

NORWOOD FINANCIAL CORP.

CODE OF CONDUCT AND BUSINESS ETHICS POLICY

Introduction. This Code of Conduct and Business Ethics Policy (the "Code of Ethics") applies to all directors, officers, and employees of Norwood Financial Corp. (the "Company") and Wayne Bank, its principal subsidiary (the "Bank"). The Code of Ethics has been adopted by the Company's Board of Directors (the "Board").

The Company expects its directors, officers, and employees, to act in accordance with the highest standards of personal and professional integrity in all aspects of their activities, to comply with all applicable laws, rules, and regulations, and to abide by the policies and procedures adopted by the Company and the Bank to govern the conduct of their employees. This Code of Ethics is intended to supplement the Company's and Bank's Employee Handbook.

Duties. Each director, officer, and employee shall:

- Engage in and promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships.
- Avoid conflicts of interest and potential conflicts of interest and disclose to the Company's Ethics Officer or to the Audit Committee any transaction or relationship that reasonably could be expected to give rise to such a conflict. The Board has appointed the Director of Risk as the Company's Ethics Officer.
- Produce full, fair, accurate, timely, and understandable disclosure in reports and documents that the Company or its subsidiaries files with the Securities and Exchange Commission, the Board of Governors of the Federal Reserve System (the "Federal Reserve Board"), the Federal Deposit Insurance Corporation (the "FDIC"), the Pennsylvania Department of Banking and Securities (the "Department") and other regulators and in other public communications made by the Company or its subsidiaries.
- Act on the Company's behalf in a manner that complies with, and take all reasonable measures to ensure the Company's compliance with, all applicable governmental laws, rules and regulations.
- Take all reasonable measures to protect the confidentiality of non-public information about the Company or its subsidiaries and their customers and consumers, to prevent the unauthorized disclosure of such information unless required by applicable law or regulation or legal or regulatory process, and to comply in full with the Bank's Privacy and Customer Security Policies.
- Promptly report any violation of this Code of Ethics to the Audit Committee or the Ethics Officer. A director, officer, or employee may choose to remain anonymous in reporting possible violations of this Code of Ethics. No adverse action will be taken against any person reporting such matters as the result of making such report.

Accountability. The Company's directors, officers, and employees are on notice that they will be held accountable for their adherence to this Code of Ethics and that their continued employment by the Company or the Bank depends on their full compliance with the policies stated in this Code. Violations of this Code of Ethics may also constitute violations of law and may result in civil and criminal penalties for the officers and/or the Company.

Internal Accounting Controls. Directors, officers, and employees are prohibited from directly or indirectly taking any action to fraudulently influence, coerce, manipulate, or mislead the Company's independent registered public auditors for the purpose of rendering the financial statements of the Company misleading.

A director, officer, and employee who becomes aware of inadequate controls or a failure or circumvention of controls, or that transactions, or other items, are improperly recorded on the Company's books or records, must promptly report the situation to the Company's independent registered auditors, S.R. Snodgrass P.C. or to the Audit Committee.

A director, officer, and employee who is concerned about an accounting or auditing matter involving the Company that he believes is questionable may report such matter either to the Ethics Officer or through the Company's ethics hotline, EthicsPoint, to one of the members of the Company's Audit Committee at Norwood Financial Audit Committee. The ethics hotline is designed to ensure that directors, officers, and employees can report concerns anonymously and without fear of retaliation, and can be accessed by phone at 1-833-208-0914, internet at EthicsPoint – Wayne Bank, or a mobile device at waynebankmobile.ethicspoint.com. No adverse action will be taken against any person reporting such matters or as the result of making such report.

Loans to Directors, Officers, and Employees. Norwood Financial Corp. will not make any loans to directors, officers, or employees. Loans made by Wayne Bank to directors, officers, and employees will comply strictly with the provisions of Section 22(h) of the Federal Reserve Act, Regulation O of the Federal Reserve Board, where applicable, and any other applicable regulations of the FDIC and the Department.

Waivers. Waivers of any provision of this Code of Ethics shall be granted only by the Company's Board. The nature of any such waiver granted for directors, executive officers, principal accounting officer, or controller and the reason therefore shall be disclosed promptly to the Company's stockholders by filing a Current Report on Form 8-K with the SEC or by providing such disclosure on the Company's Internet website.

Amendments. This Code of Ethics will be periodically reviewed at least annually and revised, if necessary, to reflect changes in applicable law or regulation and to cover new ethical issues as they arise. The nature of any amendment to the Code of Ethics shall be disclosed to the Company's stockholders by filing a Current Report on Form 8-K with the SEC or by providing such disclosure on the Company's Internet website.

Ethics Officer; Interpretation. The Boards of Directors of the Company and the Bank have appointed a joint Ethics Officer (referred to herein as the "Ethics Officer"), who will be responsible for the administration of the Code of Ethics for the Company and the Bank. Any person who has questions regarding the appropriate course of action in a particular situation should promptly contact the Company's Ethics Officer.

Reviewed and Approved by the Board: March 17, 2026