

Trade Sanctions and Export Control Policy

1. Purpose

- (1) CINCON Electronics, Inc. (the “Company”) is committed to corporate responsibility and ensuring that its global operations and supply chain comply with applicable trade sanctions, export controls, and other international trade laws and regulations in the jurisdictions in which it operates and conducts business.
- (2) Through appropriate measures such as business partner screening, end-use and end-user controls, employee training, and internal reviews, the Company seeks to reduce the risk that its products, technologies, or services may be improperly used or transferred to restricted parties and to maintain lawful, ethical, and transparent international trade practices.

2. Applicable Laws and Regulations

Based on the nature of its operations and transactions, the Company complies with applicable domestic and international trade sanctions and export control laws and requirements, including but not limited to:

- (1) The U.S. Export Administration Regulations (EAR) and other applicable U.S. export control requirements.
- (2) Applicable economic and trade sanctions administered by the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC).
- (3) Applicable trade sanctions and export control requirements of the European Union and other jurisdictions in which the Company operates or conducts business.

3. Our Commitments

(1) Compliance with Trade Sanctions and Export Controls

The Company complies with applicable trade sanctions, export controls, and other international trade requirements and implements appropriate management and review measures based on the nature and risk of each transaction.

(2) Prohibition of Unlawful Transactions with Restricted Parties

The Company will not knowingly engage, directly or indirectly, in transactions with sanctioned or restricted countries, regions, individuals, entities, or organizations where such transactions would violate applicable laws or regulations.

(3) Restricted Party Screening

The Company maintains appropriate screening procedures and, based on risk and business needs, screens customers, suppliers, business partners, and other relevant parties against applicable sanctions and restricted-party lists.

(4) End-Use and End-User Controls

For products, technologies, software, or transactions presenting elevated export control risks, the Company may verify the end user, end use, and destination and conduct appropriate risk assessments in accordance with applicable requirements.

The Company prohibits the direct or indirect provision of products, technologies, or services for prohibited military, terrorist, weapons of mass destruction, or other restricted end uses where such activities would violate applicable export control or sanctions laws.

(5) Prohibition of Circumvention

No person may use third parties, transshipment arrangements, false documentation, concealment of transaction information, restructuring of transactions, or other means to circumvent applicable trade sanctions or export control requirements.

(6) Integrity and Transparency in International Trade

The Company is committed to conducting international trade activities lawfully, ethically, and transparently and will not use improper means to evade applicable legal or regulatory requirements.

4. Internal Compliance Measures

To implement this Policy, the Company maintains appropriate internal controls based on its operations and transaction risks, including:

- (1) **Sanctions and Restricted Party Screening:** Screening customers, suppliers, and business partners against applicable sanctions and restricted-party lists based on transaction risks.
- (2) **End-Use and End-User Review:** Conducting appropriate reviews of end users, end uses, and destinations for sensitive products, technologies, or higher-risk transactions.
- (3) **Training:** Providing appropriate export control and trade sanctions training and communications to employees involved in international trade, sales, procurement, shipping, and other relevant functions.
- (4) **Recordkeeping:** Maintaining appropriate transaction screening and compliance records in accordance with applicable laws and Company requirements.
- (5) **Internal Review and Audit:** Conducting appropriate internal reviews or audits based on risk and business needs to assess the implementation and effectiveness of relevant controls.

5. Handling of Potential Violations

- (1) If a transaction is suspected of violating applicable trade sanctions or export control requirements, the Company may immediately suspend or stop the relevant transaction, shipment, technology transfer, or other activity and conduct an appropriate internal investigation and risk assessment.
- (2) Where a compliance risk or violation is identified, the Company will take appropriate corrective and remedial measures in accordance with applicable requirements. Where necessary, the Company may seek professional legal advice, consult relevant authorities, or make required disclosures or reports.
- (3) Employees or other relevant persons involved in violations may be held accountable in accordance with Company requirements and applicable laws and regulations.

6. Information Disclosure and External Cooperation

- (1) Where required by applicable law, requested by competent authorities, or reasonably necessary for legitimate business purposes, the Company may provide relevant transaction or compliance information to the extent necessary to facilitate investigations, reviews, or verification of transaction legality.
- (2) The Company will also continue to communicate applicable trade sanctions and export control requirements to customers, suppliers, and other business partners and may request relevant information or documentation where necessary to mitigate compliance risks throughout its supply chain and international transactions.

7. Continuous Review and Improvement

The Company will periodically review this Policy and related compliance measures and update them as appropriate in response to changes in applicable laws and regulations, international sanctions and export control requirements, business operations, and risk exposure in order to continuously enhance the effectiveness of its trade compliance management.