CORPORATE GOVERNANCE GUIDELINES OF LUMINEX CORPORATION

The Board of Directors (the "Board") of Luminex Corporation ("Luminex" or the "Company") is committed to achieving business success and enhancing long-term stockholder value while maintaining the highest standards of responsibility, ethics and integrity. In that regard, the Board has adopted these guidelines and principles to provide an effective corporate governance framework for Luminex, thereby intending to reflect a set of core values that provide the foundation for Luminex's governance and management systems and its interactions with others. These guidelines are subject to future refinement or changes as the Board may find necessary or advisable in order to achieve these objectives.

Role of Board of Directors and Management

The Board oversees management as it operates Luminex's business with high standards of responsibility, ethics and integrity. To satisfy their respective responsibilities, the directors and members of senior management shall take a proactive, focused approach to their positions, and shall set standards to ensure that Luminex is committed to business success through maintaining these standards.

Furthermore, the Board also expects each director and each member of senior management to act ethically at all times and to adhere to the policies, as well as the spirit, expressed in Luminex's Code of Compliance. In the absence of exceptional circumstances, the Board will not permit any waiver of any ethics policy for any director or executive officer.

<u>Responsibilities of the Board of Directors</u> – The basic responsibility of the directors is to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company and its stockholders. In discharging that obligation, directors should be entitled to rely on the honesty and integrity of the Company's senior executives and its outside advisors and auditors. The directors shall also be entitled to have the Company purchase reasonable directors' and officers' liability insurance on their behalf, and shall be entitled to the benefits of indemnification to the fullest extent permitted by law and the Company's certificate of incorporation, and any indemnification agreements and to exculpation as provided by state law and the Company's certificate of incorporation. The Board of Directors shall be responsible for overseeing the conduct of Luminex's business and ensuring that the interests of Luminex's stockholders are being served. In carrying out that oversight duty, the Board's primary functions shall include:

(a) *Management planning and oversight:* Selecting, evaluating and compensating the Chief Executive Officer (the "CEO") and planning for CEO succession (as described below); and providing counsel and oversight in the selection, evaluation and compensation of, and succession planning for, other members of senior management.

(b) *Strategic and operational planning:* Reviewing and approving long-term strategic plans and annual operating plans, and monitoring the implementation and execution of those plans.

(c) *Major corporate actions:* Reviewing and approving significant financial and business transactions and other major corporate actions.

(d) *Financial reporting:* Reviewing and approving publicly disclosed financial statements and related reports, and overseeing the establishment and maintenance of controls, processes and procedures designed to ensure accuracy, integrity and clarity in financial and other disclosures.

(e) *Governance, compliance and risk management:* Overseeing the establishment and maintenance of corporate governance, compliance and risk management processes and procedures designed to ensure that Luminex is managed with high standards of responsibility, ethics and integrity.

(f) *General advice to management:* Providing general advice and counsel to the CEO and other members of senior management in connection with issues arising during the course of managing Luminex's business.

Responsibilities of Management - Management, under the direction of the CEO, shall be responsible for conducting Luminex's business and affairs in an effective, responsible and ethical manner, consistent with the principles and direction set forth herein and established by the Board. In carrying out that duty, management is charged with the following:

(a) *Organizing management:* Selecting qualified management and implementing an organizational structure that is efficient and appropriate for Luminex's operations and culture.

(b) *Strategic and operational planning and implementation:* Developing long-term strategic plans and annual operating plans, presenting those plans to the Board, implementing and executing approved plans, and recommending and executing changes to those plans as necessary.

(c) *Managing risk:* Identifying and managing the risks that Luminex undertakes in the course of carrying out its business and managing Luminex's overall risk profile.

(d) *Financial reporting:* Ensuring the integrity of Luminex's financial statements and reports by implementing, and supervising the operation of, systems, controls, processes and procedures designed to allow Luminex to record, process, summarize and report information in a timely and accurate manner and produce financial statements and other disclosures that fairly present Luminex's financial condition and results of operations and permit stockholders to understand Luminex's business, financial soundness and risks.

Board Composition and Structure

The number of directors constituting the full Board shall be determined from time to time by the Board within the limits prescribed by Luminex's certificate of incorporation and bylaws. In determining the number of directors constituting the full Board, the Board should consider, among other things, the size and breadth of Luminex's business and Luminex's goals and needs.

Director Qualifications – The Board believes that there should be at least a majority of independent directors on the Board who meet the independence requirements of the applicable provisions of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the rules promulgated thereunder and the applicable rules of the Nasdaq Stock Market.

The Nominating and Corporate Governance Committee shall review the qualifications of potential director candidates in accordance with the Nominating and Corporate Governance Committee's charter and these Corporate Governance Guidelines. The consideration of a candidate as a director will include the Nominating and Corporate Governance Committee's assessment of the individual's understanding of the Company's business, the individual's professional and educational background, skills and abilities and potential time commitment and whether such characteristics are consistent with these Corporate Governance Guidelines and other criteria established by the Nominating and Corporate Governance Committee from time to time, and otherwise fulfill the needs of the Board at that time. Each director must contribute some knowledge, experience, or skill in at least one domain that is important to the Company. To provide such a contribution to the Company, a director must:

- be able to represent the interests of the Company and all of its stockholders and not be disposed by affiliation or interest to favor any individual, group or class of stockholders or other constituency;
- possess the background and demonstrated ability to contribute to the Board's performance of its collective responsibilities, through senior executive management experience, relevant professional or academic distinction, and/or a record of relevant civic and community leadership;
- be of high ethical character and shares the core values of Luminex as reflected in our Code of Compliance;
- have a reputation, both personal and professional, consistent with the image and reputation of Luminex;
- be highly accomplished in the candidate's field;
- be an active or former chief executive officer of a public company or a biotechnology company or an active or former leader of another complex organization;

- otherwise have relevant expertise and experience, and be able to offer advice and guidance to the chief executive officer based on that expertise and experience; or
- have the ability to exercise sound business judgment.

The Nominating and Corporate Governance Committee may also adopt such procedures and criteria not inconsistent with these Corporate Governance Guidelines as it considers advisable for the assessment of director candidates.

Each director should take reasonable steps to keep informed on corporate governance "best practices" and their application in the complex, rapidly evolving managed care and Medicare environments. In addition, prior to accepting re-nomination, each director should evaluate himself or herself as to whether he or she satisfies the criteria described above.

The Board should monitor the mix of skills and experience of its directors in order to assure that the Board has the necessary tools to perform its oversight functions effectively. The Nominating and Corporate Governance Committee will be responsible for reviewing stockholder proposals with respect to director nominations. It is the policy of the Company that there be no differences in the manner in which such nominees are evaluated. A stockholder who desires for the Nominating and Governance Committee to consider a nomination for director must comply with the notice, timing, and other requirements in the Company's bylaws.

The Board shall be classified, consisting of three (3) classes. The directors in each class shall serve staggered three-year terms. Whenever a vacancy occurs in the Board, either because of a newly-created director position or the removal or retirement of an existing director, the Board, acting on the recommendation of the Nominating and Corporate Governance Committee, shall select a person to fill the vacancy and that person shall serve as a director until the next annual meeting of stockholders at which the class in which such director was designated is being elected, at which time such person (or another Board nominee) shall be submitted to the stockholders for election to the Board.

<u>Retirement or Withdrawal of Directors; Conflicting Commitments</u> – The Board believes that directors should serve only so long as they add value to the Board. A director's contributions to the Board and the director's ability to continue to contribute productively will be considered by the Nominating and Corporate Governance Committee each time a director is considered for nomination. On an annual basis, the Nominating and Corporate Governance Committee shall review the results of the annual performance evaluation of the Board and its committees. The results of these Board self-evaluations will be relevant factors in determining whether a director should be nominated.

The Board recognizes that it is important for the Board to balance the benefits of continuity with the benefits of fresh viewpoints and experience. The Board does not believe that it should establish term limits for its members. While term limits could help insure that there are new ideas and viewpoints available to the Board, the Board recognizes the value of continuity of directors who have experience with the Company and who have gained over a period of time a level of understanding about the Company and its operations that enable the director to make a significant contribution to the deliberations of the Board. The Board believes as an alternative to term limits, it can ensure that the Board continues to evolve and consider new viewpoints through the Company's Board evaluation and nomination processes. Also, directors will not be eligible for election to the Board after their 75th birthday; provided that, the Board may make an exception to this retirement requirement under special circumstances.

It is the responsibility of each director to ensure that other commitments do not conflict or materially interfere with the director's responsibilities to the Company. If a director has any concerns about whether serving as a director of another company might conflict with his or her duties to the Company, the director should consult the Chairman of the Board in advance of accepting an invitation to serve on the other company's board and should inform the Chair of the Nominating and Corporate Governance Committee in writing of the outcome. Directors who also serve as CEOs or in other senior management positions should not serve on the boards of more than two other public companies, and other directors should not serve on the boards of more than five other public companies. Because of the Audit Committee's demanding role and responsibilities, and the time commitment attendant to committee membership, if a member of the Company's Audit Committee simultaneously serves on the audit committee of more than two other public companies, the Board must determine that such simultaneous service does not impair the ability of the member to effectively serve on the Company's Audit Committee.

Directors are expected to report changes in their primary business or professional status, including retirement, to the Chairman of the Board and to the Chair of the Nominating and Corporate Governance Committee in order for the Board to consider the continued appropriateness of Board membership under the circumstances. In addition, Directors are expected to promptly report their resignation from the Board to the Chair of the Nominating and Corporate Governance Committee.

Directors are also expected to as soon as practicable notify the Chairman of the Board and the Chair of the Nominating and Corporate Governance Committee upon making a determination that he or she no longer qualifies as an independent director.

<u>Director Orientation and Education</u> – Luminex's management shall provide new directors with materials, briefings and additional educational opportunities to permit them to become familiar with Luminex and to enable them to better perform their duties. Board members are also encouraged to visit Luminex's facilities and to meet with Luminex employees throughout their tenure on the Board.

In addition, all directors are encouraged to attend an accredited director education program on a bi-annual basis. Prior to attendance of a program, a director should consult with the Company's General Counsel for recommendations on specific courses in order to ensure diversity in course topics. The Company will reimburse directors for all reasonable expenses associated with attendance of such programs, subject to submission of applicable receipts. Following such attendance, the Nominating and Corporate Governance Committee Chairman should request such directors to provide (at a subsequent Board meeting) a summary review of the topics reviewed at the given program. In addition, as appropriate, the Nominating and Corporate Governance Committee during the course of the year will coordinate internal Board (and Committee specific) governance reviews and updates, utilizing internal resources, legal counsel and other third party advisors, as appropriate.

Positions of Chairman and CEO; Presiding Director – The Board selects the Company's Chairman of the Board and its CEO in the manner that it determines to be in the best interests of the Company's stockholders. If the positions of the Chairman of the Board and CEO are held by the same person, then the Chair of the Nominating and Corporate Governance Committee (as such position is filled from time to time) shall serve as the Presiding Director. The principal responsibility of the Presiding Director shall be to chair the executive sessions of the non- employee directors (as described below) and to perform such other roles and responsibilities as may be assigned from time to time by the Nominating and Corporate Governance Committee or the full Board.

If, at any time, the Chair of the Nominating and Corporate Governance Committee is unable or unwilling to serve as the Presiding Director (or, in connection with any meeting, is absent or otherwise unable to perform the duties of Presiding Director at such meeting), then the most senior independent director (based on length of service on the Board) shall fulfill the duties and responsibilities of the Presiding Director until such time as the Chair of the Nominating and Corporate Governance Committee is again able and willing to perform those duties and responsibilities.

Conduct of Board Meetings

Number of Meetings and Attendance – The Board shall be responsible for determining the appropriate number of regular meetings to hold each fiscal year, and anticipates that it shall have at least four meetings of the full Board in any fiscal year. Each director is expected to attend all regular meetings of the Board and of the committees of which he or she is a member, and is expected to make every effort to attend any specially called Board or committee meeting. Each director is strongly encouraged to attend the Company's annual meeting of stockholders.

The Chairman may request members of management to attend all or portions of Board meetings for discussion purposes or to make appropriate presentations.

Meeting Agenda – The Board shall be responsible for its agenda, and each director is encouraged to suggest agenda items to the Chairman or, if applicable, the Presiding Director at any time.

Pre-Meeting Materials – Prior to each regularly scheduled Board meeting, the Chairman shall distribute appropriate written materials relating to the substantive agenda items to be discussed at that meeting (unless confidentiality or sensitivity concerns suggest that materials be distributed only at the meeting). Each director is encouraged to offer suggestions to either the Chairman or, if applicable, the Presiding Director regarding the nature or extent of information or materials that are regularly distributed in advance of Board meetings.

Executive Sessions of Non-Employee Directors – The directors who are not also Luminex employees shall hold “executive sessions” in which they meet without the directors who are Luminex employees. Generally, an executive session of the non-employee directors shall be a standing agenda item at each regular meeting of the Board and, in addition, may be called at any time by the Presiding Director or at the request of a majority of the non-employee directors. The agenda for each executive session of the non-employee directors shall be determined by the Chairman, or, if the Chairman is also an employee, the Presiding Director. If the non-management directors include one or more directors that do not meet the definitions of “independent director” included in pertinent listing standards of the Nasdaq Stock Market, then the “independent directors” of the Company will at least twice a year schedule an executive session including only “independent directors.”

Committees of the Board

Standing Committees – The Board shall maintain an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee to assist it in discharging its oversight responsibilities. Each of these committees shall have the purposes and responsibilities set forth in its charter. The Board may convene other standing or special committees as it deems appropriate, including an Executive Committee.

Each committee shall, if required by law or the Nasdaq rules or otherwise determined by the full Board, be governed by a written charter approved by the full Board. Once approved, each committee charter shall be considered to be an integral part of these Corporate Governance Guidelines. Each committee shall review its charter at least annually and shall report the results of such review (including any recommended changes) to the full Board.

Membership – The membership of each committee (including the number and identity of directors comprising the committee and the director designated to serve as committee chair) shall be determined by the full Board, acting with the recommendation of the Nominating and Corporate Governance Committee.

The Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee shall be comprised entirely of directors who meet the independence requirements of the applicable provisions of the Exchange Act, the rules promulgated thereunder and the applicable rules of the Nasdaq Stock Market.

Conduct of Committee Meetings – Within the confines of its purpose (as stated in its charter), each committee shall be responsible for determining the frequency and length of committee meetings and the agenda of items to be discussed. The committee chair, in consultation with appropriate members of management, shall develop the agenda for each meeting and shall cause appropriate written materials to be prepared and distributed prior to the meeting. The committee chair, generally with the assistance of a designated member of management, shall be responsible for ensuring minutes of each committee meeting are properly recorded, and the Corporate Secretary shall incorporate these minutes into the official Board minute book. The committee chair shall be responsible for apprising the full Board on a regular basis of all committee proceedings, determinations and recommendations.

Any director shall be entitled to attend the meeting of any committee, regardless of whether he or she is a member of that committee (excluding, when appropriate, employees who serve as directors where compensation of that director as an employee is being discussed), provided that formal action will only be through the vote of appointed committee members. Unless otherwise requested by the committee chair, appropriate members of management shall also attend committee meetings for discussion purposes or to make appropriate presentations.

Board committees shall have access to, and the authority to cause the compensation of, accountants, compensation consultants, investment bankers, legal counsel or other independent consultants whose expertise or service is deemed necessary to carrying out the committees' respective missions.

Board Compensation

The Board, through the Compensation Committee, will periodically review, or request management or outside consultants to review, appropriate compensation policies for the directors serving on the Board and its committees. The Compensation Committee will consider contributions to Board functions, service as committee chairs and such other factors as it may deem appropriate. Changes in Board compensation, if any, should come at the suggestion of the Compensation Committee, with the concurrence of the Nominating and Corporate Governance Committee, and with discussion and concurrence by the Board. The Board believes that a meaningful portion of director compensation should be equity based to further the direct correlation of directors' and stockholders' economic interests. In addition, director compensation shall be the only compensation an Audit Committee member receives directly or indirectly from the Company.

Stock Ownership Program

The Board believes that it is a responsibility of all executive officers and non-employee directors of the Company to achieve long-term stockholder value creation. In furtherance of this goal and the Board's objective of adopting relevant corporate governance best practices, the Company expects each executive officer and non-employee director to demonstrate a long-term commitment to the Company and to the Company's stockholders by acquiring and holding a meaningful investment in the Company's common stock. Therefore, the Board has established specific ownership and retention guidelines for the Company's executive officers and non-employee directors, summarized below.

Over time each executive officer and non-employee director is expected to build his or her ownership of the Company's common stock. The targeted ownership levels are expected to be achieved over 5 years from the time they are named an executive officer or a non-employee director, as applicable, and maintained thereafter. The targeted ownership levels are as follows: CEO: 6 times annual salary; executive officers: 2.5 times annual salary; non-employee directors: 5 times annual cash retainer, exclusive of meeting, chairperson and committee fees. Compliance with the targeted ownership levels will be determined by dividing the multiple of base salary or retainer, as applicable, by the Average Share Price. For the purposes of these guidelines, "Average Share Price" shall mean the average closing price of the

Company's common stock, as reported by NASDAQ for each trading day during the last 30 calendar days of the preceding fiscal year and the first 30 calendar days of the fiscal year in which the calculation is performed. Calculations to determine compliance with these guidelines shall be made by the Committee during the first quarter of each fiscal year.

Each executive officer and non-employee director who has not yet achieved the targeted ownership levels is expected to retain certain shares of common stock acquired upon exercise of stock options or from restricted stock grant pursuant to the Company's equity plans as follows:

i. Non-employee directors and executive officers who have not achieved the targeted ownership requirements are expected to hold no less than 75% of the net number of shares acquired upon option exercises (net of exercise price and tax withholdings).

ii. In the case of restricted stock, executive officers and non-employee directors are expected to hold, after each vesting date of the award, at least 75% of the net vested shares (net of tax withholdings).

The ownership guidelines may be achieved in any combination of the following manners: purchases on the open market; shares owned jointly with or separately by spouse and/or children, or held in trust for one of the foregoing persons; shares held through current or future employee stock purchase or other retirement, profit sharing or pension plans adopted by the Company; shares obtained through stock option exercises; and vested restricted stock shares.

The Board of Directors is authorized to make temporary exemptions to the foregoing ownership guidelines in its discretion where compliance would impose a severe economic hardship or otherwise prevent the executive officer or non-employee director from complying with a court order.

Anti-Hedging and Anti-Pledging Policy

No director or officer of the Company may, directly or indirectly, engage in any hedging transaction that reduces or limits the director's or officer's economic risk with respect to the director's or officer's holdings, ownership or interest in the Company's securities, including without limitation outstanding common stock, stock options, restricted stock, restricted stock units, stock appreciation rights or other compensation awards the value of which are derived from, referenced to or based on the value or market price of the Company's securities. Prohibited transactions include the purchase by a director or officer of financial instruments, including, without limitation, prepaid variable forward contracts, equity swaps, collars, puts, calls or other derivative securities that are designed to hedge or offset a decrease in market value of the Company's securities.

No director or officer of the Company may, directly or indirectly, pledge the Company's common stock as collateral for margin or other loans without the prior approval of the Company's Board of Directors, except for (i) pledges of the Company's common stock that were outstanding prior to March 6, 2013 or (ii) pledges of the Company's common stock by directors or officers who otherwise meet or exceed the Company's stock ownership guidelines applicable to them (excluding the number of shares pledged); provided that, in no event shall any director or officer be permitted to pledge more than 15% of such director's or officer's shares of Company common stock.

Performance Evaluation; Succession Planning

Annual Board Self-Evaluation – The Board will conduct an annual self-evaluation to determine whether the Board and each of its committees are functioning effectively. These evaluations will be led by the Nominating and Corporate Governance Committee and will be reviewed and discussed with the full Board.

Annual CEO Evaluation – The independent directors, or a committee thereof, will conduct a review at least annually of the performance of the CEO. The independent directors, or such committee, will establish the evaluation process on which the performance of the CEO is evaluated.

Succession Planning – As part of the annual CEO evaluation process, the independent directors, or a committee thereof, will work with the CEO to plan for such person's succession and to develop plans for interim succession for the CEO in the event of an unexpected occurrence.

Access to Management and Advisors

The Board shall have complete access to all Luminex officers and employees. Any meetings or contacts that a director desires to initiate may be arranged directly by the director or through the CEO or another executive officer.

The Board welcomes input from management at Board meetings. The Board also encourages management to identify any personnel who can provide additional insight into the items being discussed because of personal involvement or who have potential that management believes should be given exposure to the Board.

The Board and its committees, as well as the non-employee directors acting in executive session, may retain independent outside financial, legal or other advisors as deemed necessary or appropriate at Luminex's expense.

Board Interaction with Analysts, Institutional Investors and the Media.

It is the policy of the Board that senior management speak on behalf of the Company to analysts, institutional investors and the media. At the request of senior management, directors may be called upon from time to time to meet or otherwise communicate with analysts, institutional investors or the media, but generally directors shall not do so without the specific approval of senior management, and all inquiries or requests of directors for comment should be referred to the Company’s senior management.

Stockholder Communications with the Board of Directors

Stockholders may communicate with any of the Company’s directors, including the chair of any of the committees of the Board and the Presiding Director, by writing to them c/o Luminex Corporation, 12212 Technology Blvd., Austin, TX, 78727. The Corporate Secretary or, if applicable, the Company’s compliance officer will review all such communications and direct appropriate communications to the appropriate director(s).