

Code of Conduct

1. Introduction

In order to bring into effect and achieve its vision and mission, perform high-quality and safe work, establish positive business relationships with its partners and customers, make honest business transactions, and perform all of its activities in compliance with applicable laws and regulations, We, Colt CZ Group SE (“**Company**”) commit to comply with this Code of Conduct (“**Code**”).

2. Purpose

This Code

- (a) defines the corporate and ethical values of conduct in the Company. By implementing this Code, the Company commits to respect the defined values and principles that form the basic tenants of its business and social actions, conduct, and behavior.
- (b) establishes essential and shared values and principles for all employees as well as other Affected Persons (as defined below).
- (c) is an integral part of an overall compliance management system which establishes a framework for the Company management through policies and procedures aimed at deterring, detecting, and responding to behavior that may be in conflict with the Company’s values, policies, and procedures, as well as applicable laws and regulations, and which could subject the Company to criminal and/or civil liability. The Company’s compliance management system is a strategic part of the Company’s corporate culture.

3. Binding Effect

- (a) This Code is, to its full extent, binding on
 - (i) all directors, officers, and employees, members of the Board Directors, members of committees or other corporate bodies of the Company, in particular officers authorized to act for or on behalf of the Company.
 - (ii) agents, representatives, suppliers, partners, service providers of the Company, or other third parties, once they commit to following this Code;(persons under letters (i) and (ii) above collectively “**Affected Persons**”).
- (b) All directors, officers, and employees, members of the Board Directors, members of committees, or other corporate bodies of the Company are required to be familiar with the Code, comply with its provisions and report any suspected violations as described

below.

4. Essential Values

The following values are intended to serve as guiding principles for the day-to-day management of the Company and when it considers a decision that affects the Company, its customers, or society.

4.1 Team spirit

The Company recognizes its employees are critical to its future success. Thus, all directors, officers, employees, members of the Board Directors, members of committees, or other corporate bodies of the Company are required to promote

- (a) the team spirit among people and companies forming our group,
- (b) openness, sincerity, and self-confidence,
- (c) competitive spirit among employees,
- (d) cultural and other differences that, according to the Company's beliefs, make the Company a stronger and more resilient organization

4.2 Integrity

- (a) The Company's policy is to encourage high standards of integrity by conducting its affairs honestly and ethically to do the right things every time.
- (b) Each director, officer, and employee of the Company shall
 - (i) act with integrity and observe the highest ethical standards of business conduct in his or her dealings with the Company's customers, suppliers, partners, service providers, competitors, employees, and anyone else with whom he or she has a contact in the course of performing his or her job,
 - (ii) concentrate on the Company's internal processes and procedures, ranging from R&D to production and to sales, which are well-defined and respected. Thus, we can stand behind 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 merit and contribution to the overall success of our group.

4.3 Responsibility

- (a) The Company is a responsible member of its communities. It recognizes the long

heritage of its key brands and meets its customers' expectations.

- (b) Each director, officer, and employee of the Company shall
 - (i) strive for the Company to be a reliable partner with the best service to its customers,
 - (ii) promote, distribute, and sell its products in cooperation with proven business partners to customers who intend to use them solely for legal and ethical purposes,
 - (iii) be responsible for providing a safe environment for employees and third parties,
 - (iv) be responsible for providing safe and reliable products at all times.

4.4 Innovation

- (a) The Company
 - (i) is committed to building an organization for future generations through a culture of innovation.
 - (ii) strongly believe that innovation is what has been and what will set us apart from our competition.
- (b) Company's employees are required to enhance what and how we do our business to deliver the most reliable and innovative products for our customers.

5. Shared Values

This Code provides additional principles and values that form the foundation of the Company as an organization and which the Company aims to build upon and protect. All Affected Persons are required to adopt and follow these principles and values.

Affected Persons are required to attach the utmost importance to these principles and values as that is a prerequisite for meeting the objective of the Company of being responsible, trustworthy, and profitable Companies for their shareholders as well as investors and business partners and, not insignificantly and all the more importantly, 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 United States of America, Canada, the Czech Republic, and other countries in which we operate is a top value of the Company and a cornerstone for all the other principles 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 Company's partners and comply with principles of transparency when selecting suppliers.
- (c) We never accept, give, or solicit improper gifts, favors, or other benefits of any value. The Company only accepts and offers gifts, favors, and other benefits in good faith and in compliance with the anti-corruption policies and procedures of the Company 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 any situations with an actual or potential conflict of personal and/or business interests.
- (c) We do not use the property, information, and/or our own position in the Company for personal gain.
- (d) We use due care to ensure that private interests and personal relationships are not used as a criterion for personnel or other business-related decisions.

5.4 Respect for Human Rights and Freedoms

- (a) We observe equal opportunities, equal treatment, non-discrimination, and respect for the personal dignity, privacy, and rights of every employee as an essential value.
- (b) We do not tolerate unacceptable treatment of employees and strive to foster a culture of respectful interpersonal relationships.

5.5 Building good internal relationships

- (a) We strive to build solid relationships with all employees at all levels, regardless of job title or position.
- (b) We seek to create a work environment where all employees are treated with respect and dignity.
- (c) We share knowledge and experience internally and promote the use of new ideas and technologies.

5.6 Occupational Safety and Health and Environmental Protection

- (a) The Company is responsible for ensuring the occupational safety and health of its employees.
- (b) We participate in identifying safety risks and taking preventive action to avoid injuries

and occupational diseases.

- (c) We always comply with environmental laws and regulations.

5.7 Respect for Competition Rules

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

5.8 “Common sense” and general principles of moral conduct and good manners

The Company assumes that every Affected Person is of average intellect and capable of using it with ordinary care and caution when performing their duties for the Company.

The Company encourages all Affected Persons to consistently to follow the values and principles outlined in this Code and to comply with generally recognized moral and ethical principles.

Accordingly, directors and officers are encouraged to talk to the Chief Executive Officer, the Chief Financial Officer, or the General Counsel, and employees are encouraged to speak to managers, supervisors, Human Resources, or other appropriate personnel when in doubt about the best course of action in a particular situation.

6. Compliance

- (a) Employees, officers, and directors should comply, both in letter and spirit, with all applicable laws, rules, and regulations in the states and countries where the Company operates.
- (b) Although not all employees, officers, and directors are expected to know the details of all applicable laws, rules, and regulations, it is essential to know enough to determine when to seek advice from appropriate personnel. Questions about compliance should be addressed to the Legal and Compliance Department.
- (c) No director, officer, or employee may purchase or sell any Company securities while in possession of material nonpublic information regarding the Company, nor may any director, officer, or employee purchase or sell another company's securities while in possession of material nonpublic information regarding that company. It is against Company policies and illegal for any director, officer, or employee to use material nonpublic information regarding the Company or any other company to:
 - (i) obtain profit for himself or herself; or
 - (ii) directly or indirectly "tip" others who might make an investment decision based on

that information.

7. Reporting and Enforcement

7.1 Reporting and Investigation of Violations

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

7.2 Enforcement

- (a) The Company will ensure prompt and consistent action against violations of this Code.
- (b) If, after investigating a report of an alleged prohibited action by an Affected Person shows that a violation of this Code has occurred, the appointed compliance officer will report such violation to the Board of Directors and the General Counsel.
- (c) Upon receipt of a notice on the occurrence of a violation of this Code, the Board of Directors or the General Counsel will take such preventative or disciplinary action as it deems appropriate, including, but not limited to, reassignment, demotion, dismissal, termination of the cooperation and, in the event of criminal conduct or other serious violations of the law, notification of appropriate governmental authorities.
- (d) Directors, officers, and employees are expected to cooperate in internal misconduct investigations.

7.3 Prohibition on Retaliation.

The Company does not tolerate acts of retaliation against any Affected Person who makes a good faith report of known or suspected acts of misconduct or other violations of this Code.

8. Final provisions

This Code is available as a reviewed document to all Company employees in the manner customary for the publication of the Company's internal policies and might be published on the internet at sole Company's discretion.