

Impact BioMedical, Inc., and its Subsidiaries

# Code of Ethics and Business Conduct Policy

As used in this document, the name or term “Impact” shall mean Impact BioMedical, Inc. and any existing or new subsidiaries of Impact BioMedical, Inc. Each of these entities’ governing body hereby adopts this policy to the extent applicable to each entity.

<b>Drafting Position</b>	CEO	<b>Oversight Committee</b>	Audit Committee
<b>Approval Date</b>	2/27/2024	<b>Version</b>	10.0
<b>Comments</b>	Adopted by the Board of Directors of Impact BioMedical, Inc. on February 27, 2024.		
<b>Keywords</b>	[Keywords]		
<b>Abstract</b>	[Abstract]		

|



Deleted: ¶  
¶  
¶  
¶  
Table of Contents¶

## Table of Contents

Table of Contents .....	1	
I. Introduction .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 3
General .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 3
Observing Code and Annual Training .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 4
II. Honesty, Ethical Conduct, and Duties .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 4
Honesty and Candor .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 4
Disclosure .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 4
Fair Dealing .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 5
Duty of Loyalty .....	<a href="#">Error!</a>	Formatted: Line spacing: Multiple 1.15 li
Duty of Care .....	<a href="#">Error!</a>	Deleted: 5
<a href="#">Bookmark not defined.</a> .....		Deleted: 5
III. Protection and Proper Use of Company Assets .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 5
Protecting Assets .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 6
Use of Computer, Telephone, E-Mail, Voicemail, and Other Systems .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 6
Mobile Devices .....	7	Deleted: 6
IV. Safeguarding Confidential Information .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 7
General .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 7
V. Anti-Money Laundering and Embargo and Sanction Related Laws....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 8
Compliance .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 8
Embargoes and Sanctions .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 8
VI. Gifts, Entertainment and Other Benefits .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 9
Accepting Gifts and Entertainment .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 9
Giving Gifts and Providing Entertainment.....	9	
VII. Conflicts of Interest .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 10
General .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 10
Directorships at For-Profit Entities and Outside Business Activities .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 10
Directorship and Other Leadership Positions at Charitable and Civic Organizations.	<a href="#">Error! Bookmark not defined.</a>	Deleted: 10
Corporate Opportunities.....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 11
Related Party Business Dealings .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 11
Personal Business Dealings .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 11
Fiduciary Duties .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 12
Outside Employment .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 12

Resolution of Conflicts of Interest .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 12
VIII. Compliance with Laws, Regulations, and Company Policies .....	<a href="#">Error! Bookmark not defined.</a>	
General .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 12
Information and Records Creation and Management.....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 12
Insider Trading.....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 13
Duty to Cooperate .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 13
Background Checks .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 14
IX. Workplace .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 14
Fair Employment Practices and Diversity .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 14
Discrimination and Harassment.....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 14
Drug-Free Workplace .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 14
Gifts and Entertainment of Public Officials .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 14
Political Representations.....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 14
Media.....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 15
Press Releases .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 15
Publications and Public Appearances .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 15
X. Reporting and Enforcement.....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 15
Reporting and Investigation of Violations.....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 15
Enforcement .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 15
Prohibition on Retaliation .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 16
XI. General Provisions .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 16
Implementation and Administration of Code.....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 16
Amendments to this Code.....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 16
Candor in Dealing with Auditors, Examiners and Legal Counsel .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 17
Communications .....	<a href="#">Error! Bookmark not defined.</a>	Deleted: 17

## I. Introduction

### General

The Board of Directors<sup>1</sup> of Impact (together with its direct and indirect subsidiaries, the “*Company*”) has adopted this Code of Ethics and Business Conduct Policy (the “*Code*”)<sup>2</sup> to:

- (a) promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest.
- (b) promote full, fair, accurate, timely, and understandable disclosure in reports and documents that the Company files with, or submits to, its primary regulators and other governmental and regulatory authorities having jurisdiction over the Company and in public communications.
- (c) promote compliance with applicable governmental laws, rules, and regulations.
- (d) promote the protection of Company assets, including corporate opportunities and confidential information.
- (e) promote fair dealing practices.
- (f) deter wrongdoing; and
- (g) ensure accountability for adherence to the Code.

This Code applies to all directors, officers, and employees of the Company. In addition, the Company expects those with whom we do business, including vendors and agents, to adhere to the policies outlined in this Code.

### Observing Code and Annual Training

You<sup>3</sup> are required to be familiar with the Code, comply with its provisions, and report any actual or suspected violations of this Code in accordance with Section X (Reporting and Enforcement) below. You are required to take training regarding the Code on an annual basis, which includes a written or electronic certification that you have read and are following the Code.

You should comply, both in letter and spirit, with all applicable laws, rules, and regulations in the cities and states in which the Company operates. Questions about compliance with the Code should be addressed to the Chief Executive Officer (“*CEO*”) or the Director of Human Resources (“*DHR*”).

Any violations or apparent violations of the Code of Ethics Business Conduct Policy are to be reported to the CEO or DHR for review. It is the responsibility of the either of these officers to present a recommendation to the Company’s Audit Committee regarding the disciplinary action(s) that should be taken, if any, to include, but not limited to, the following: termination of employment, or dismissal from the Board of Directors, censorship, demotion, reassignment, etc. In addition, all violations of potential/proven criminal activity, will be reported to the respective regulatory agency(ies) and other appropriate authorities. Senior Management and the Board of Directors are

<sup>1</sup> The term “Board of Directors” mean the Board of Directors of Impact.

<sup>2</sup> This Code supersedes and replaces any prior policies, rules, communications, standards and/or guidelines that are less restrictive or to the contrary, whether written or oral. This Code applies to all directors, officers and employees of the Company. This Code neither constitutes nor should be construed to constitute a contract of employment for a definite term or a guarantee of continued employment. This Code does not alter “at will” employment relationships.

<sup>3</sup> The term “you” refers to any director, officer or employee of the Company.

Deleted: ¶

Deleted: <sup>1</sup>

Deleted: <sup>2</sup>

Deleted: <sup>3</sup>

Formatted: Font color: Auto

Formatted: Font: Bold, Italic

Formatted: Font: Bold, Italic

responsible for setting an example of integrity and ethical values that are of the highest standard. It is expected that all Directors, Officers, and Employees will act with integrity and hold themselves to a high ethical standard.

## II. Honesty, Ethical Conduct, and Duties

### Honesty and Candor

The Company's policy is to promote high standards of integrity by conducting its affairs honestly and ethically.

You must act with integrity and observe the highest ethical standards of business conduct in your dealings with the Company's customers, suppliers, partners, service providers, competitors, employees, regulatory authorities, and anyone else with whom you have contact while performing your job.

### Disclosure

The Company must provide full, fair, accurate, timely and understandable disclosure in all reports and documents filed with, or submitted to, regulatory authorities and in other public communications by the Company. The Company's periodic reports and other documents filed with regulatory authorities, including all financial statements and other financial information, must comply with all applicable laws and regulations. Each director, officer and employee who contributes in any way to the preparation, review or verification of the Company's financial statements and other financial information must ensure that the Company's books, records, and accounts are accurately maintained. Each director, officer and employee must cooperate fully and exercise complete candor and honesty with the Company's Accounting and Internal Audit Departments, as well as the Company's independent public accountants, legal counsel, and regulators.

Each director, officer and employee who is involved in the Company's disclosure process must:

- (a) be familiar with and comply with the Company's disclosure controls and procedures and its internal control over financial reporting; and
- (b) take all necessary steps to ensure that all filings with our regulators and other governmental authorities and all public filings and communications about the financial and business condition of the Company provide full, fair, accurate, timely and understandable disclosure.

### Fair Dealing

You are expected to deal fairly with our customers, competitors, suppliers, and employees. This includes the following:

- (a) you should not take unfair advantage of anyone through manipulation, concealment, abuse of confidential information, misrepresentation of material facts or any other unfair dealing or practice.
- (b) you should not give or accept bribes, kickbacks, or preferential extensions of credit.
- (c) you must approve or award orders, contracts and commitments based on

Deleted: *<object>*

<sup>1</sup> The term "Board of Directors" means the Board of Directors of Impact

<sup>2</sup> This Code supersedes and replaces any prior policies, rules, communications, standards and/or guidelines that are less restrictive or to the contrary, whether written or oral. This Code applies to all directors, officers and employees of the Company. This Code neither constitutes nor should be construed to constitute a contract of employment for a definite term or a guarantee of continued employment. This Code does not alter "at will" employment relationships. <sup>3</sup> The term "you" refers to any director, officer or employee of the Company.

- objective criteria to avoid favoritism or perceived favoritism; and
- (d) you must not conspire or collude with competitors.

### Duty of Loyalty

The duty of loyalty requires you to administer the affairs of Impact with candor, personal honesty, and integrity. You are prohibited from advancing your own personal or business interests, or those of others, at the expense of Impact. When administering the affairs of Impact, you should be candid, open, and direct; voice your opinions without hesitation; give direct instruction; and do so with honesty.

The interest and welfare of Impact should take priority over the interests of directors, officers, their family members, and their beneficial interests.

In the context of participating in a board decision on transactions or activities, the duty of loyalty means that in deciding, the interest of Impact must be, and directors must be objective, meaning the directors must consider the activities or transactions on their merits, free from any extraneous influences.

Deleted: ¶

### Duty of Care

The duty of care requires you to act as a prudent and diligent businessperson in conducting the affairs of Impact. You must act in good faith, with the level of care that an ordinarily prudent person would exercise in similar circumstances, and in a manner, you reasonably believe is in the best interests of Impact. The duty of care requires you to acquire sufficient knowledge of the material facts related to the proposed activities or transactions, thoroughly examine all information available to you with a critical eye, and actively participate in the decision-making process.

In the context of participating in a board decision, the duty of care is essentially a duty of reasonable due diligence. That is, each director must have done what a reasonable person would do to become familiar with the facts prior to deciding. In becoming familiar with the facts relevant to making a particular decision, a director is entitled to rely on reports of Impact personnel, as well as reports made available to Impact by outside professionals such as accountants, consultants, or lawyers.

Formatted: Font: Bold, Italic

## III. Protection and Proper Use of Company Assets

### Protecting Assets

You are responsible for protecting the assets of the Company and its customers, suppliers, and distributors that are under your control. The Company's assets may be used only for appropriate business purposes. The Company's assets include, cash, securities, physical property (including supplies) and services, business plans, customer and employee information, supplier information, distributor information, intellectual property (including, without limitation, the Company's name, logos, trademarks, processes, inventions, innovations, computer programs, models, and other items) and all other personal, proprietary and confidential information. All writings, works of authorship, technology, inventions, discoveries, ideas, and other work product of any nature whatsoever that are created, prepared, produced, authored, conceived, or reduced to practice by you alone or in combination with others during the period of your employment or association with the Company shall be the sole and exclusive property of the Company (collectively, "***Company Work Product***"). As a condition of employment, you acknowledge and agree that all Company Work Product and any other

proprietary and confidential information is the Company's sole property, and you disclaim any rights, title, and interests therein and assign exclusively these rights, title, and interest to the Company. In addition, you agree to immediately disclose all Company Work Product, and any other confidential and proprietary information so developed to the Company. You further agree to assist the Company in securing for its own benefit all copyrights, patent rights, trademarks, trade names, service marks, mask work rights, trade secret rights and any other proprietary and intellectual property rights, in and to Company Work Product and will execute such documents and take such actions as the Company believes are necessary to accomplish and effectuate the assignment and to secure, protect and perfect the Company's rights in and to Company Work Product. You further understand and agree that the Company is not required to obtain your permission to modify or make derivative works from Company Work Product.

Misappropriation or unauthorized disclosure of the Company's assets is a breach of your duty to the Company and may constitute an act of fraud against the Company. Similarly, carelessness, waste, or unauthorized use with respect to Company assets is also a breach of your duty to the Company.

### Use of Computer, Telephone, E-Mail, Voicemail, and Other Systems

The Company's equipment, services, and technology, including but not limited to computers, telephones, voicemail, PDAs, fax machines, and other electronic communication devices, mail room service, internet access and e-mail are provided primarily for business purposes and the performance of your job. Incidental personal use should be rare and kept to a minimum and should never result in an expense to the Company or interfere with business activities or worker productivity. Accordingly, to the extent permitted by applicable laws and regulations, the Company may at any time monitor and record your use of its equipment and systems and review, monitor, access, retrieve, and/or delete any communications and information that is created, stored, transmitted, or received on its equipment or systems. Therefore, you should not have any expectation of personal privacy when you use Company equipment or systems, including with respect to any information stored within or communicated through such equipment or systems.

You may not use the Company's assets in a manner that could be harmful or embarrassing to the Company or in violation of any of the Company's policies or applicable law. Personal use of the Company's equipment and services must be kept to a minimum unless further restricted by applicable laws, regulations, or your business unit's policies. Occasionally, employees may need to use technology resources for personal use. Senior management approval must be obtained prior to use and, unless noted otherwise, approval must be obtained *each* time. Use of the intranet/internet must comply with all applicable laws and the terms of use of the Company's websites and any third-party websites that are accessed. The Company's intranet/internet servers may not be used for unauthorized downloading, or use, of any copyrighted or unlicensed material. This includes the downloading of music and the unauthorized downloading of unlicensed software, copyrighted images, video, or printed material. The internet may not be accessed using Company equipment or services to view, download, store, transmit or post illegal, harassing, demeaning, offensive or inappropriate material. Impact prohibits logging on to sexually explicit websites, displaying or transmitting sexually explicit images, messages, cartoons, or any information with pornographic content or any transmission or use of communications that may be construed as harassment, inappropriate or disparagement of others. Use of abusive or objectionable language in either public

Formatted: Line spacing: Multiple 1.15 li

Formatted: Underline

Formatted: Line spacing: Multiple 1.15 li



or private messages is also strictly prohibited.

### Mobile Devices

Unless authorized by your immediate supervisor or expected as part of your employment terms and job responsibilities, do not use your mobile phone to make personal phone calls or to send text messages, except during breaks or away from customers, without prior approval from your supervisor. The use of mobile devices for personal reasons during business hours may be strictly monitored. Should any use for personal reasons interfere with an employee's work, the supervisor may require the device to be put away and may discipline the employee with a written warning. Continued misuse of a mobile device may result in disciplinary action, up to and including termination. All mobile phones must be turned off or set to vibrate mode during business hours.

Copying, selling, using or distributing information, software and other forms of intellectual property in violation of intellectual property laws or license agreements is prohibited.

Formatted: Line spacing: Multiple 1.15 li

## IV. Safeguarding Confidential Information

### General

During your employment or relationship with the Company, you will obtain and have access to confidential and proprietary documents, materials, and other information of and relating to the Company and its businesses and its existing and prospective customers, suppliers, investors and other associated third parties. Confidential and proprietary information includes, but is not limited to, the following:

- a. financial information of the Company, including budgets, projections, price lists, and any other financial, marketing, or sales information.
- b. information about the Company's current and prospective customers, suppliers, vendors, investors and other associated third parties, including financial information and customer, vendor, and supplier lists.
- c. employment and personnel information and employee lists.
- d. business methods, processes, practices, know-how, ideas and intellectual property, including trade secrets, secret processes, and information about present, past, or future products or services.
- e. documents, manuals, books, data, records, research and plans.
- f. information that the Company considers confidential or that the Company is required by law to treat confidentially; and
- g. other information directly or indirectly relating to the Company or its employees, customers, products and services, policies, prospects, or operations.

You are required to safeguard and maintain the confidentiality of confidential and proprietary information (including Company Work Product), except where disclosure is properly authorized or legally required. You may not disclose confidential or proprietary information (including Company Work Product) to a customer or any third party unless such disclosure is properly authorized and complies with applicable law. Disclosure of confidential information to directors, officers and

Formatted: Line spacing: Multiple 1.15 li

employees of the Company should be on a need-to-know basis. Once your employment or association with the Company ends, you may not disclose or use confidential or proprietary information of the Company (including Company Work Product) and you must immediately return any copies of such information to the Company. You must also return to the Company any confidential information (including Company Work Product) in your possession or control immediately following the Company's request for such information and you must not retain any copies of such information.

Deleted: need to know

## V. Anti-Money Laundering and Embargo and Sanction Related Laws Compliance.

Formatted: Space Before: 0 pt, After: 6 pt

Money laundering is defined as the process of converting proceeds of unlawful activity so that funds are made to appear legitimate and thereby enter the stream of commerce. You should act diligently to prevent our products and services from being used to further money laundering and to detect and report related concerns. You must follow the Company's anti-money laundering policies and procedures, including those requiring appropriate diligence for accepting customer relationships and, where applicable, individual transactions.

Deleted: ¶

### Embargoes and Sanctions

The Company complies fully with U.S.<sup>4</sup> economic sanctions and embargoes restricting U.S. persons, corporations and, in some cases, foreign subsidiaries from doing business with certain countries, groups and individuals, including organizations associated with terrorist activity and narcotics trafficking. Unless expressly permitted by the U.S. Treasury Department's Office of Foreign Assets Control, economic sanctions prohibit doing business of any kind with targeted governments and organizations, as well as individuals and entities that act on their behalf. Sanction prohibitions also may restrict investment in a targeted country, as well as trading in goods, technology, and services with a targeted country. U.S. persons may not approve or facilitate transactions by a third party that the U.S. person could not do directly.

Deleted: (including financial services)

## VI. Gifts, Entertainment and Other Benefits

### Accepting Gifts and Entertainment

Deleted: ¶  
<object>G

Formatted: Font color: Auto

Formatted: Space Before: 6 pt, After: 6 pt

You may not accept or receive a gift or anything of value under circumstances where it appears that your business judgment may be compromised. Similarly, you may not accept or allow a close family member to accept gifts, services, loans, or preferential treatment from anyone in exchange for a past, current or future business relationship with the Company.

Cash gifts or their equivalent (e.g., gift cards or vouchers) may not be accepted in any amount under any circumstances. Unsolicited non-cash gifts may be accepted where permitted under applicable law if they:

Deleted: ¶

- (a) have a value less than or equal to \$100;
- (b) are appropriate, customary, and reasonable meals and entertainment at which the provider is present; or
- (c) are appropriate, customary, and reasonable gifts based on family or personal relationships, and

Deleted:

Deleted:

<sup>4</sup> The term "U.S." means the United States of America.

clearly not meant to influence the Company's business.

Without limiting the foregoing guidelines:

- a. you should not accept a loan from any of the Company's customers or suppliers,
- b. you should not accept a fee for performing any act that the Company could have performed.
- c. you should not receive anything of value as an inducement for, or in consideration of, making a loan or approving a vendor line of credit or other extension of credit by the Company or purchasing any goods or services from a third party.
- d. if you are offered or receive a gift or anything of value in violation of this Code, you must report the matter in writing to your supervisor. Gifts from customers or vendors to officers or employees having a value of more than \$100 must always be reported to your supervisor. A "gift" subject to these reporting requirements shall include, but not be limited to, tickets to entertainment or sporting events, expenses for a trip, and food. Acceptance or solicitation of a gift in violation of this standard is not a criminal offense, but may be grounds for discipline, including termination.
- e. you should decline any gift if there exists any implication of influence on future dealings; and
- f. you should not do indirectly what you are prohibited from doing directly. For example, you should not have a family member, or a related entity accept a prohibited gift or loan.

Deleted: ¶  
¶  
<object>¶  
¶  
4 The term "U.S." means the United States of America.¶  
¶

### Giving Gifts and Providing Entertainment

In certain circumstances, gifts, and entertainment by us may be viewed as a conflict of interest or, in certain cases, bribery. If a gift or entertainment could be seen or perceived as consideration for improper corporate or other business, you must not give the gift or provide the entertainment.

Deleted: ¶

Gifts to and entertainment of public officials are subject to specific legal restrictions and are addressed in Section XI (Political and Public Activities) of this Code.

## VII. Conflicts of Interest

### General

A conflict of interest occurs when an individual's private interest (or the interest of a member of his or her family) interferes, or even appears to interfere, with the interests of the Company. A conflict of interest can arise when a director, officer, or employee (or a member of his or her family) takes actions or has interests that may make it difficult to perform his or her work for the Company objectively and effectively. Conflicts of interest also arise when a director, officer, or employee (or a member of his or her family) receives improper personal benefits because of his or her position in the Company. Potential conflicts of interest must be fully disclosed to the Company's Board of Directors, Audit Committee and Senior Management before any transaction(s) are conducted with insiders, family members, affiliates, related interests and/or shareholders. Conflicts of interest are prohibited as a matter of Company policy.

Formatted: Space After: 6 pt

Deleted: ¶

You should not directly or indirectly participate in or approve on behalf of the Company any transaction which is or could be viewed as a conflict of interest because of a connection with you or a related person or entity.

A director, officer, or employee having a conflict of interest must abstain from voting on any matter or transaction or matter involving themselves, directly or indirectly, and exclude himself or herself entirely from any direct or indirect participation and discussion in the matter. In addition, it is required that there be adequate documentation on file to support the insider transactions, as well as transactions with family members are performed at arm's length.

It is required that the Audit Committee minutes document any deliberation and discussion regarding any potential insider-related transactions. All material inside transactions must be approved by the Company's Audit Committee.

### Directorships at For-Profit Entities and Outside Business Activities

Any invitation or appointment to serve as a director of a for-profit entity must be reviewed for conflicts of interest and approved in advance by the Board of Directors. Outside directors of the Company are not required to seek such approval but must notify the Board of Directors in writing of any position accepted. Each year you are required to report if you serve on any outside for-profit corporate board of directors.

An officer or employee should obtain prior approval from his or her supervisor before participating in business activities outside the Company. While the Company will generally approve such activities, requests to engage in activities that could interfere with an employee's job duties, or reflect poorly on the Company, are otherwise not in the best interest of the Company or create or appear to create a conflict of interest will generally be declined.

### Directorship and Other Leadership Positions at Charitable and Civic Organizations

While you are encouraged to participate in charitable, civic, and other non-profit organizations, in some cases you must obtain approval before accepting a significant position as an officer or director of a charitable or non-profit organization. A leadership and decision-making role with a non-profit organization could create a conflict of interest.

- (a) **Positions Requiring Approval.** Generally, you need pre-approval by the DHR to accept a significant decision-making leadership role such as a position of director or officer of a major non-profit organization, such as a 501(c)(3) tax-exempt organization. You should also request pre-approval by the DHR with a non-profit organization if you think that position could involve a sensitive issue or potential conflict of interest for the Company.
- (b) **Positions Not Requiring Approval.** Generally, you do not need approval to accept a position in a smaller charitable, civic, or non-profit organization which is based on your personal activities and interests, where it does not present conflicts of interest for the Company and is a role that is not based upon your position at the Company. Examples of positions not requiring approval would be positions on a homeowner's

Formatted: Space After: 6 pt

Formatted: Space After: 6 pt, Line spacing: Multiple 1.15 li

Formatted: Line spacing: Multiple 1.15 li

Formatted: Space After: 6 pt

Formatted: Right: 0.38", Space After: 6 pt, Line spacing: Multiple 1.15 li

Deleted: ¶

association, a little league association, a church committee, or a school or athletic booster club.

### Corporate Opportunities

You owe a duty to the Company to advance its interests when the opportunity arises. You are prohibited from taking for yourself personally (or for the benefit of friends or family members) opportunities that are discovered using Company assets, property, information, or position. You may not use Company assets, property, information, or position for personal gain (including gain of friends or family members). In addition, you may not compete with the Company during your employment or association with the Company.

### Related Party Business Dealings

You must obtain the approval of the Board of Directors in the event of any business relationship, or proposed business transaction, that the Company may have with any company or other entity in which you, or an immediate family member (immediate family member means any 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, and any person (other than a tenant or employee) sharing the individual's household), has: (a) a direct or indirect interest, or (b) from which you or an immediate family member may derive a benefit, or (c) where an immediate family member is employed, if such a relationship or transaction might give rise to the appearance of a conflict of interest. For example, if you or a family member owns or controls property of significant value that the Company is either purchasing or leasing. This requirement excludes a business relationship consisting solely of the provision of a Company service or product that is not with shareholder, affiliate (non-Impact subsidiary), or other entities which may share similar board members. As the By-Laws and Audit Committee Charter provides, all such transactions shall require the Independent Audit Committee's approval.

### Personal Business Dealings

Directors, officers, and employees may not personally benefit from their relationship or employment with the Company except through compensation or Board of Director-approved benefits received directly from the Company. This prohibition does not apply to benefits offered by the Company or merchants that are generally available to all employees of the Company. Additionally, directors, officers and employees are encouraged to use the Company's products and services, but this should be on an arm's length basis without preferential treatment.

### Fiduciary Duties

The Company may act as a fiduciary in certain investment advisory and other customer relationships. You should determine when fiduciary duties arise and keep in mind that a fiduciary has a legal duty to act in the

best interests of its customers – putting its customers' interests ahead of its own interests, or the interests of its affiliates or employees. A fiduciary also has the duty to act prudently, treat customers fairly, maintain the confidentiality of customer information, protect fiduciary assets, and provide appropriate disclosures. This duty includes informing customers of any conflicts of interest or, if legally required, avoiding such conflicts entirely.

Formatted: Space After: 6 pt

## Outside Employment

Any employment of an officer or employee outside the Company must be approved in advance by the DHR.

## Resolution of Conflicts of Interest

Whether or not a conflict of interest exists or will exist can be unclear. Conflicts of interest should be avoided unless specifically approved in accordance with this Section.

Persons other than directors and executive officers who have questions about a potential conflict of interest or who become aware of an actual or potential conflict should discuss the matter with and seek a determination and prior authorization or approval from the CEO or DHR. A supervisor may not authorize or approve conflict of interest matters or make determinations as to whether a problematic conflict of interest exists without first providing the CEO or DHR with a written description of the activity and seeking the written approval.

Directors and executive officers may only seek determinations and prior authorizations or approvals from the Audit Committee or the Audit Committee Chairman.

Formatted: Space After: 6 pt

Formatted: Space After: 6 pt, Line spacing: Multiple 1.15 li

Formatted: Line spacing: Multiple 1.15 li

## VIII. Compliance with Laws, Regulations, and Company Policies

### General

You should comply, both in letter and in spirit, with all applicable laws, rules and regulations in the cities and states in which the Company operates. These laws include, but are not limited to customer privacy, anti-money laundering, fair lending, affiliate ~~transactions~~, securities, employment laws, and other laws related to the operation of the Company. In certain instances, the Company may establish internal policies that exceed standards required by applicable law.

Deleted: transaction

### Information and Records Creation and Management

Information and records that are owned, collected, used, or managed by the Company must be accurate and complete and maintained with reliability and integrity. You have an obligation to ensure that all documents and reports for which you are responsible are properly prepared and maintained and are free of any false, misleading, incomplete, or otherwise improper information. It is illegal to mislead, manipulate, defraud, or coerce any director, officer or employee of the Company, any advisor to the Company (including legal counsel and auditors), or any regulatory authority. You and other representatives of the Company are prohibited from destroying or altering any records that are potentially relevant to a violation of law, legal claim, or any litigation, or to any pending, threatened, or foreseeable government investigation or proceeding.

### Insider Trading

Our policies and the federal laws of the U.S. ~~prohibit trading in the securities~~ (including equity securities, convertible securities, options, bonds, and any stock index containing the security) of any company while in possession of material, nonpublic information regarding the company.

Deleted: nited States

No director, officer or employee may purchase or sell any Company securities while in possession of

material non-public information regarding the Company, nor may any director, officer or employee purchase or sell another company's securities while in possession of material non-public information regarding that company. It is against Company policies and illegal for any director, officer, or employee to use material non-public information regarding the Company or any other company to:

- (a) obtain profit for himself or herself; or
- (b) directly or indirectly “tip” others who might make an investment decision based on that information.

This prohibition also applies to transactions for any Company account, customer account or personal account. A personal account is any account in which you have a financial or beneficial interest, or for which you have the power to affect or ability to influence trading or investment decisions, either directly or indirectly. Personal accounts typically include accounts of spouses, domestic partners, children and other members of your household, and accounts over which you have investment discretion.

**Securities Laws and Insider Trading.** Impact BioMedical, Inc is a public-traded company meaning that our securities are sold in the public marketplace. We file reports with the Securities and Exchange Commission. As an employee of Impact BioMedical, Inc you are subject to Impact’s policy against insider trading. Simply stated, material, non-public information is not to be used for personal gain, and you should not trade in Impact stock when you possess such information. If you have any questions regarding whether it is appropriate to engage in any transaction, contact the Chief Financial Officer.

### Duty to Cooperate

You must fully cooperate with any internal or external investigation or audit, or regulatory examination or request for information. You must immediately inform the Chief Compliance Officer if you are the subject of an external investigation or are participating in an external investigation unless applicable laws or regulations or the investigating authority prohibit you from doing so.

### Background Checks

Background checks are important to protect the Company and its assets and to comply with applicable laws that prohibit the Company from employing or associating with a person convicted of a criminal offense involving dishonesty, breach of trust, or money laundering. The Company may conduct a pre-employment criminal background check and/or a social media investigation on each person who is offered employment with the Company. The Company may conduct additional pre-employment background checks, which may include verification of references, employment, experience, education, and professional qualifications. If the Company does perform such background checks and obtains credit reports, it is committed to comply with all applicable federal and state laws. The Company reserves the right to deny or terminate employment based on the results of any background check.

## IX. Workplace

### Fair Employment Practices and Diversity

Formatted: Font: 12 pt, Not Italic

Formatted: Font color: Text 2

Formatted: Line spacing: Multiple 1.15 li

The Company believes that diversity in our personnel is critical to our success as a multi-state financial institution, and we seek to recruit, develop, and retain talented people from a diverse candidate pool. The Company is fully committed to equal employment opportunities and compliance with the letter and spirit of the full range of laws regarding employment practices.

### **Discrimination and Harassment**

The Company prohibits discrimination, harassment or intimidation that is unlawful or otherwise violates our policies, whether committed by or against a supervisor, co-worker, customer, supplier, or visitor. Discrimination or harassment based on a person's race, color, religion, national origin, nationality, culture, ancestry, age, sex, pregnancy, citizenship, familial status, disability, veteran status, genetic information, sexual orientation, gender identity or transgender status, creed, or other legally protected personal characteristic, are not tolerated. Retaliation for raising claims of discrimination or harassment, or for participating in an investigation regarding alleged discrimination or harassment, is also prohibited.

If you believe that you are being subjected to discrimination or harassment, or if you observe or receive a complaint regarding such behavior, you should report it in accordance with Section X of this Code. The company will promptly investigate all allegations of harassment or discrimination and will take appropriate corrective action to the fullest extent permitted by applicable law.

### **Drug-Free Workplace**

The Company must maintain a healthy and productive work environment. Misusing controlled substances or selling, manufacturing, distributing, possessing, using or being under the influence of illegal drugs in the workplace or while performing work-related duties is prohibited.

### **Gifts and Entertainment of Public Officials**

Various federal, state, and local laws restrict gifts that may be provided to government officials and employees, including meals, entertainment, transportation, and lodging. In addition, offering or giving anything of value to a foreign government official is restricted under the Foreign Corrupt Practices Act. To ensure compliance with these laws, you must obtain the prior approval of the President or CEO before providing any gift, meal, entertainment, or anything else of value to a government official or employee.

### **Political Representations**

You are free to express your political views, support candidates of your choice, run for elective office, or serve in an elective or government-appointed office on your own time and at your own expense. You may serve in an elective or government appointed office if this does not interfere with your job performance or service as a director, officer, or employee of the Company, use Company time or resources, or present a conflict of interest. If you serve in an elective or government-appointed office or participate in personal political activity, you may not indicate in any way that you are representing the Company.

### **Media**

If you are contacted or approached by a reporter or member of the media, you should direct him or her to the President or CEO. If you anticipate speaking or otherwise communicating with the media,

Formatted: Line spacing: Multiple 1.15 li

Formatted: Line spacing: Multiple 1.15 li



you must obtain prior approval from the President or CEO.

### **Press Releases**

Press releases or public statements on behalf of the Company may be issued only by the CEO. You may not consent to or engage in any public relations activity relating to the Company with customers, suppliers, or others without prior approval from the President.

### **Publications and Public Appearances**

Before publishing or posting any material in written or electronic format (including books, articles, podcasts, webcasts, blogs, website postings, photos, videos, or other media), making speeches, giving interviews, or making public appearances that mention the Company or the Company's operations, customers, employees, or services, you must obtain approval from the CEO or President.

## **X. Reporting and Enforcement**

### **Reporting and Investigation of Violations**

Actions prohibited by this Code may be reported as follows and in accordance with Impact's Whistleblower Policy:

- (a) actions involving directors or executive officers may be reported to the Chair of the Audit Committee or if the Audit Committee Chair is the focus, then to the next most senior Independent Director of the Impact Board of Directors.
- (b) actions involving any other person may be reported to the CEO or DHR.

After receiving a report of an actual or suspected prohibited action, the CEO or applicable individual addressing the matter, must promptly take all appropriate actions necessary to investigate.

You must cooperate with internal investigations of misconduct.

If you have any questions or concerns regarding this Code, you should consult the DHR.

### **Enforcement**

The Company must ensure prompt and consistent action against violations of this Code.

If, after investigating a report of an alleged prohibited action by a director or executive officer, the Chair of the Audit Committee (or the most senior independent director) determines that a violation of this Code has occurred, the Chair will report such determination to the Corporate Governance Committee and as well as the Board of Directors, for final dispositive action.

If, after investigating a report of an alleged prohibited action by any other person, the CEO or DHR determines that a violation of this Code has occurred, he/she will report such determination to the Corporate Governance Committee as well as the Board of Directors, with suggested corrective and/or enforcement action.

Failure to comply with any of the provisions set forth in this Code shall be grounds for disciplinary action up to and including removal. Such disciplinary action may include the termination of employment, without warning.

## Prohibition on Retaliation

The Company will treat all information in a confidential manner and will not take any acts of retribution or

retaliation against any Impact employee for making a report. As the failure to report wrongful conduct may be interpreted as condoning such actions, the failure to report knowledge of wrongdoing may result in disciplinary action against any director, officer or employee who fails to report.

- (a) **Non-Retaliation.** Retaliation in any form against an Impact employee who reports a violation of this Code (even if the report is mistaken but was submitted in good faith) or who assists in the investigation.

of a reported violation is a serious violation of this Code. Acts of retaliation should be reported immediately and may result in severe disciplinary action.

- (b) **Investigation of Suspected Violations.** Suspected violations will be investigated under the supervision of our DHR, CEO and/or the Audit Committee as deemed appropriate. All employees are expected to cooperate in the investigation of reported violations. To protect the privacy of persons involved in investigations, persons investigating a suspected violation will use their best efforts to keep confidential, the identity of anyone reporting a suspected violation or participating in an investigation, unless disclosure is required by law or is otherwise in the Company's best interests. Persons involved in an investigation are obliged to act in the best interests of Impact as a company and not on behalf of any impact employee, including executive officers. Our Board of Directors has the ultimate responsibility for final interpretation of this Code and for determining whether any violations of this Code have occurred.

## XI. General Provisions

### Implementation and Administration of Code

The implementation and administration of this Code will be under the direction and supervision of the CEO.

### Amendments to this Code.

This Code may be revised, changed, or amended at any time by our Board of Directors. Following any material revisions or updates, an amended version of this Code will be distributed to you, and it will immediately supersede the prior version of this Code. We may ask you to sign an acknowledgment confirming that you have read and understood the revised version of the Code, and that you agree to comply with its provisions. This Code reflects general principles to assist Impact Employees in making ethical decisions and cannot, and is not intended to, address every specific situation in which we may find it appropriate to take disciplinary action. This Code is not intended to create any contract (express or implied) with you, including without limitation any employment contract, and is not a promise that your employment will not be terminated except for cause.

### Candor in Dealing with Auditors, Regulatory Bodies and Legal Counsel

All employees, officers and directors are required to respond honestly and candidly when dealing

Deleted:

Formatted: Space After: 6 pt

Deleted: ¶

Deleted: Examiners

with Impact's independent and internal auditors, regulators, and attorneys.

**Communications**

All communications, reports and requests for clarification, interpretation or waiver of this Code and all responses thereto shall be in writing and shall be maintained by the DHR.

## Code of Ethics & Business Conduct Policy Acknowledgment and Employee Agreement

Formatted: Font color: Text 2

I hereby acknowledge that I have received a copy of Impact's Code of Ethics & Business Conduct Policy. I understand it is my responsibility to read this policy, and to understand its provisions. I further acknowledge my commitment to abide by this policy, both as to its letter and spirit. In addition, by signing below, I expressly agree to:

Strictly abide by the terms of Impact's Code of Ethics & Business Conduct Policy.

Report immediately to the appropriate person all possible conflicts of interest; and

Conduct myself in a manner that supports and encourages compliance with Impact's Code of Ethics & Business Conduct Policy.

I acknowledge and agree that my failure to abide by any portion of the foregoing policy and agreement will result in disciplinary action being taken against me, which may include immediate discharge.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

Employee Name \_\_\_\_\_

Employee Title \_\_\_\_\_

Employee Signature \_\_\_\_\_

### **READ CAREFULLY BEFORE SIGNING**

**BY MY SIGNATURE, I STATE AND AFFIRM THAT I HAVE READ THE FOREGOING AND THAT I UNDERSTAND ITS CONTENTS. FURTHER, I ACKNOWLEDGE THAT I HAVE HAD ALL MY QUESTIONS ANSWERED TO MY SATISFACTION.**