require prior approval, and material approval decisions shall be reported to the Board.

7 Transactions Not Previously Approved

A Transaction requiring approval that was entered into without approval shall be referred promptly to the Audit Committee upon discovery. The Audit Committee shall consider the relevant circumstances and determine whether to ratify the Transaction where legally permissible, require modifications or other corrective action, or direct termination or rescission. Ratification does not replace required prior review or excuse a violation of this Policy or applicable requirements.

8 Disclosure Records and Administration

The Principal Financial Officer, with outside counsel consulted as needed, shall determine required SEC and financial statement disclosures. The Audit Committee shall oversee the related disclosure controls. Approval or pre-approval under this Policy does not eliminate any disclosure or other legal requirement.

The Company shall retain records of material screenings, approvals, recusals, conditions and continuing reviews. The Audit Committee may recommend amendments to the Board. Upon adoption, this Policy replaces the March 25, 2025 Related Party Transactions Policy. Existing transaction approvals remain subject to their terms, continuing oversight and applicable requirements.