



1. Introduction

In order to bring to life and achieve our vision and mission, to perform high-quality and safe work, to establish positive business relationships with our partners and customers, to carry out honest business transactions and to carry out all our activities in accordance with applicable laws and regulations, we, Česká zbrojovka a.s., with its registered office at Svat. Čecha 1283, 688 01 Uherský Brod, IČO: 46345965 (the "Company"), are obliged to comply with this Code of Conduct (the "Code").

2. Purpose

This Code

- (a) defines corporate and ethical values of behavior in the company.
By implementing this Code, the Company undertakes to respect the defined values and principles that form the basic principles of its business and social act, conduct and performing.
- (b) sets out core and shared values and principles for all employees and other Affected Persons (as defined below).
- (c) is an integral part of the overall compliance management system, which establishes a framework for the Company's governance through policies and procedures aimed at preventing, detecting, and responding to behavior that may be contrary to the Company's values, policies, and practices, as well as applicable laws and regulations, and that could give rise to the Company's criminal and/or civil liability. The compliance management system is a strategic part of the Company's corporate culture.

3. Effectuality

- (a) This Code is binding in its entirety on
 - (i) all employees of the Company
 - (ii) Agents, representatives, contractors, partners, service providers of the Company or other third parties, once they commit to comply with this Code;
(persons referred to in points (i) and (ii) together as the "Data Subjects").
- (b) All employees of the Company are required to familiarize themselves with the Code, comply with its provisions and report any suspected violation of the Code as described below.

4. Significant values

The following values are intended to serve as guiding principles for the day-to-day management of the Company and when considering decisions that affect the Company, its customers or society.

4.1 Team spirit

The company recognizes that its employees are critical to its future success. All managers and members of the Board of Directors are therefore obliged to support

- (a) team spirit among the employees and the companies that make up our group;
- (b) openness, honesty and self-confidence,
- (c) cultural and other differences that the Company believes make the Company stronger and more resilient.

4.2 Integrity

- (a) It is the Company's policy to uphold high standards of integrity by conducting its affairs honestly, ethically, and in accordance with the law.
- (b) Every employee of the Company is obliged to
 - (i) act with integrity and uphold the highest ethical standards of business conduct in dealing with customers, suppliers, partners, service providers, competitors, other employees and anyone else with whom they come into contact in the course of their work;
 - (ii) focus on and follow the Company's internal processes and procedures, from R&D to production and sales. As a result, we can stand by our commitment to providing our customers with the most innovative, high-quality and reliable products.
 - (iii) treat people with respect and evaluate them based on their merits and contribution to the overall success of our Company.

4.3 Responsibility

- (a) The company recognizes the historical heritage of its core brands and meets the expectations of its customers.
- (b) Every employee of the company is obliged to
 - (i) strive to ensure that the Company is a reliable partner with the best service for its customers,
 - (ii) promote, distribute and sell its products in cooperation with verified business partners to customers who intend to use them exclusively for legal and ethical purposes;
 - (iii) strive to ensure a safe working environment for employees;
 - (iv) strive to ensure that the products provided are always safe and reliable.

4.4 Innovation

- (a) Company
 - (i) committed to building the organization for future generations through a culture of innovation;
 - (ii) firmly believes that innovation is what sets us apart and will continue to differentiate us from the competition.
- (b) The Company's employees must improve what we do and how we do it in order to deliver the most reliable and innovative products to our customers.

5. Shared values

This Code contains other principles and values that form the basis of the Company as an organization and on which the Company intends to build and protect them. All employees are required to adopt and abide by these principles and values.

Employees are obliged to attach the highest importance to these principles and values, as this is a prerequisite for the fulfilment of the Company's goal of being a responsible, trustworthy Company with good economic results for its shareholders, investors and business partners, and, what is not negligible and all the more important, to be a sought-after employer.

The shared ethical values in the Company are summarized as follows:

5.1 Respect for the law

Compliance with the laws and regulations of the Czech Republic and other countries in which we operate is the highest value of the Company and the cornerstone for all other policies and values.

5.2 Zero tolerance for corruption

- (a) We do not tolerate any form of corruption.
- (b) We establish open and honest relationships with the Company's partners and adhere to the principles of transparency when selecting suppliers or service providers.
- (c) We never accept, provide, or solicit improper gifts, benefits, or other benefits of any value. The Company accepts and offers gifts, benefits and other benefits only in good faith and in accordance with the Company's anti-bribery policies and procedures and all applicable laws and regulations.

5.3 Prevention of conflicts of interest

- (a) We always act in the best interest of the Company.
- (b) We avoid situations where there could be an actual or potential conflict of personal and/or business interests.
- (c) We do not use property, information and/or our position in the Company for personal gain.
- (d) We take due care to ensure that private interests and personal relationships are not used as a criterion for personnel or other business decisions.

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5.4 Respect for human rights and freedoms

- (a) We consider equal opportunities, equal treatment, non-discrimination and respect for the personal dignity, privacy and rights of every employee to be fundamental values.
- (b) We do not tolerate unacceptable treatment of employees and strive to foster a culture of interpersonal relationships based on respect.

5.5 Building good internal relationships

- (a) We strive to build strong relationships with all employees at all levels, regardless of their job title or position.
- (b) We strive to create a work environment in which all employees are treated with respect and dignity.
- (c) Internally, we share knowledge and experience and encourage the use of new ideas and technologies.

5.6 Occupational health and safety and environmental protection

- (a) The company is responsible for ensuring the occupational health and safety of its employees.
- (b) We are involved in identifying safety risks and taking preventive measures to prevent accidents and occupational diseases.
- (c) We always comply with environmental laws and regulations.
- (d) We adhere to our commitments in the field of social responsibility and environmental sustainability (ESG – Environment, Social, Governance).

6. Compliance

5.7 Respect for competition rules

We do not enter into any price-setting, market-sharing or other agreements with competitors of the Company or its subsidiaries that may violate applicable competition or antitrust laws.

5.8 "Common sense" and general principles of moral behavior and good morals

The Company assumes that each Data Subject is able to act reasonably, with ordinary care and caution in the performance of his/her duties for the Company.

The Company calls on all Data Subjects to strictly adhere to the values and principles set out in this Code and to adhere to generally accepted moral and ethical principles.

Affected persons are therefore advised to contact the relevant compliance officer if they have any doubts about the best course of action in a particular situation.

- (a) Employees of the Company should comply with all applicable laws, rules and regulations in the states and countries in which the Company operates, both in terms of wording and interpretation.
- (b) Although not all employees are expected to know the details of all applicable laws, rules, and regulations, it is essential that they know enough to determine when to seek advice from appropriate supervisors. Compliance questions should be addressed to the Legal Department.
- (c) No employee of the Company may misuse non-public information relating to the Company to buy or sell securities of the Company, nor may he buy or sell securities of another company if he or she is in possession of material non-public information relating to that Company. It is against the Company's policy for any employee, without the consent of the Company, to use material non-public information relating to the Company or any other company to
 - (i) to gain advantage for himself; or
 - (ii) to directly or indirectly give "tips" to other persons who, based on this information, might decide to buy or sell the Company's securities.

7. Reporting & Enforcement

7.1 Reporting and investigating violations

Actions prohibited by this Code should be reported according to the rules of the Whistleblowing Policy.

7.2 Enforcement

- (a) The Company shall ensure prompt and consistent action against violations of this Code.
- (b) If, following an investigation into a report of alleged prohibited conduct by the Data Subject, it is found that there has been a breach of this Code, the appointed compliance officer shall report the breach to the Board of Directors.
- (c) Upon receipt of notification of the occurrence of a violation of this Code, the Board of Directors shall take such preventive or disciplinary measures as it deems appropriate, including, but not limited to, modification of the Company's internal regulations or specific personnel measures, including redeployment, dismissal, termination of cooperation and, in the event of criminal conduct or other serious violation of the law, notification to the relevant state authorities.
- (d) Employees are expected to cooperate with internal investigations into misconduct.

7.3 No retaliation

The Company does not tolerate retaliation against any Affected Person who reports a breach of this Code in good faith.

8. Final Provisions

This Code is available to all employees of the Company in the manner customary for the publication of the Company's internal guidelines and may be published on the Internet at the discretion of the Company.

Valid from 13/06/2023