

Cheng Fwa Industrial Co., Ltd.

Codes of Ethical Conduct

Article 1: (Purpose and Basis)

To guide the behavior of the directors, managerial officers, and other employees of the company in conformity with ethical standards, and to enable the stakeholders of the company to better understand the company's ethical standards, these codes are hereby established for compliance.

Article 2: (Applicable Targets)

These codes apply to the directors, managerial officers, and other employees of the company. Hereinafter, the aforementioned applicable targets will be referred to as "company personnel."

Article 3: (Principles of Ethical Corporate Management)

The company and its personnel will adhere to ethical norms and uphold principles of integrity in business operations, complying with the following codes of conduct.

Article 4: (Prevention of Conflicts of Interest)

Company personnel should handle official duties in an objective and efficient manner and should not use their positions in the company to enable themselves, their spouses, parents, children, or relatives within the second degree to gain improper benefits.

When the company and the personnel mentioned in the preceding paragraph have financial transactions or provide guarantees, major asset transactions, or have procurement (sales) interactions with associates, the relevant company personnel should proactively clarify to the company whether there are potential conflicts of interest and handle it according to the company's codes of conduct to prevent conflicts of interest.

Article 5: (Minimizing Incentives to Pursue Personal Gain)

Company personnel shall not engage in the following matters:

1. Obtaining personal gain by using company property or information or taking advantage of their positions.
2. Competing with the company, except when the restriction on competing is lifted with the consent of the shareholders' meeting.
3. Behaviors prohibited by the company's codes of conduct or other relevant regulations.

Article 6: (Confidentiality)

1. Company personnel are responsible for the confidentiality of both technical and non-technical information related to the company itself or its procurement (sales) customers (hereinafter

referred to as "confidential information"), except when authorized or required by law to disclose such information. Confidential information includes any undisclosed information that, if exploited or disclosed by others, could result in damage to the company or the suppliers and customers.

2. Company personnel should adhere to confidentiality agreements signed with the company.
3. Company personnel must be loyal and shall not disclose business secrets or related information. They are not allowed to show documents and accounts to others without authorization.
4. Sales personnel should possess the required professional knowledge, be mindful of relevant laws and regulations at all times, and strictly maintain the business secrets of the company.

Article 7: (Fair Trade)

1. The company personnel shall fairly treat customers, competitors, and employees involved in the company's procurement (sales) based on principles of integrity and reasonableness. They shall not gain improper benefits through manipulation, concealment, misuse of information learned due to their positions, making false statements on important matters, or other unfair trading methods.
2. When accepting gifts or hospitality, the company personnel shall adhere to the company's relevant regulations.

Article 8: (Proper Protection and Use of Company Assets)

1. All company personnel shall protect the company's assets to ensure they can be effectively and lawfully used for official business purposes, preventing theft, negligence, or waste.
2. The company personnel shall not misappropriate funds or waste, damage public property.
3. The company personnel shall observe the principle of frugality in spending. Any non-routine or unbudgeted expenditures must be authorized by the competent supervisor beforehand; otherwise, the company may refuse payment.

Article 9: (Compliance with Laws)

The company personnel shall comply with the Securities and Exchange Act and other applicable laws, regulations, and bylaws.

Article 10: (Encouraging Reporting of any Illegal or Unethical Conduct)

The company should internally enhance education and promotion regarding these codes among company personnel.

When company personnel suspect or discover violations of laws, regulations, or these codes, they should proactively report to managerial officers, internal audit supervisors, or other appropriate supervisors, providing sufficient information for the company to properly handle subsequent matters. To encourage employees to report illegal conduct, the company shall establish a concrete

whistle-blowing system and make employees aware that the company will use its best efforts to ensure the safety of informants and protect them from reprisals.

Article 11: (Punishments and Remedies)

If company personnel violate these codes, the company shall handle it according to laws or related company regulations.

If company personnel utilize their positions intending to seek improper benefits for themselves or others, causing losses to the company, besides being relieved from their duties, they should unconditionally compensate the company for all losses incurred. The company has a grievance system to provide remedies for violators according to relevant regulations.

Article 12: (Disclosure Method)

The company shall disclose the code of ethical conduct it has adopted, and any amendments to it, on its company website, in its annual reports and prospectuses and on the MOPS.

Article 13: (Implementation)

These guidelines shall be implemented after being approved by the Board of Directors; the same applies to amendments.

Article 14: (Supplementary Provisions)

These codes were established on June 24, 2015

The first amendment was on May 10, 2022