

Pine Biotech, Inc.

Conflict of Interest Policy

I. PURPOSE

The purpose of this policy is to protect the interests of Pine Biotech, Inc. when contemplating a new hire, a transaction or an arrangement that might cause an officer, director or employee to choose between personal interests and the interests of Pine Biotech or that may call into question their independence or impartiality.

II. APPLICATION OF POLICY

All Pine Biotech directors, officers, and employees are subject to this conflict of interest policy. This policy is intended to supplement, but not replace, applicable federal and state laws governing conflicts of interest.

III. POLICY SUMMARY

1. Required Training:
All Pine Biotech directors, officers and employees must complete the conflict of interest training within 90 days of hire or upon first association with Pine Biotech, and then annually thereafter.
2. Disclosure Procedures:
 - a. All Pine Biotech directors, officers (including the Executive Director), and employees will complete a Confidential Disclosure Questionnaire form and an Affirmation of Compliance statement upon hire or first association with Pine Biotech.
 - b. All directors and officers, and any employees with decision making authority ("key employees"), will submit a new Confidential Disclosure Questionnaire and Affirmation of Compliance statement any time a change in their circumstances may result in a potential conflict of interest, but at least annually.
 - c. All other Pine Biotech employees will complete the Confidential Disclosure Questionnaire and Affirmation of Compliance statement upon hire as a one-time disclosure and again if their circumstances change.

III. DEFINITIONS

Conflict of interest: A conflict of interest may exist when the interests of a director, officer or employee may be seen as competing with the interests of Pine Biotech. A director, officer or employee may be considered to have a conflict of interest whenever they or their relative has an existing or potential financial or other material interest that impairs or might appear to impair their independence or objectivity in the discharge of their responsibilities to Pine Biotech. Additionally, personal and business relationships may cause “dual loyalties” that are unrelated to personal financial gain, but nonetheless may raise conflict of interest concerns.

A financial or other interest is not necessarily a conflict of interest. A financial or other conflict of interest exists only when the Pine Biotech board of directors (Board) decides a person with an interest has a conflict of interest.

Relatives: For purposes of this policy, “relatives” include the spouse, parent, child and any other relative by blood or marriage with whom a Pine Biotech officer, director or employee has similarly close personal ties as well as any other member of their household.

Financial interest: A Pine Biotech director, officer or employee has a “financial interest” if through business, investment or a relative they have an ownership or investment interest in, or a compensation arrangement with, any entity or individual with which Pine Biotech has or is contemplating a transaction or arrangement.

Business associate: A “business associate” is any person or entity with which a Pine Biotech officer, director or employee, or any of their relatives, engages in the exchange of goods or services for remuneration.

IV. DUTY TO DISCLOSE POTENTIAL CONFLICTS OF INTEREST

All Pine Biotech directors, officers and employees have a duty to disclose any situation that involves personal, familial or business relationships that may give rise to a real or perceived conflict of interest as soon as it is known.

V. DISCLOSURE PROCEDURES

In addition to the ongoing duty to disclose described in Section IV above:

- All Pine Biotech directors, officers (including the Executive Director), and employees will complete a Confidential Disclosure Questionnaire form and an Affirmation of Compliance statement upon initiating their association with Pine Biotech.
- All directors and officers, and any employees with decision making authority (“key employees”), will submit a new Confidential Disclosure Questionnaire and Affirmation

of Compliance statement any time a change in their circumstances may result in a potential conflict of interest, but at least annually.

- All other Pine Biotech employees will complete the Confidential Disclosure Questionnaire and Affirmation of Compliance statement upon hire as a one-time disclosure and again if their circumstances change.

Confidential Disclosure Questionnaires will be submitted and reviewed as follows:

Board members, officers and key employees will submit their completed Confidential Disclosure Questionnaire and Affirmation of Compliance to the Executive Director. Any questionnaire with a disclosure will be provided to the Board to review. The Board will decide whether any disclosures (“yes” responses) represent actual, perceived or potential conflicts of interest.

Administrative personnel other than key employees will submit their completed Confidential Disclosure Questionnaire and Affirmation of Compliance to the Pine Biotech HR Specialist or Executive Director upon initiating their employment. S/he will review the forms and will provide any forms with disclosures to the Executive Director. Together the supervisor and Executive Director will decide whether any disclosures represent actual, perceived or potential conflicts of interest that require consideration by the Board.

Confidentiality. Confidential Disclosure Questionnaires may contain confidential information and will be treated as confidential documents.

Retention. The Executive Director will file Disclosure Questionnaires and Affirmations of Compliance with the official records of Pine Biotech and will retain annual disclosures for three years. Disclosure Questionnaires of employees subject to the requirement for one-time disclosure will be retained until the end of the individual’s Pine Biotech relationship.

If a potential conflict of interest arises subsequent to submitting a Disclosure Questionnaire or between submissions, a director, officer or employee will promptly bring the situation to the attention of the appropriate person as follows:

- Members of the Board and Executive Director: Report to the Board Chair.
- Pine Biotech administrative employees: Report to the Executive Director.

Such disclosures will be reviewed in accordance with the procedures described above for disclosures made on Disclosure Questionnaires.

VI. PROCEDURES FOR REVIEW OF POTENTIAL CONFLICTS

Whenever there is reason to believe that a potential conflict of interest exists between Pine Biotech and any board member, officer or employee, the Board will promptly convene a meeting to determine whether a conflict exists and the appropriate response.

Any response by the Board will include, but may not necessarily be limited to, invoking the procedures described below with respect to a specific proposed matter.

VII. PROCEDURES FOR ADDRESSING CONFLICTS OF INTEREST

When a potential conflict exists between the interests of Pine Biotech and a director, officer or employee, the Board will consider the matter during a meeting of the board.

Other than taking steps necessary to protect the interests of Pine Biotech until a meeting of the Board may be convened and a decision made, Pine Biotech will refrain from acting on the matter that invoked the potential conflict of interest. The following procedures will apply:

- **Board Review.** A director, officer or employee who has a potential conflict of interest with respect to a proposed Pine Biotech decision, policy or transaction or arrangement (an “interested party”) will not participate in any way in, or be present during, the deliberations and decision-making vote of Pine Biotech with respect to such matter. However, that person will have an opportunity to provide factual information about the proposed conflict and/or matter that provoked the potential conflict. Also, the Board may request that an interested party be available to answer questions. Board options include, but are not limited to:
 - Allowing the proposed matter to go forward upon finding that it is in the best interests of Pine Biotech;
 - Prohibiting the proposed matter;
 - Approving mitigating actions (including but not limited to recusal, limitation of duties, transfer or reassignment, additional supervisory review or other action considered appropriate by the Board); or
 - Recommending an alternative arrangement.
- **Vote.** A decision by the disinterested members of the Board will be made by vote of a majority of members in attendance at a meeting at which a quorum is present. An interested director will not be counted for purposes of determining whether a quorum is present, or for purposes of determining what constitutes a majority vote of directors in attendance.
- **Minutes.** The minutes of the Board meeting will reflect that the conflict disclosure was made to the Board, the vote taken and, when applicable, the abstention from voting and participation by any interested party. Whenever possible, the minutes should frame the decision in such a way that it provides guidance for consideration of future conflict of interest situations.

VIII. VIOLATIONS OF CONFLICT OF INTEREST POLICY

If a director, officer, employee, or the supervisor of a Pine Biotech employee, has reason to believe that any other director, officer or employee has failed to disclose an actual or potential conflict of interest, such person has a responsibility to inform the chair of the Board or the Executive Director of the basis for their belief. In such event, the chair of the Board or the Executive Director will refer the matter to the Board. The Board will inform the person of the allegation and will allow the person an opportunity to explain the alleged failure to disclose.

If after affording a Pine Biotech director, officer or employee with a potential or actual conflict an opportunity to disclose all material facts, the Board decides that such an individual has in fact failed to disclose a possible conflict of interest, the Board will determine the corrective steps to be taken and/or disciplinary action.

Policy Version: August 2020 (08012020)

Attachments to this Policy:

Policy V. 08012020

Confidential Disclosure Questionnaire

Affirmation of Compliance

Confidential Disclosure Questionnaire

Please complete the questionnaire below, indicating any potential conflicts of interest. If you answer "yes" to any of the questions, provide a written description of the details in the space allowed. Attach additional sheets as needed. Submit your completed form to the Pine Biotech Executive Director.

Financial Interests - A conflict may exist when a Pine Biotech director, officer or employee or any of their relatives may directly or indirectly benefit or profit as a result of a decision, policy, transaction or arrangement made by Pine Biotech.

During the past 12 months (for each "yes" response, please describe below or on a separate page):

1. Has Pine Biotech proposed to contract or contracted to purchase or lease goods, services, or property from you, a relative or a business associate?

_____ Yes _____ No

2. Are you related to any current or prospective Pine Biotech director, officer or employee, or to the supervisor of any Pine Biotech employee?

_____ Yes _____ No

3. Have you, a relative or a business associate been provided with a gift, gratuity or favor of a substantial nature from a person or entity that does business or seeks to do business with Pine Biotech?

_____ Yes _____ No

4. Have you, a relative or business associate been gratuitously provided use of the facilities, property, or services of Pine Biotech?

_____ Yes _____ No

5. Are you, a relative or a business associate in a position to benefit financially from decision, policy, transaction or arrangement made by Pine Biotech?

Yes No

Other Interests - A conflict may also exist when a Pine Biotech officer, director, employee or any of their relatives may obtain a non-financial benefit or advantage that they would not have obtained absent their relationship with Pine Biotech, or when their duty or responsibility owed to Pine Biotech conflicts with a duty or responsibility owed to some other organization.

During the past twelve months (for each "yes" response, please describe below or on a separate page.):

1. Did you obtain for yourself or any other person or organization preferential treatment, promotion, recognition or a non-salaried appointment as a consequence of your association with Pine Biotech?

Yes No

2. Did you make use of confidential information obtained from Pine Biotech for your own benefit or for the benefit of any person or organization?

Yes No

3. Did you take advantage of an opportunity or enable any person or organization to take advantage of an opportunity that you had reason to believe would be of interest to Pine Biotech?

Yes No

4. Were you in a position to benefit in a nonfinancial way from a decision, policy, transaction or arrangement made by Pine Biotech?

Yes No

Other - Describe any other circumstances or relationships you or a relative may have that you believe may assist Pine Biotech in protecting its interests and preventing conflicts of interest:

Signature: _____

Name (Please print) _____

Date _____

Affirmation of Compliance

1. I have received and carefully read the Conflict of Interest Policy for directors, officers and employees of Pine Biotech and have considered the literal expression of the policy as well as its intent.

2. By signing this affirmation of compliance, I hereby affirm that I have read, understand and agree to comply with the Pine Biotech Conflict of Interest Policy.

3. I further understand that Pine Biotech is a nonprofit organization and that in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes without personal benefit, other than by salary.

4. Except as otherwise indicated in the Disclosure Questionnaire and attachments below, I hereby state that neither I nor any relative or business associate has any conflict of interest, financial or otherwise that may be seen as competing with the interests of Pine Biotech. Also, neither I nor any of my relatives or business associates benefit from any action, policy or transaction made by Pine Biotech in a manner that has not been previously disclosed.

5. If any situation should arise in the future that I believe may involve me in a conflict of interest, I will promptly and fully disclose the circumstances as appropriate:
 - o Members of the Board and Executive Director: Report to the Board Chair.
 - o Pine Biotech administrative employees: Report to the Executive Director.

6. I further certify that the information set forth in the Disclosure Questionnaire and attachments, if any, is true and correct to the best of my knowledge, information and belief.

Signature: _____

Name (Please print) _____

Date _____