



BUSINESS PARTNERS CODE OF CONDUCT

DRIVING LEADING BRANDS

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1. PURPOSE

The FN Browning Group is a group of companies including the FN Herstal and the Browning business unit companies ("Affiliates") with its global headquarters in Belgium and with manufacturing entities located throughout Western Europe and the US. Whenever the FN Browning Group or any of its Affiliates does business with others, it expects that certain business principles that reflect its corporate history, culture and background are respected. These business principles are set out in this Business Partner Code of Conduct (Code of Conduct).

Considering the need for clarity, certainty, fairness and equal treatment of Business Partners, the FN Browning Group chooses to use this Code of Conduct, which sets out its business principles in a clear and express manner.

2. SCOPE

2.1. INTRODUCTION

This Code of Conduct sets out our business principles that we expect our Business Partners, to adhere to.

2.2. BUSINESS PARTNERS

For the purposes of this Code of Conduct, the term Business Partner shall refer to any prospective commercial counterparty of the FN Browning Group, regardless of the nature of the intended business. Accordingly, the term Business Partner shall be construed as applying to suppliers of goods or services, consultants, agents, distributors, resellers, intermediaries, brokers, OEMs etc.

2.3. SCOPE OF APPLICATION

Compliance with this Code of Conduct is a requirement for any agreement or contract between FN Browning Group or its Affiliates and a commercial Business Partner regarding defense contracts.

Compliance with the business principles set out in this Code of Conduct may be by adherence to this Code of Conduct or, alternatively, a Business Partner's own code of conduct if in accordance with and limited by the conditions set out here. The FN Browning Group accepts that a Business Partner may agree to comply with its own code of conduct instead of this Code of Conduct if business principles are sufficiently similar, within the FN Browning Group's sole discretion. In that case, to the extent that the Business Partner's code of conduct does refer to non-binding or open-ended instruments, general concepts, or guidelines, these shall not apply, through any kind of interpretation or extension, to the FN Browning Group in any way.

Whenever another entity of the FN Browning Group is requested by a counterparty to agree to a code of conduct or to Principles of Business Ethics, this Code of Conduct should be used. Otherwise, the Legal Department of the entity involved must be consulted beforehand

This Code of Conduct applies to our direct Business Partners, and we strongly encourage our Business Partners to implement the business principles set out in this Code of Conduct in any relationships with subcontractors or other third parties engaged or intervening by or on behalf of a Business Partner in support of its business with the FN Browning Group.

3. BUSINESS PRINCIPLES

3.1 LEGAL COMPLIANCE

Our Business Partners shall respect and comply with all local and national laws and all administrative regulations that are in force, including, among others, all laws and regulations related to permits, licenses and registrations related to our business. As such, Business Partners ensure to obtain, hold, and maintain all necessary licenses, permits and registrations required for its business with us.

Where there are differences between this Code of Conduct and the local and national laws applicable, our Business Partners shall adhere to the more stringent requirements to the extent possible.

Whenever the law applicable to entities of the FN Browning Group require that legal supply chain or other due diligence regarding to Business Partners is performed, our Business Partners shall cooperate swiftly and diligently. If a Business Partner fails to reasonably cooperate, the FN Browning Group may terminate its business due to inability to comply with its legal duties.

3.2 LABOR AND EMPLOYMENT STANDARD

3.2.1. PROHIBITION OF CHILD LABOR AND APPROPRIATE TREATMENT OF YOUNG WORKERS

The FN Browning Group strictly opposes child labor and all forms of exploitation of children.

Business Partners shall not engage in or benefit from the use of child labor. The minimum age of employment shall not be less than (i) the minimum legal employment age applicable to the place of employment and (ii) the age of completion of compulsory education and, in any case, not be less than 15 years of age. If our Business Partners employ young workers, namely workers younger than 18 years old, the tasks must be adapted to the age and must not jeopardize the young workers' health, safety, or morals.

If our Business Partners become aware that they are employing children or young workers contrary to this Code of Conduct, they shall ensure that the children or young workers shall be enrolled in a remediation program, rather than being terminated from employment. Employment of underage workers by Business Partners as set out here, either directly or indirectly, constitutes grounds for termination of our business relationship.

3.2.2. PROHIBITION OF FORCED LABOR

All work performed for our Business Partners is voluntary. Our Business Partners must not participate in, or benefit from, any form of forced labor, including bonded labor, forced prison labor, slavery, servitude, or human trafficking.

Our Business Partners may not withhold any part of any personnel's salary, benefits, property, or documents (e.g., identity cards and travel documents) in

order to force such personnel to continue working. Workers must have the freedom of movement during their employment and our Business Partners may not engage in or tolerate the use of corporal punishment, mental or physical coercion or verbal abuse of personnel.

3.2.3. FREEDOM OF ASSOCIATION

Business Partners shall not interfere with the workers' rights to form and join unions or other associations and to negotiate collectively. Nor shall our Business Partners discourage membership of unions.

3.2.4. NO ILLEGAL DISCRIMINATION IN THE WORKPLACE

Our Business Partners shall not engage in or support illegal employment discrimination based on distinguishing characteristics, such as race, color, sex, language, religion, political or other opinion, national or social origin, property, birth, union affiliation, sexual orientation, health status, family responsibilities, age, disability, or other distinguishing characteristics. Hiring, remuneration, benefits, training, advancement, discipline, termination, retirement, or any other employment-related decisions of our Business Partners shall be based on relevant and objective criteria.

3.2.5. ADEQUATE WORKPLACE HEALTH AND SAFETY

Business Partners must follow adequate health and safety policies and ensure that their workers are offered a safe and healthy working environment.

Our Business Partners involved in manufacturing shall provide their employees with the protective equipment and training necessary to perform their tasks safely; provide a suitable, clean, and sanitary environment, including access to toilets and drinkable water, which conforms to the needs and number of its employees; and if accommodation is provided to workers Business Partners shall conform to the same requirements and standards listed above.

3.2.6. FAIR WORK AND EMPLOYMENT CONDITIONS

We expect our Business Partners to be fair employers. Our Business Partners shall comply with local legal obligations regarding employee wages and benefits. All personnel shall be treated with dignity and respect and protected from abuse and harassment in the workplace.

3.3 INTERNATIONAL TRADE COMPLIANCE, SAFE TRANSPORTATION, SUPPLY CHAIN SECURITY AND CONFLICT MINERALS DUE DILIGENCE

3.3.1. TRADE, IMPORT, EXPORT CONTROL, EMBARGOES AND SANCTIONS

Business Partners shall comply with all applicable laws governing international trade, applicable import, and export control laws, including without limitation, sanctions, embargoes and other laws controlling the transmission or shipment of goods and technology. Business Partners provide the FN Browning Group with documentation necessary for the FN Browning Group to comply with import and export control laws and will implement practices and procedures to ensure security of their supply chain under applicable regulations. If applicable, Business Partners will provide documentation to support the eligibility of their products under Free Trade Agreements.

Business Partners must inform us of all relevant information needed for sanctions screening according to the sanctions rules applicable to the FN Browning Group. Business Partners may not use providers of services or equipment who are subject to embargoes, whether because of their location in an embargoed region according to applicable economic sanctions (or acting on behalf of such persons or entities) or because they appear on applicable lists of restricted or prohibited persons.

3.3.2. SAFE TRANSPORTATION AND SUPPLY CHAIN SECURITY

Business Partners shall comply with all applicable transportation laws and have systems in place to ensure safe and secure transportation of materials and/or products. Business Partners are expected to take this requirement into account when selecting logistics service providers (including regarding to warehouses and terminals), selecting and inspecting transport containers, loading and unloading of transport containers, securing and sealing of transport containers, and responding to emergencies. Selecting providers who hold internationally recognized supply chain security certifications is preferred.

3.3.3. CONFLICT MINERALS DUE DILIGENCE

Business Partners shall not source tin, tantalum, tungsten or gold (Conflict Minerals) from conflict zones in a manner which directly or indirectly finances, or benefits armed groups in the Covered Countries, which induces forced labor. Business Partners shall source Conflict Minerals from smelters, refiners and/or importers within the EU that declare to be compliant with Regulation (EU) 2017/821 of the European Parliament and of the Council of 17 May 2017 laying down supply chain due diligence obligations for Union importers of tin, tantalum and tungsten, their ores, and gold originating from conflict-affected and high-risk areas.

Business Partners shall provide all reasonable information requested by the

FN Browning Group concerning products supplied by them to enable the FN Browning Group to complete a proper country of origin inquiry and the undertaking of a supply chain due diligence scheme with respect to such Conflict Minerals.

3.4 PRINCIPLE OF FAIR COMPETITION

Business Partners shall comply with all applicable fair competition and antitrust law. They shall not fix prices or rig bids with their competitors, and they shall refrain from participating in cartels.

3.5 NO CONFLICTS OF INTEREST

Business Partners are expected to act in the best interest of their company. Private interests and personal considerations shall not affect business decisions. Business Partners shall avoid all conflicts of interest or situations giving the appearance of a potential conflict of interest. If an actual or potential conflict of interest arises, our Business Partners shall provide notification to all affected parties.

3.6 ACCURATE ACCOUNTING

Business Partners are expected to maintain accurate books and records, and not alter any record entry to conceal or misrepresent the underlying transaction represented by it.

3.7 FIGHT AGAINST BRIBERY AND MONEY LAUNDERING

FN Browning Group does not engage in, or otherwise tolerate, any form of bribery or corruption in its business dealings. Business Partners shall comply with all applicable anti-corruption laws and regulations that govern operations in the countries in which they do business. FN Browning Group specifically prohibits offering, giving, soliciting, or receiving any form of bribe.

All FN Browning Group business dealings shall be free from the perception of undue influence, namely a perception that favorable treatment is being sought, received, or given in exchange for gifts, hospitality, or any other kind of business courtesies. The FN Browning Group promotes its products, services, and technology based on competitiveness and quality, not on hidden advantages. At a minimum, Business Partners must ensure that the offering or receipt of any gift or business courtesy is permitted by law and regulation, and that these exchanges do not violate the rules and standards of the recipient's organization.

Business Partners shall not engage in any form of money laundering and shall never knowingly accept funds acquired through illicit means.

3.8 RESPECT OF INTELLECTUAL PROPERTY RIGHTS, FIGHT AGAINST COUNTERFEITING, PROTECTION OF CONFIDENTIALITY

3.8.1. INTELLECTUAL PROPERTY

The FN Browning Group respects intellectual property belonging to third parties and will utilize it only after having properly secured the rights to its use. The FN Browning Group expects all its Business Partners to demonstrate the same level of respect and to comply with all the applicable laws governing intellectual property rights assertions, including protection against disclosure.

3.8.2. COUNTERFEITING

Business Partners are expected to have effective methods and processes to minimize the risk of introducing counterfeit parts and materials into their products.

3.8.3. PROTECTION OF CONFIDENTIAL DATA AND INFORMATION

Business Partners shall protect the FN Browning Group's confidential information, including personal information, and act to prevent its misuse, theft, fraud, or improper disclosure. They shall comply with all applicable data privacy laws. Business Partners must exercise all due care in handling, discussing, or transmitting sensitive or confidential information that could affect the FN Browning Group, its employees, its customers and its Business Partners.

3.8.4. CYBERSECURITY AND INFORMATION SECURITY

Business Partners shall treat the FN Browning Group's technology responsibly and only for legitimate business purposes. Business Partners shall not write in or insert any elements into any of the FN Browning Group's technology, software, applications, or systems (e.g., Trojan horses, trap doors, logic bombs, viruses, or worms), or attempt to circumvent or attack security controls on any computer system or network of the FN Browning Group.

Business Partners must adhere to any applicable regulations or standards of cybersecurity applicable to their business or operations.

Business Partners must ensure that the cyber security arrangements in their supply chains are appropriate to the requirements of the information or data concerned, using a risk-based approach. The FN Browning Group expects that its Business Partners are committed to an appropriate level of cybersecurity in their own operations and activities and in those of any subcontractors or suppliers.

Should a Business Partner become aware of a cyberbreach or potential breach that impacts the FN Browning Group or the security of operations, data, technology or information of the FN Browning Group, such Supplier must immediately contact the FN Browning Group.

Regarding to information security, Business Partners should take the need to protect the confidentiality, integrity, and availability of information into account. At all times the required level of information security and control to be ensured by Business Partners must be commensurate with the sensitivity, value and criticality of the information being processed throughout the lifecycle of the information.

Business Partners shall safeguard and make only appropriate use of confidential information. Business Partners shall comply with any contractual requirements on data protection and information security and shall not disclose any information that is not known to the public.

3.9 SUBSTANCES, PRODUCT SUSTAINABILITY AND MANAGEMENT OF ENVIRONMENTAL IMPACT

Business Partners shall communicate up to date information regarding to environmental, health and safety matters of their products to enable safe usage of the products in the whole life cycle. They are also expected to cooperate to enable any downstream requirements in relation to their products and/or services to be fulfilled.

Business Partners who support efforts to develop, manufacture and deliver innovative products and processes regarding to product sustainability are valued. Business Partners must comply with all applicable environmental regulations and laws. We expect our Business Partners to ensure that adequate measures are put in place to mitigate the environmental impact of their business operations, such as regarding to waste, wastewater discharge and emissions, as far as reasonably possible.

3.10 COMPLIANCE AND CONCERNS

Business partners who have concerns regarding to any behavior of any employees of the FN Browning Group that goes against this Code of Conduct are encouraged to report the matter to the FN Browning Group. Furthermore, a Business Partner's relationship with the FN Browning Group will not be affected by an honest report of potential misconduct that has been duly reported to the relevant authorities and corrected.

3.11 MONITORING

The FN Browning Group reserves the right to assess and monitor Business Partners' compliance with this Code of conduct. Business Partners, who are not in compliance, may see their business relation with the FN Browning Group terminated and/or may be precluded from consideration of future business.

4. BUSINESS PARTNER'S CODE OF CONDUCT COMPLIANCE DECLARATION

I, the undersigned, duly authorized to sign for and on behalf
of _____

[name in full], Business Partner of the FN Browning Group, hereby confirm in my
capacity of _____

[function] that

- ☐ adheres to and is compliant with this Code of Conduct.
- ☐ adheres to its own Code of Conduct with business principles that are sufficiently similar to this Code of Conduct and relevant own policies and/or own Code of Conduct in support of this declaration are attached hereby; or
- ☐ is not compliant with the business principles set out in this Code of Conduct for the following reasons:

- ☐ relevant own policies and/or own Code of Conduct in support of this declaration are attached hereby.

Signature

To be signed by a person duly authorized to sign for and on behalf of the Business Partner (E.g., CEO or Managing Director))