

# DEFENCE COMPANIES INDEX (DCI) ON ANTI-CORRUPTION AND CORPORATE TRANSPARENCY 2020

## FINAL ASSESSMENT

### EXCALIBUR ARMY SPOL. S.R.O.

The following pages contain the detailed scoring for this company based on publicly available information.

The table below shows a summary of the company's scores per section:

Section	Number of Questions*	Score Based on Publicly Available Information
1. Leadership and Organisational Culture	4	4/8
2. Internal Controls	6	3/12
3. Support to Employees	7	3/14
4. Conflict of Interest	4	1/8
5. Customer Engagement	7	2/14
6. Supply Chain Management	5	2/10
7. Agents, Intermediaries and Joint Ventures	10	1/20
8. Offsets	4	0/8
9. High Risk Markets	4	2/8
10. State-Owned Enterprises	0	N/A
<b>TOTAL</b>		<b>18/102</b>
<b>BAND</b>		<b>E</b>

\*This column represents the number of questions on which the company was eligible to receive a score; i.e. where the company did not receive a score of N/A.

## 1. Leadership and Organisational Culture

Question
<b>1.1. Does the company have a publicly stated anti-bribery and corruption commitment, which is authorised by its leadership?</b>
Score
<b>1</b>
Comments
<p>There is evidence that the company makes a public commitment to anti-corruption through provisions in its Anti-Corruption Policy. There is evidence that this policy as a whole is authorised and endorsed by the company's Managing Director. In addition, there is also evidence that its parent company – CSG Holding – makes a commitment to ethical standards and that this commitment is supported by the CEO.</p> <p>The company receives a score of '1' because there is no evidence that the company, or its parent company, publishes a specific or direct commitment to anti-bribery and corruption from its senior leadership, in addition to an endorsement of the anti-corruption policy overall.</p>
Evidence
<p><b>[1] Anti-Corruption Program (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/anti-corruption-program">http://www.excaliburarmy.cz/anti-corruption-program</a></p> <p>[p. 2] The Company stands strictly and clearly against any impact of corrupt action on the decisions taken by the Company or its Workers. Corruption is not welcome in our Company, conversely, it is condemned with related consequences, potentially even leading to the termination of further cooperation or activities.</p> <p style="text-align: center;"><b>WE SAY "NO" TO CORRUPTION!</b></p> <p>This Anti-Corruption Program sets the basic principles and policy of the Company and sets how the Company defines corrupt action of Workers. The objective of this program is to set and enshrine such institutes and procedures within the Company that are effective and may assist the Company in its fight against corruption, will monitor the observance of this Anti-corruption Program and the attitudes within the Company, will reveal new and actual risks at the same time, reacting operationally and flexibly thereon.</p> <p>In our work, we aim mainly to achieve such behaviour of our Workers, which will be completely compliant with this Program and in particular with the global standard way of thinking, set in the Transparency International for the defence and arms industry. In our internal regulations, we set such rules to achieve the following in particular:</p> <ul style="list-style-type: none"> <li>- formation of a stable environment refusing corrupt actions – setting of rules and principles for the elimination, revelation and condemnation of corruption within the entire comprehensive internal system of Company regulations,</li> <li>- strong personal commitment of individuals – the members of leading positions are selected with regard to their personal qualities and considered for their attitude towards corruption and ethical and moral behaviour,</li> <li>- setting effective procedures for the identification and elimination of risks – within its system, the Company implements procedures with the objective to consider the actual state, efficiency and effectivity of the implemented Anti-corruption Program regularly, such as regular meetings of the compliance team, internal audits, inspection of Program observance, etc., which are assessed without delay and on the basis of the results, remedial measures are subsequently adopted,</li> </ul> <p>[p. 3]</p> <ul style="list-style-type: none"> <li>- creating and setting of effective systems of revelation and punishment of potential corrupt actions – the Company specifies wide possibilities for the notification of corrupt actions, whose witness may be anyone,</li> </ul> <p>Corruption is understood by our Company as behaviour that is in breach of ethical and moral values and at the same time certain advantage or the possibility of one party being abused to achieve an unauthorized benefit. By corrupt acting, e.g. the provision of bribe, agreement of advantage or any tangible or intangible remuneration in relation to the business activity of the Company and the carrying out of Worker duties, is understood. Corruption</p>

means also the offering of any reward, benefit or profit to a public authority, which could cause any distortion of a decision issued by a public authority for the benefit of the Company.

Besides the above mentioned, the Company declares and proclaims that such acting of Workers, that could directly or indirectly support corrupt acting of co-workers and other persons, is condemnable in the same way and is considered corrupt. We also consider such acting as corrupt when Workers know about the corruption, but do not report it or prevent it

[p. 7]



In Šternberk, on 02.10.2017

EXCALIBUR ARMY spol. s r.o.

Ing. Zdeněk Novobilský, v. r.

Managing Director

#### [4] Code of Conduct in Relations with External Subjects of Excalibur Army spol. s.r.o. (Document)

Accessed 27/06/2019

<http://www.excaliburarmy.cz/code-of-conduct>

[p. 9]

The Code of Conduct for external subjects becomes effective on 02.10.2017

In Šternberk, on 02.10.2017

EXCALIBUR ARMY spol. s r.o.

Ing. Zdeněk Novobilský, v. r.

Managing Director

#### [2] Code of Ethics (Document)

Accessed 27/06/2019

<http://www.excaliburarmy.cz/code-of-ethics>

[p. 7]

This Code of Ethics becomes effective on 02.10.2017

In Šternberk, on 02.10.2017

EXCALIBUR ARMY spol. s r.o.

Ing. Zdeněk Novobilský, v.r.

Managing Director

#### [6] CSG Group Code of Ethics (Document)

Accessed 28/06/2019

[https://czechoslovakgroup.cz/media/cache/file/31/CSG\\_eticky-kodex\\_EN\\_single-page\\_web.pdf](https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf)

[p. 3] Introduction

"Tradition is the Future" – that is our motto, and it inspires us and drives us forward every day. CZECHOSLOVAK GROUP is a holding company that brings together a number of manufacturing and trading companies specializing in both military and civilian production and based mainly in the Czech Republic and Slovakia. We are proud of our

traditional values, so it is of the utmost importance for us not only to be worthy bearers of the brand MADE IN CZECHO- SLOVAKIA, but also to preserve the Czech and Slovak industrial tradition for future generations. Our committed employees are dedicated to upholding this proud tradition, and thanks to their skills and hard work we have been able to revive several traditional Czech and Slovak brands and empower them to prosper once again. We have immense respect for our employees and their work, and their satisfaction is a key priority for us.

As CZECHOSLOVAK GROUP continues to expand the scope of its activities, it is essential to uphold the Group's excellent reputation – not only through the dedication and integrity of our employees, but also by creating a healthy corporate culture based on complete transparency and full compliance with all legislation and applicable standards. This Code of Ethics forms the foundation for the entire Group's compliance programme. It applies across the entire workforce – everybody, whatever their position or level of management, is obliged to follow the Code at all times.

Michal Strnad  
Chief Executive Officer  
CZECHOSLOVAK GROUP

[p. 9] We fight against corruption

- CZECHOSLOVAK GROUP has created its anti-corruption programme on the basis of Transparency International's Defence Companies Anti-Corruption Index, and all employees are obliged to familiarize themselves with the programme and behave accordingly.
- CZECHOSLOVAK GROUP strictly forbids its employees from engaging in any form of corrupt behaviour. If an employee is found to have acted corruptly, the Group will sue the employee for any damage arising as a consequence of the corrupt behaviour. The employee's contract will be terminated immediately, and the Group – in line with its legal obligations – will immediately report the matter to the police in order to enable a criminal investigation to be launched.
- Employees of CZECHOSLOVAK GROUP – especially sales representatives and marketing professionals – are obliged to inform external partners (mainly dealers and suppliers) about the Group's anti-corruption programme (i.e. those parts of the programme which are applicable to the external partners).
- The overall responsibility for implementing CZECHOSLOVAK GROUP's anti-corruption programmes lies with the Group's Board of Directors. The managerial anti-corruption programme is coordinated by the Group's Compliance Department, which has direct access to Board members in matters related to the programme and is responsible for the ongoing implementation of the Group's anti-corruption and ethics programmes.
- When assessing sales opportunities and negotiating potential deals, CZECHOSLOVAK GROUP sales representatives and dealers must always take into consideration the possible risks of corruption. Such risks depend particularly on whether the customer is from the public or private sector, the position of the customer's home country in the Transparency International rankings, and the form of procurement (either by direct approach or via a tender process).
- CZECHOSLOVAK GROUP sales representatives must always check with the Compliance Department whether any proven cases of corruption have occurred involving any of the Group's external partners; they must take this into consideration in their decision-making (including the option of refusing to deal with such partners or terminating existing relationships).

Question
<p><b>1.2. Does the company have a comprehensive anti-bribery and corruption policy that explicitly applies to both of the following categories:</b></p> <p style="padding-left: 40px;">a) All employees, including staff and leadership of subsidiaries and other controlled entities; b) All board members, including non-executive directors.</p>
Score
2
Comments
<p>Based on publicly available information, there is evidence that the company has an explicit anti-corruption and bribery policy, which specifically prohibits bribery, facilitation payments and payments to public officials. The policy clearly applies to employees and board members as described in (a) and (b) in the question.</p>
Evidence
<p><b>[1] Anti-Corruption Program (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/anti-corruption-program">http://www.excaliburarmy.cz/anti-corruption-program</a>  [p. 1] The Code of Ethics forms part of this system and covers all Company employees, including the members of Company bodies and external subjects, such as consultants, suppliers or intermediaries representing the Company (hereinafter referred to as the "Workers").</p> <p>EXCALIBUR ARMY spol. s r.o. does not tolerate any acts of its Workers, which could be considered illegal, corrupt, unethical, unfair or immoral in any way. The Company considers such behaviour as condemnable and unacceptable within the pre-set frame of behaviour and acting.</p> <p>[p. 3] Corruption is understood by our Company as behaviour that is in breach of ethical and moral values and at the same time certain advantage or the possibility of one party being abused to achieve an unauthorized benefit. By corrupt acting, e.g. the provision of bribe, agreement of advantage or any tangible or intangible remuneration in relation to the business activity of the Company and the carrying out of Worker duties, is understood. Corruption means also the offering of any reward, benefit or profit to a public authority, which could cause any distortion of a decision issued by a public authority for the benefit of the Company.</p> <p><b>[6] CSG Group Code of Ethics (Document)</b>  Accessed 28/06/2019  <a href="https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf">https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf</a>  [p. 5] This Code of Ethics is binding on all employees at all levels – from manual professions to administrative staff, from the management of the individual companies to members of the Group's Board of Directors.</p> <p>Some provisions of the Code are targeted at specific groups of employees (e.g. sales representatives) or apply to organizations outside the structures of CZECHOSLOVAK GROUP itself (e.g. suppliers and dealers), both in the Czech Republic and in other countries where the Group operates.</p> <p>[p. 9] We fight against corruption</p> <ul style="list-style-type: none"> <li>- CZECHOSLOVAK GROUP has created its anti-corruption programme on the basis of Transparency International's Defence Companies Anti-Corruption Index, and all employees are obliged to familiarize themselves with the programme and behave accordingly.</li> <li>- CZECHOSLOVAK GROUP strictly forbids its employees from engaging in any form of corrupt behaviour. If an employee is found to have acted corruptly, the Group will sue the employee for any damage arising as a consequence of the corrupt behaviour. The employee's contract will be terminated immediately, and the Group – in line with its legal obligations – will immediately report the matter to the police in order to enable a criminal investigation to be launched.</li> <li>- Employees of CZECHOSLOVAK GROUP – especially sales representatives and marketing professionals – are obliged to inform external partners (mainly dealers and suppliers) about the Group's anti-corruption programme (i.e. those parts of the programme which are applicable to the external partners).</li> <li>- The overall responsibility for implementing CZECHOSLOVAK GROUP's anti-corruption programmes lies with the Group's Board of Directors. The managerial anti-corruption programme is coordinated by the Group's</li> </ul>

Compliance Department, which has direct access to Board members in matters related to the programme and is responsible for the ongoing implementation of the Group's anti-corruption and ethics programmes.

- When assessing sales opportunities and negotiating potential deals, CZECHOSLOVAK GROUP sales representatives and dealers must always take into consideration the possible risks of corruption. Such risks depend particularly on whether the customer is from the public or private sector, the position of the customer's home country in the Transparency International rankings, and the form of procurement (either by direct approach or via a tender process).
- CZECHOSLOVAK GROUP sales representatives must always check with the Compliance Department whether any proven cases of corruption have occurred involving any of the Group's external partners; they must take this into consideration in their decision-making (including the option of refusing to deal with such partners or terminating existing relationships).

[p. 13] At some trade fairs abroad, public-sector employees may demand so-called facilitation payments which are legal under the legislation of the particular country. It is strictly forbidden for CZECHOSLOVAK GROUP companies to pay such facilitation payments. These payments do not include sales commissions for private-sector partners, e.g. on the basis of dealer contracts, licensing contracts or sales representation contracts.

[p. 13] It is forbidden to provide sponsorship which is purposely linked to a particular sales opportunity, either in the public or private sector. This rule likewise applies to sponsorship of political parties and political movements. The purpose of the CZECHOSLOVAK GROUPS's sponsorship activities is to support education and training (especially in technical fields), sport, culture, or the non-profit sector – especially in the region where the Group's member company is based.

#### **[4] Code of Conduct in Relations with External Subjects of Excalibur Army spol. s.r.o. (Document)**

Accessed 27/06/2019

<http://www.excaliburarmy.cz/code-of-conduct>

[p. 2] When dealing with Public officers, all Workers shall proceed in accordance with the anti-corruption program of the Company, or they shall always behave in such a way that any impression of their willingness or openness to any kind of corrupt behaviour may not occur. In particular, it is completely against the interests and corporate policy of the Company to offer or accept any kind of advantages, minor services, favours or rewards in the form of financial, tangible or intangible donations or advantages. An especially condemnable behaviour of Workers for the company is...

[p. 3] ...such where they could disrepute, alter or affect the decision of a Public officer in any way. Each donation or reward, even a small one, is completely forbidden if such a donation or reward could infer the impression that such behaviour of a Worker is only malicious, purposeful or inappropriate and at the same time, that such an advantage or reward may affect the behaviour of respective subjects.

The Company and its Workers always care about the anti-corruption principles, based on the anti-corruption program of the Company. Company Workers may never misuse their power, funds or influence to secure any unjustified advantage for the suppliers, the Company or themselves, or they may not also discredit the Company's image and reputation in the future by their actions.

#### **[7] CZECHOSLOVAK GROUP Against Corruption (Webpage)**

Accessed 02/07/2019

<https://czechoslovakgroup.cz/against-corruption>

##### **Facilitation Payments**

At some foreign markets, the state employees are allowed to legally require facilitation payments. It is strictly forbidden for CZECHOSLOVAK GROUP companies to provide these payments. The facilitation payments do not include business provisions for private sector partners, e.g. based on dealer agreements, licence agreements or sales representative contracts.

Question
<b>1.3. Does the board or a dedicated board committee provide oversight of the company's anti-bribery and corruption programme?</b>
Score
<b>1</b>
Comments
<p>Based on publicly available information, there is evidence that the board of directors of the company's parent company is ultimately responsible for the oversight of the company's anti-bribery and corruption programme. There is evidence that the board oversees the Compliance Department, which is responsible for the implementation of the programme.</p> <p>However, the company receives a score of '1' because there is no clear publicly available evidence to suggest that the board engages in formal oversight functions, such as reviewing reports from management or the results of audits.</p>
Evidence
<p><b>[6] CSG Group Code of Ethics (Document)</b>  Accessed 28/06/2019  <a href="https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf">https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf</a>  <p>[p. 9] <u>We fight against corruption</u></p> The overall responsibility for implementing CZECHOSLOVAK GROUP's anti-corruption programmes lies with the Group's Board of Directors. The managerial anti-corruption programme is coordinated by the Group's Compliance Department, which has direct access to Board members in matters related to the programme and is responsible for the ongoing implementation of the Group's anti-corruption and ethics programmes.</p>

Question
<b>1.4. Is responsibility for implementing and managing the company's anti-bribery and corruption programme ultimately assigned to a senior executive, and does he or she have a direct reporting line to the board or board committee providing oversight of the company's programme?</b>
Score
<b>0</b>
Comments
Based on publicly available information, there is no evidence that a specific managerial-level employee has ultimate responsibility for implementing and managing the company's anti-bribery and corruption programme. The company indicates that the Group's Compliance Department as a whole manages the programme but there is no evidence that there is a specific individual with ultimate responsibility for anti-bribery and corruption.
Evidence
<p><b>[6] CSG Group Code of Ethics (Document)</b>  Accessed 28/06/2019  <a href="https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf">https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf</a></p> <p>[p. 9] <u>We fight against corruption</u>  The overall responsibility for implementing CZECHOSLOVAK GROUP's anti-corruption programmes lies with the Group's Board of Directors. The managerial anti-corruption programme is coordinated by the Group's Compliance Department, which has direct access to Board members in matters related to the programme and is responsible for the ongoing implementation of the Group's anti-corruption and ethics programmes.</p>

## 2. Internal Controls

Question
<b>2.1. Is the design and implementation of the anti-bribery and corruption programme tailored to the company based on an assessment of the corruption and bribery risks it faces?</b>
Score
<b>0</b>
Comments
<p>Based on publicly available information, there is some evidence that the company engages in regular risk assessment procedures in the form of annual internal audits. However, there is no clear evidence that the company's anti-bribery and corruption programme as a whole is designed and updated as a result of these assessments. There is also no evidence that the results of risk assessments are reviewed at board level.</p>
Evidence
<p><b>[1] Anti-corruption program (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/anti-corruption-program">http://www.excaliburarmy.cz/anti-corruption-program</a></p> <p>[p. 2] Setting effective procedures for the identification and elimination of risks – within its system, the Company implements procedures with the objective to consider the actual state, efficiency and effectivity of the implemented Anti-Corruption Program regularly, such as regular meetings of the compliance team, internal audits, inspection of Program observance, etc., which are assessed without delay and on the basis of the results, remedial measures are subsequently adopted</p> <p>[p. 5] d) the implemented obligation to perform random checks of Workers and workplaces, systemic inspections and questionnaires filled by Workers, regular internal audits focused on the results of adopted remedial measures and potential risks,</p> <p>[p. 6] The scope of work of internal auditors, when evaluating the compliance program held at least once per year, is, inter alia, the effectivity assessment and right functioning of the Anti-corruption Program. The areas where there is a high risk of corrupt acting, are regularly inspected with the aim of evaluation if any facts suggest such corrupt acting.</p> <p><b>[6] CSG Group Code of Ethics (Document)</b>  Accessed 28/06/2019  <a href="https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf">https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf</a></p> <p>[p. 9] When assessing sales opportunities and negotiating potential deals, CZECHOSLOVAK GROUP sales representatives and dealers must always take into consideration the possible risks of corruption. Such risks depend particularly on whether the customer is from the public or private sector, the position of the customer's home country in the Transparency International rankings, and the form of procurement (either by direct approach or via a tender process).</p>

Question
<b>2.2. Is the company's anti-bribery and corruption programme subject to regular internal or external audit, and are policies and procedures updated according to audit recommendations?</b>
Score
<b>1</b>
Comments
<p>Based on publicly available information, there is some evidence that the company's anti-bribery and corruption programme is subject to regular review in the form of annual internal audits. In addition, the company indicates that it conducts random checks, inspections, and questionnaires to determine the efficacy of its anti-corruption programme.</p> <p>However, the company receives a score of '1' because there is no evidence that audit findings are reviewed by the board. Moreover, there is no evidence that the company provides any information regarding ownership of this process, i.e. which body or senior individual is responsible for using the audit findings to make updates to the company's programme. There is also no evidence that – in addition to ensuring the proper functioning of the company's internal controls – these audits ensure that the programme is consistent with best practice.</p>
Evidence
<p><b>[1] Anti-corruption program (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/anti-corruption-program">http://www.excaliburarmy.cz/anti-corruption-program</a></p> <p>[p. 2] setting effective procedures for the identification and elimination of risks – within its system, the Company implements procedures with the objective to consider the actual state, efficiency and effectivity of the implemented Anti-Corruption Program regularly, such as regular meetings of the compliance team, internal audits, inspection of Program observance, etc., which are assessed without delay and on the basis of the results, remedial measures are subsequently adopted</p> <p>[p. 5] d) the implemented obligation to perform random checks of Workers and workplaces, systemic inspections and questionnaires filled by Workers, regular internal audits focused on the results of adopted remedial measures and potential risks,</p> <p>[p. 6] The scope of work of internal auditors, when evaluating the compliance program held at least once per year, is, inter alia, the effectivity assessment and right functioning of the Anti-corruption Program. The areas where there is a high risk of corrupt acting, are regularly inspected with the aim of evaluation if any facts suggest such corrupt acting.</p> <p>In the event such a result of an internal audit or regular inspection requires any change or amendment of the actual state, such a change or amendment will be executed operationally and actively without delay. The implementation of right and effective remedial measures will lead to the reduction or revelation of potential corruption in the future.</p> <p>The assessment of the Anti-corruption Program's efficiency is focused on the execution of respective parts from the qualitative and quantitative point of view, on the efficiency of such execution and implementation of potential remedial measures.</p> <p>The actual version of the Anti-corruption Program is published on the website of the Company <a href="http://www.excaliburarmy.com">www.excaliburarmy.com</a> in the folder Company / Compliance program.</p>

Question
<b>2.3. Does the company have a system for tracking, investigating and responding to bribery and corruption allegations or incidents, including those reported through whistleblowing channels?</b>
Score
<b>1</b>
Comments
<p>Based on publicly available information, there is evidence that the company commits to investigating incidents and that there is a procedure in place to deal with whistleblowing cases. There is evidence that the group's human resources department receives all complaints, and that it commits to informing whistleblowers of the outcome of investigations. There is some evidence to indicate that information on each investigation is documented.</p> <p>However, the company receives a score of '1' because there is no evidence that investigations are handled by an independent team or that the team leading investigations report to an independent board member. In addition, there is no evidence that a central body reviews summary information on all investigations.</p>
Evidence
<p><b>[1] Anti-corruption program (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/anti-corruption-program">http://www.excaliburarmy.cz/anti-corruption-program</a>  [p. 3]  - creating and setting of effective systems of revelation and punishment of potential corrupt actions – the Company specifies wide possibilities for the notification of corrupt actions, whose witness may be anyone,</p> <p>[p. 4] For the purpose of fighting corruption, what the Company proclaims and requires is that Workers, as well as any other third parties that have witnessed any unwanted acting, have the possibility to notify the Company management by any of the manners specified below:</p> <ul style="list-style-type: none"> <li>- by email - etika@excaliburarmy.eu,</li> <li>- in writing via the box (anonymous) – box placed at the entry to the Company premises,</li> <li>- a special hotline: +420 585 083 444</li> <li>- contacting head employees orally during negotiations,</li> <li>- by regular mail, etc.</li> </ul> <p>Suggestions may be submitted also through the controlling CSG holding:</p> <ul style="list-style-type: none"> <li>- special hotline: +420 733 678 454</li> <li>- Holding email - etika@czechoslovakgroup.cz</li> </ul> <p>For the purpose of faster processing and securing operational possibilities of reaction for each suggestion, the following information should not be missing:</p> <ul style="list-style-type: none"> <li>- name of the person causing such corrupt action or at least their job position, date and time when such action occurred,</li> <li>- detailed description of the corrupt action,</li> <li>- potential evidence of the possible corruption (names of witnesses, photographs, records, etc.),</li> <li>- any other important information,</li> <li>- name of the informing person, unless it is anonymous.</li> </ul> <p>The Company does not tolerate any retaliatory measures against the person submitting such a suggestion. All suggestions may be submitted anonymously or with the application to keep the anonymity of the informing person.</p> <p><b>[7] CZECHOSLOVAK GROUP Against Corruption (Webpage)</b>  Accessed 02/07/2019  <a href="https://czechoslovakgroup.cz/against-corruption">https://czechoslovakgroup.cz/against-corruption</a>  The receiver of all reports is the HR department of CZECHOSLOVAK GROUP which in case the report has been submitted by e-mail acknowledges the message's acceptance and informs the sender within 14 days about taken steps. After the report has been investigated, the sender is notified about the result.</p>

Question
<b>2.4. Does the company have appropriate arrangements in place to ensure the quality of investigations?</b>
Score
<b>0</b>
Comments
Based on publicly available information, there is no evidence that the company takes steps to ensure the quality of its internal investigations.
Evidence
No evidence found.

Question
<b>2.5. Does the company's investigative procedure include a commitment to report material findings of bribery and corruption to the board and any criminal conduct to the relevant authorities?</b>
Score
<b>1</b>
Comments
Based on publicly available information, there is evidence that the company commits to reporting criminal offences to the relevant authorities. However, the company receives a score of '1' because there is no evidence that material findings of bribery and corruption are reported to the board, nor that an appropriate senior individual is responsible for ensuring the disclosure of criminal offences.
Evidence
<p><b>[6] CSG Group Code of Ethics (Document)</b>  Accessed 28/06/2019  <a href="https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf">https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf</a>  <p>[p. 9] <u>We fight against corruption</u>  CZECHOSLOVAK GROUP strictly forbids its employees from engaging in any form of corrupt behaviour. If an employee is found to have acted corruptly, the Group will sue the employee for any damage arising as a consequence of the corrupt behaviour. The employee's contract will be terminated immediately, and the Group – in line with its legal obligations – will immediately report the matter to the police in order to enable a criminal investigation to be launched.</p> </p>

Question
2.6. Does the company publish high-level results from incident investigations and disciplinary actions against its employees?
Score
0
Comments
There is no evidence that the company publishes high-level results from incident investigations and disciplinary actions against its employees.
Evidence
No evidence found.

### 3. Support to Employees

Question
<b>3.1. Does the company provide training on its anti-bribery and corruption programme to all employees across all divisions and geographies, and in all appropriate languages?</b>
Score
<b>1</b>
Comments
<p>Based on publicly available information, there is some evidence that the company provides a training module that outlines the basic principles of its anti-bribery and corruption policy. The company indicates that it provides this training to employees when they join the company.</p> <p>However, the company receives a score of '1' because there is no evidence that training is systematically provided to all employees across all divisions, all countries and regions of operation and in all appropriate languages. It is also unclear how frequently employees receive this training, nor is there clear evidence that training includes an outline of the whistleblowing options available to employees.</p>
Evidence
<p><b>[1] Anti-corruption program (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/anti-corruption-program">http://www.excaliburarmy.cz/anti-corruption-program</a>  [p. 3] The topic of an anti-corruption policy within our Company forms, inter alia, the entry training of Workers within the information provided about the adopted compliance program. Besides this, the Company incorporates the education related to corruption and its non-tolerance into a separate training dedicated to a compliance program with a focus on gifts and bribes, while the information is available on the notice board in the Company or within brochures or leaflets.</p>

Question
<b>3.2. Does the company provide tailored training on its anti-bribery and corruption programme for at least the following categories of employees:</b> <b>a) Employees in high risk positions,</b> <b>b) Middle management,</b> <b>c) Board members.</b>
Score
0
Comments
There is no publicly available evidence that the company tailors its anti-bribery and corruption training to employees based on an assessment of their role and exposure to risk.
Evidence
<p><b>[1] Anti-corruption program (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/anti-corruption-program">http://www.excaliburarmy.cz/anti-corruption-program</a></p> <p>[p. 3] The topic of an anti-corruption policy within our Company forms, inter alia, the entry training of Workers within the information provided about the adopted compliance program. Besides this, the Company incorporates the education related to corruption and its non-tolerance into a separate training dedicated to a compliance program with a focus on gifts and bribes, while the information is available on the notice board in the Company or within brochures or leaflets.</p>

Question
<b>3.3. Does the company measure and review the effectiveness of its anti-bribery and corruption communications and training programme?</b>
Score
<b>0</b>
Comments
There is no publicly available evidence that the company measures or reviews the efficacy of its anti-bribery and corruption communications or training programme. The company indicates that it conducts annual audits to determine the effectiveness of its anti-corruption programme, but there is no evidence that it specifically measures the effectiveness of its training and communications as part of this process.
Evidence
<p><b>[1] Anti-corruption program (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/anti-corruption-program">http://www.excaliburarmy.cz/anti-corruption-program</a>  [p. 6] The scope of work of internal auditors, when evaluating the compliance program held at least once per year, is, inter alia, the effectivity assessment and right functioning of the Anti-corruption Program. The areas where there is a high risk of corrupt acting, are regularly inspected with the aim of evaluation if any facts suggest such corrupt acting.</p>

Question
3.4. Does the company ensure that its employee incentive schemes are designed in such a way that they promote ethical behaviour and discourage corrupt practices?
Score
0
Comments
Based on publicly available information, there is no evidence that the company's incentive schemes incorporate ethical or anti-bribery and corruption principles.
Evidence
No evidence found.

Question
<b>3.5. Does the company commit to and assure itself that it will support and protect employees who refuse to act unethically, even when it might result in a loss of business?</b>
Score
0
Comments
Based on publicly available information, there is no clear evidence that the company commits to support or protect employees who refuse to act unethically.
Evidence
<p><b>[1] Anti-corruption program (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/anti-corruption-program">http://www.excaliburarmy.cz/anti-corruption-program</a>  [p. 4] The Company does not tolerate any retaliatory measures against the person submitting such a suggestion.</p> <p>All suggestions may be submitted anonymously or with the application to keep the anonymity of the informing person.</p> <p><b>[6] CSG Group Code of Ethics (Document)</b>  Accessed 28/06/2019  <a href="https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf">https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf</a>  [p. 9] <u>We fight against corruption</u>  CZECHOSLOVAK GROUP strictly forbids its employees from engaging in any form of corrupt behaviour. If an employee is found to have acted corruptly, the Group will sue the employee for any damage arising as a consequence of the corrupt behaviour. The employee's contract will be terminated immediately, and the Group – in line with its legal obligations – will immediately report the matter to the police in order to enable a criminal investigation to be launched.</p>

Question
<b>3.6. Does the company have a clear policy of non-retaliation against whistleblowers and employees who report bribery and corruption incidents?</b>
Score
<b>1</b>
Comments
<p>Based on publicly available information, there is some evidence that the company has a policy of non-retaliation against whistleblowers and employees who report bribery and corruption incidents. There is evidence that this commitment extends to third parties.</p> <p>However, the company receives a score of '1' because there is no evidence that it assures itself of its employees' confidence in this commitment through surveys, usage data, or other clearly stated means.</p>
Evidence
<p><b>[1] Anti-corruption program (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/anti-corruption-program">http://www.excaliburarmy.cz/anti-corruption-program</a>  [p. 4] The Company does not tolerate any retaliatory measures against the person submitting such a suggestion.</p> <p>All suggestions may be submitted anonymously or with the application to keep the anonymity of the informing person.</p> <p><b>[2] Code of Ethics (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/code-of-ethics">http://www.excaliburarmy.cz/code-of-ethics</a>  [p. 6] With regard to the efforts to keep transparency as high as possible and to react flexibly to any actual and occurring situation, the Company prepares possibilities for the ways Workers or any third parties can inform the Company about such situations, should they become witness to any breach of the above-mentioned regulations.</p> <p>[p. 9] <u>We fight against corruption</u>  CZECHOSLOVAK GROUP strictly forbids its employees from engaging in any form of corrupt behaviour. If an employee is found to have acted corruptly, the Group will sue the employee for any damage arising as a consequence of the corrupt behaviour. The employee's contract will be terminated immediately, and the Group – in line with its legal obligations – will immediately report the matter to the police in order to enable a criminal investigation to be launched.</p>

Question
<b>3.7. Does the company provide multiple whistleblowing and advice channels for use by all (e.g. employees and external parties), and do they allow for confidential and, wherever possible, anonymous reporting?</b>
Score
<b>1</b>
Comments
<p>Based on publicly available information, there is evidence that the company provides multiple channels for its employees to report instances of suspected corrupt activity. There is evidence that employees may report concerns anonymously, and the company indicates that these channels are open to third parties.</p> <p>However, the company receives a score of '1' because there is no evidence that the company provides an external reporting channel operated by an independent third party, nor is it clear that the channels provided could be used to seek advice about the company's anti-corruption programme. There is also no publicly available evidence that reports are treated confidentially. In addition, there is no clear evidence that these channels are available to all employees in any country of operation, or in multiple languages.</p>
Evidence
<p><b>[1] Anti-corruption program (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/anti-corruption-program">http://www.excaliburarmy.cz/anti-corruption-program</a></p> <p>[p. 4] For the purpose of fighting corruption, what the Company proclaims and requires is that Workers, as well as any other third parties that have witnessed any unwanted acting, have the possibility to notify the Company management by any of the manners specified below:</p> <ul style="list-style-type: none"> <li>- by email - <a href="mailto:etika@excaliburarmy.eu">etika@excaliburarmy.eu</a>,</li> <li>- in writing via the box (anonymous) – box placed at the entry to the Company premises,</li> <li>- a special hotline: +420 585 083 444</li> <li>- contacting head employees orally during negotiations,</li> <li>- by regular mail, etc.</li> </ul> <p>Suggestions may be submitted also through the controlling CSG holding:</p> <ul style="list-style-type: none"> <li>- special hotline: +420 733 678 454</li> <li>- Holding email - <a href="mailto:etika@czechoslovakgroup.cz">etika@czechoslovakgroup.cz</a></li> </ul> <p>For the purpose of faster processing and securing operational possibilities of reaction for each suggestion, the following information should not be missing:</p> <ul style="list-style-type: none"> <li>- name of the person causing such corrupt action or at least their job position, date and time when such action occurred,</li> <li>- detailed description of the corrupt action,</li> <li>- potential evidence of the possible corruption (names of witnesses, photographs, records, etc.),</li> <li>- any other important information,</li> <li>- name of the informing person, unless it is anonymous.</li> </ul> <p>The Company does not tolerate any retaliatory measures against the person submitting such a suggestion.</p> <p>All suggestions may be submitted anonymously or with the application to keep the anonymity of the informing person.</p> <p><b>[2] Code of Ethics (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/code-of-ethics">http://www.excaliburarmy.cz/code-of-ethics</a></p> <p>[p. 6] With regard to the efforts to keep transparency as high as possible and to react flexibly to any actual and occurring situation, the Company prepares possibilities for the ways Workers or any third parties can inform the Company about such situations, should they become witness to any breach of the above-mentioned regulations. These possibilities are provided through the Company's communication channels, in particular:</p> <ul style="list-style-type: none"> <li>- A box for suggestions (may be submitted anonymously), placed at the entry to the main building of the Company</li> <li>- A special hotline: +420 585 083 444</li> </ul>

- Company e-mail – etika@excaliburarmy.eu,
- A paper through the mailbox (may be submitted anonymously)
- Through the superior

Suggestions may also be submitted through the controlling CSG holding:

- Special hotline: +420 733 678 454
- Holding e-mail - etika@czechoslovakgroup.cz

**[7] CZECHOSLOVAK GROUP Against Corruption (Webpage)**

Accessed 02/07/2019

<https://czechoslovakgroup.cz/against-corruption>

**CZECHOSLOVAK GROUP's Ethical Line (ET-LINK)**

To create a unified reporting channel for testimonies of unethical, corruptive, illegal, unsafe or environment-damaging behaviour, the CZECHOSLOVAK GROUP holding has created the Ethics Line which can be used by anybody to report the above-mentioned problematic behaviour either in the form of

- a) leaving a voice message at telephone number +420 733 678 454, or
- b) sending a report to etika@excaliburgroup.cz.

CZECHOSLOVAK GROUP prefers that the reports are not anonymous as such reports themselves pose a risk of unethical behaviour and abuse of the Ethics Line. However, nobody can be forced to leave his name.

The receiver of all reports is the HR department of CZECHOSLOVAK GROUP which in case the report has been submitted by e-mail acknowledges the message's acceptance and informs the sender within 14 days about taken steps. After the report has been investigated, the sender is notified about the result.

CZECHOSLOVAK GROUP declares that they value reasonable reports submitted to the Ethics Line. However, this does not apply to false reports with the aim to unjustly accuse another person or company. Such report itself is a breach of the Code of Ethics and CZECHOSLOVAK GROUP's anti-corruption program with all associated consequences.

## 4. Conflict of Interest

Question
<b>4.1. Does the company have a policy defining conflicts of interest – actual, potential and perceived – that applies to all employees and board members?</b>
Score
<b>1</b>
Comments
<p>Based on publicly available information, there is evidence that the company has a policy defining actual and potential conflicts of interest. This policy defines several categories of possible conflicts including employee relationships and financial interests. There is evidence that the policy applies to all employees and board members.</p> <p>However, the company receives a score of '1' because there is no evidence that its policy addresses possible conflicts associated with government relationships and other employment. The policy also does not explicitly refer to perceived conflicts of interest.</p>
Evidence
<p><b>[2] Code of Ethics (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/code-of-ethics">http://www.excaliburarmy.cz/code-of-ethics</a></p> <p>[p. 1] EXCALIBUR ARMY spol. s.r.o. is a member of the CZECHOSLOVAK GROUP and follows the same values as declared by the entire group. It respects and observes these values. The result of this responsible approach of the company is not only the implementation of these values into its own rules, but also their development, leading to the creation and formation of its own internal comprehensive system of rules, procedures and regulations, whose aim is the compliance of required behaviour of employees and any other persons, with the basic human rights, general ethical values, morality, legal order and internationally accepted standards. The Code of Ethics forms part of this system and covers all Company employees, including the members of Company bodies and external subjects, such as consultants, suppliers or intermediaries representing the Company (hereinafter referred to as the "Workers").</p> <p>[p. 2] <u>CONFLICT OF INTEREST AND NON-COMPETE OBLIGATIONS, FAIR ECONOMIC COMPETITION RULES</u></p> <ol style="list-style-type: none"> <li>1. Loyalty, openness and communication with the Company are the basic principles every Worker should adopt.</li> <li>2. Workers may conduct business activities while employed in the Company only under the condition that such activity does not interfere with the eligible interests of the Company and is conducted in compliance with laws.</li> </ol> <p>[p. 3] Otherwise, the Worker may perform such profitable activity within a competitive environment only with previous approval of the statutory body of the Company.</p> <ol style="list-style-type: none"> <li>3. Every Worker is obliged to proceed in a way to avoid situations when his personal or financial interest could come into conflict with the Company. Any potential advantage for the benefit of the Worker or for the benefit of any natural person or legal entity close to him, with whom such Worker has any personal, commercial or employment relationship, shall be considered as his personal interest.</li> <li>4. During their employment relationship with the Company, no Workers may acquire or keep direct or indirect shares in any other entity (at least 15%) that the Company trades with or may trade with, or, if they are competitors, unless it is an entity within the CZECHOSLOVAK GROUP (hereinafter referred to as the "CSG"), or unless consent was provided by the statutory body of the Company.</li> <li>5. Conflict of interest means also the provision or allowing the provision of any information and know-how the Workers received when carrying out their duties in the Company and which could be beneficial for competitive activities of any other persons/entities. Such acts are considered illegal and represent a serious breach of occupational duties.</li> <li>6. None of the Workers may, on behalf of the Company, negotiate or conclude any contracts or commercial relationship with any entrepreneurial subjects that are managed, controlled or owned by the members of his family, or legal entities that are financially or personally connected with the relatives or partners of the Workers, without prior written consent of the statutory body.</li> </ol>

7. The Company and its Workers shall observe the principles of economic competition, in particular they may not act in any way that may be considered unfairly competitive. They should always proceed in a fair, professional and transparent manner.

**[6] CSG Group Code of Ethics (Document)**

Accessed 28/06/2019

[https://czechoslovakgroup.cz/media/cache/file/31/CSG\\_eticky-kodex\\_EN\\_single-page\\_web.pdf](https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf)

[p. 11] We Reject Conflict of Interest

- We forbid conflicts of interest among all our employees. This means that in the Group's sales/supply relationships, CZECHOSLOVAK GROUP employees must not directly or indirectly represent the other party (i.e. the customer/ supplier of goods and services), and they must not gain any personal benefit from these relationships other than the benefit provided by CZECHOSLOVAK GROUP.
- If there is a potential risk of a conflict of interest due to e.g. the involvement of family members, relatives or friends in the management structures of the Group's customers or suppliers (or their ownership of a stake in a customer/ supplier company), the affected CZECHOSLOVAK GROUP employee should notify the Group's Compliance Department of this situation in order to prevent future problems.
- Possible conflicts of interest are detected in accordance with the Group's defined compliance strategies.

**[4] Code of Conduct in Relations with External Subjects of Excalibur Army spol. s.r.o. (Document)**

Accessed 27/06/2019

<http://www.excaliburarmy.cz/code-of-conduct>

[p. 6] Conflict Of Interest, Anti-Corruption Rules And The Principles Of Economic Competition

The external subject declares the following:

- it runs its bookkeeping properly pursuant to the respective legal rules and standards, does not provide any gifts, minor services, favours, services, discounts or any other privileges for the purpose of achieving advantages or minor gifts, or for the purpose of affecting the decision of the third party,
- it adopts such internal regulations, which avoid the possibility of conflict of interest among its workers, as well as in relation to the business conduct between the Company and an external partner,
- all orders and supplied goods are not acquired and will never be acquired either through a criminal act or as a reward for such an act,

and undertakes to:

- observe the legal rules within the area of corruption prevention,

[p. 7]

- check the origin of all its goods carefully and conscientiously and shall never hide or conceal such origin,
- shall observe the rules of economic competition, in particular to avoid such behaviour that could be considered illegal or unfairly competitive.

Question
<b>4.2. Are there procedures in place to identify, declare and manage conflicts of interest, which are overseen by a body or individual ultimately accountable for the appropriate management and handling of conflict of interest cases?</b>
Score
<b>0</b>
Comments
Based on publicly available information, there is no clear evidence that the company has a procedure dedicated to identifying, declaring and managing conflicts of interests. Although the company states that possible conflicts of interest must be declared to the Group's Compliance Department, the procedures beyond this are sufficiently unclear, based on publicly available information, that they cannot satisfy the requirements of score '1'.
Evidence
<p><b>[2] Code of Ethics (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/code-of-ethics">http://www.excaliburarmy.cz/code-of-ethics</a></p> <p>[p. 2] <b>CONFLICT OF INTEREST AND NON-COMPETE OBLIGATIONS, FAIR ECONOMIC COMPETITION RULES</b></p> <ol style="list-style-type: none"> <li>8. Loyalty, openness and communication with the Company are the basic principles every Worker should adopt.</li> <li>9. Workers may conduct business activities while employed in the Company only under the condition that such activity does not interfere with the eligible interests of the Company and is conducted in compliance with laws.</li> </ol> <p>[p. 3] Otherwise, the Worker may perform such profitable activity within a competitive environment only with previous approval of the statutory body of the Company.</p> <ol style="list-style-type: none"> <li>10. Every Worker is obliged to proceed in a way to avoid situations when his personal or financial interest could come into conflict with the Company. Any potential advantage for the benefit of the Worker or for the benefit of any natural person or legal entity close to him, with whom such Worker has any personal, commercial or employment relationship, shall be considered as his personal interest.</li> <li>11. During their employment relationship with the Company, no Workers may acquire or keep direct or indirect shares in any other entity (at least 15%) that the Company trades with or may trade with, or, if they are competitors, unless it is an entity within the CZECHOSLOVAK GROUP (hereinafter referred to as the "CSG"), or unless consent was provided by the statutory body of the Company.</li> <li>12. Conflict of interest means also the provision or allowing the provision of any information and know-how the Workers received when carrying out their duties in the Company and which could be beneficial for competitive activities of any other persons/entities. Such acts are considered illegal and represent a serious breach of occupational duties.</li> <li>13. None of the Workers may, on behalf of the Company, negotiate or conclude any contracts or commercial relationship with any entrepreneurial subjects that are managed, controlled or owned by the members of his family, or legal entities that are financially or personally connected with the relatives or partners of the Workers, without prior written consent of the statutory body.</li> <li>14. The Company and its Workers shall observe the principles of economic competition, in particular they may not act in any way that may be considered unfairly competitive. They should always proceed in a fair, professional and transparent manner.</li> </ol> <p><b>[6] CSG Group Code of Ethics (Document)</b>  Accessed 28/06/2019  <a href="https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf">https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf</a></p> <p>[p. 11] <b>We Reject Conflict of Interest</b></p> <ul style="list-style-type: none"> <li>• We forbid conflicts of interest among all our employees. This means that in the Group's sales/supply relationships, CZECHOSLOVAK GROUP employees must not directly or indirectly represent the other party (i.e. the customer/ supplier of goods and services), and they must not gain any personal benefit from these relationships other than the benefit provided by CZECHOSLOVAK GROUP.</li> <li>• If there is a potential risk of a conflict of interest due to e.g. the involvement of family members, relatives or friends in the management structures of the Group's customers or suppliers (or their ownership of a stake in a customer/ supplier company), the affected CZECHOSLOVAK GROUP employee should notify the Group's Compliance Department of this situation in order to prevent future problems.</li> </ul>

- Possible conflicts of interest are detected in accordance with the Group's defined compliance strategies.

Question
4.3. Does the company have a policy and procedure regulating the appointment of directors, employees or consultants from the public sector?
Score
0
Comments
Based on publicly available information, there is no evidence that the company has a policy regulating the employment of current or former public officials.
Evidence
No evidence found.

Question
4.4. Does the company report details of the contracted services of serving politicians to the company?
Score
0
Comments
There is no evidence that the company publishes details of the contracted services of serving politicians.
Evidence
No evidence found.

## 5. Customer Engagement

### 5.1 Contributions, Donations and Sponsorships

Question
<b>5.1.1. Does the company have a clearly defined policy and/or procedure covering political contributions?</b>
Score
<b>0</b>
Comments
<p>There is publicly available evidence that the company has a policy on corporate political contributions, which states that any such donations must be transparent and adhere to all relevant legal requirements. There is no evidence that the company's policy includes specific controls or measures to ensure that political donations are not used as vehicles for bribery and corruption.</p> <p>The company receives a score of '0' because there is no evidence that it prohibits corporate political contributions.</p>
Evidence
<p><b>[7] CZECHOSLOVAK GROUP Against Corruption (Webpage)</b>  Accessed 02/07/2019  <a href="https://czechoslovakgroup.cz/against-corruption">https://czechoslovakgroup.cz/against-corruption</a>  <b>Support of Political Parties and Movements</b>  The support of political parties and movements by CZECHOSLOVAK GROUP must be transparent. This support must not be connected to any kind of business opportunity in public sector. CZECHOSLOVAK GROUP strictly adheres to all legal obligations concerning any potential support of political parties.</p> <p><b>[2] Code of Ethics (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/code-of-ethics">http://www.excaliburarmy.cz/code-of-ethics</a>  [p. 4] The Company provides or may provide any purpose-bound financial or material donations for the purpose of financing science and education, research and development, culture, schools, fire protection, the support and protection of youth, the protection of animals and their health, or for any social, health, ecological, humanitarian, charity, physical education, sporting and political purpose, etc.</p> <p><b>[6] CSG Group Code of Ethics (Document)</b>  Accessed 28/06/2019  <a href="https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf">https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf</a>  [p. 13] It is forbidden to provide sponsorship which is purposely linked to a particular sales opportunity, either in the public or private sector. This rule likewise applies to sponsorship of political parties and political movements. The purpose of the CZECHOSLOVAK GROUPS's sponsorship activities is to support education and training (especially in technical fields), sport, culture, or the non-profit sector – especially in the region where the Group's member company is based.</p>

Question
5.1.2. Does the company publish details of all political contributions made by the company and its subsidiaries, or a statement that it has made no such contribution?
Score
0
Comments
There is no evidence that the company publishes any details of its political contributions.
Evidence
No evidence found.

Question
<b>5.1.3. Does the company have a clearly defined policy and/or procedure covering charitable donations and sponsorships, whether made directly or indirectly, and does it publish details of all such donations made by the company and its subsidiaries?</b>
Score
<b>1</b>
Comments
<p>Based on publicly available information, there is some evidence that the company has a policy covering both charitable donations and sponsorships. The company publishes a list of the organisations, social events and groups that it supports.</p> <p>However, the company receives a score of '1' because there is no evidence that these policies include specific measures to ensure such donations are not used as vehicles for bribery and corruption, such as criteria for donations, procedures for senior sign-off, or due diligence on recipients. There is also no evidence that the company publishes further details of its donations made, such as details of the recipient or amount, nor is there evidence that the information it does publish is updated annually.</p>
Evidence
<p><b>[2] Code of Ethics (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/code-of-ethics">http://www.excaliburarmy.cz/code-of-ethics</a>  [p. 4] The Company provides or may provide any purpose-bound financial or material donations for the purpose of financing science and education, research and development, culture, schools, fire protection, the support and protection of youth, the protection of animals and their health, or for any social, health, ecological, humanitarian, charity, physical education, sporting and political purpose, etc.</p> <p><b>[3] WE SUPPORT ORGANIZATION AND SOCIAL EVENTS (Webpage)</b>  Accessed 28/06/2019  <a href="http://www.excaliburarmy.com/en/supported">http://www.excaliburarmy.com/en/supported</a></p> <h2 style="text-align: center;">WE SUPPORT ORGANIZATION AND SOCIAL EVENTS</h2> <div style="display: flex; justify-content: space-between;"> <ul style="list-style-type: none"> <li>● Boy Scout Přelouč - <a href="http://www.junakprelouc.cz">www.junakprelouc.cz</a></li> <li>● Rescue Station - Pasička - <a href="http://www.pasicka.cz">www.pasicka.cz</a></li> <li>● Junior Football Tournament Přelouč - <a href="http://www.mestoprelouc.cz">www.mestoprelouc.cz</a></li> <li>● Frantisek Filipovsky Dubbing Awards Hand-over in Přelouč - <a href="http://www.mestoprelouc.cz">www.mestoprelouc.cz</a></li> <li>● Pardubice Wine Grower's Half-Marathon - <a href="http://www.pardubickyvinarskypulmaraton.cz">www.pardubickyvinarskypulmaraton.cz</a></li> <li>● Bahna - <a href="http://www.bahna.eu">www.bahna.eu</a> - we are partners of the new website</li> <li>● Cihelna - <a href="http://www.akcecihelna.com">www.akcecihelna.com</a> - a significant military event in Pardubice region</li> <li>● Veteran rallye - Železné Hory - <a href="http://www.amv-prelouc.cz">www.amv-prelouc.cz</a></li> </ul> <ul style="list-style-type: none"> <li>● Katyn.cz - the projection of Katyn movie in Zdechovice - <a href="http://www.katyn.cz">www.katyn.cz</a></li> <li>● Spolubojovnici.eu - a place where buddies from the military national service meet - <a href="http://www.spolubojovnici.eu">www.spolubojovnici.eu</a></li> <li>● Endangered Children Fund - <a href="http://www.fod.cz">www.fod.cz</a></li> <li>● Historical Military Vehicle Club - Labe - <a href="http://www.kvht-labe.cz">www.kvht-labe.cz</a></li> <li>● Czechoslovak People's Army Club Events - <a href="http://www.csla.cz">www.csla.cz</a></li> <li>● Miss Army - <a href="http://www.missarmy.cz">www.missarmy.cz</a></li> <li>● Uphill Races Šternberk - Ecce Homo - <a href="http://www.eccehomo.cz">www.eccehomo.cz</a></li> <li>● Children Camps and Airsoft Camps</li> <li>● Volunteer Firefighters Corps from Přelouč region</li> <li>● and others</li> </ul> </div> <p><b>[6] CSG Group Code of Ethics (Document)</b>  Accessed 28/06/2019  <a href="https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf">https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf</a>  [p. 13] It is forbidden to provide sponsorship which is purposely linked to a particular sales opportunity, either in the public or private sector. This rule likewise applies to sponsorship of political parties and political movements. The purpose of the CZECHOSLOVAK GROUPS's sponsorship activities is to support education and training (especially in technical fields), sport, culture, or the non-profit sector – especially in the region where the Group's member company is based.</p>

**[7] CZECHOSLOVAK GROUP Against Corruption (Webpage)**

Accessed 02/07/2019

<https://czechoslovakgroup.cz/against-corruption>

CZECHOSLOVAK GROUP's Sponsoring Rules

CZECHOSLOVAK GROUP as a socially responsible company in the field of defence industry logically supports mainly non-profit activities in the regions of the member companies' residence. This can mean activities such as sport, cultural, educational or other events. Especially significant are educational events that support development of technical disciplines which bring major contributions to the national wealth of the Czech Republic, boost the national export potential and are chronically battling a lack of promising students.

The main rule in CZECHOSLOVAK GROUP's sponsoring activities is that it must not be tied to any specific business opportunities in public nor private sector. Similarly, a sponsoring under the circumstances of conflict of interests is also forbidden. Sponsoring activities of CZECHOSLOVAK GROUP are usually publicized either by a press release or by posting the information on the Group's website or an internal magazine EXCALIBUR.

## 5.2 Lobbying

Question
5.2.1 Does the company have a policy and/or procedure covering responsible lobbying?
Score
0
Comments
Based on publicly available information, there is no evidence the company has a policy or procedure on lobbying.
Evidence
No evidence found.

Question
<b>5.2.2 Does the company publish details of the aims and topics of its public policy development and lobbying activities it carries out?</b>
Score
0
Comments
There is no evidence that the company publishes any information on its lobbying aims, topics or activities.
Evidence
No evidence found.

Question
<b>5.2.3 Does the company publish full details of its global lobbying expenditure?</b>
Score
<b>0</b>
Comments
There is no evidence that the company publishes any information about its global lobbying expenditure.
Evidence
No evidence found.

### 5.3 Gifts and Hospitality

Question
<b>5.3.1 Does the company have a policy and/or procedure on gifts and hospitality to ensure they are bona fide to prevent undue influence or other corruption?</b>
Score
<b>1</b>
Comments
<p>Based on publicly available information, there is evidence that the company has a policy on the giving and receipt of gifts and hospitality. The company's policy acknowledges the risks associated with gifts and hospitality given to and received from public officials.</p> <p>However, the company receives a score of '1' because there is no evidence that all gifts and hospitality above a certain threshold are recorded in a central register accessible to those responsible for oversight of the process. There is also no evidence that the company's policy specifies financial limits or different approval procedures for different types of promotional expenses.</p>
Evidence
<p><b>[2] Code of Ethics (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/code-of-ethics">http://www.excaliburarmy.cz/code-of-ethics</a>  [p. 4] None of the Workers may require or accept any gifts, minor services, favours or benefits for himself or anyone else. Simultaneously, he may not provide any donations, payments, rewards, or services to business partners of the Company, official authority or any third party, except for such donations, which have minimal nominal value, or are promotion materials, or advertisement items, or represent any common politeness that is not in breach of the commercial rules of the Company.</p> <p><b>[4] Code of Conduct in Relations with External Subjects of Excalibur Army spol. s.r.o. (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/code-of-conduct">http://www.excaliburarmy.cz/code-of-conduct</a>  [p. 2] When dealing with Public officers, all Workers shall proceed in accordance with the anti-corruption program of the Company, or they shall always behave in such a way that any impression of their willingness or openness to any kind of corrupt behaviour may not occur. In particular, it is completely against the interests and corporate policy of the Company to offer or accept any kind of advantages, minor services, favours or rewards in the form of financial, tangible or intangible donations or advantages. An especially condemnable behaviour of Workers for the company is...</p> <p>[p. 3] ...such where they could disrepute, alter or affect the decision of a Public officer in any way. Each donation or reward, even a small one, is completely forbidden if such a donation or reward could infer the impression that such behaviour of a Worker is only malicious, purposeful or inappropriate and at the same time, that such an advantage or reward may affect the behaviour of respective subjects.</p> <p>Minor gifts, expressions of gratitude or promotional materials may be accepted or offered by Workers only in the case that it does not contradict good manners and that it will not pose a breach of ethical principles.</p> <p><b>[6] CSG Group Code of Ethics (Document)</b>  Accessed 28/06/2019  <a href="https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf">https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf</a>  [p. 13] "As part of its efforts to build good business relationships (especially with customers), CZECHOSLOVAK GROUP provides a range of standard services for its partners, including various gifts, gratuities, and trips with accommodation. However, it is forbidden to provide partners with excessively luxurious accommodation, unethical or unreasonably expensive entertainment services, or to give gifts of inappropriately high value. Such behaviour is considered potentially corrupt in relation to the Group's partners.</p> <p>Likewise, managers and other employees of CZECHOSLOVAK GROUP (especially those responsible for sales) are forbidden from accepting such inappropriately expensive or luxurious gifts and services. If a partner offers such items, the CZECHOSLOVAK GROUP employee must report the matter to their superior."</p>

**[7] CZECHOSLOVAK GROUP Against Corruption (Webpage)**

Accessed 02/07/2019

<https://czechoslovakgroup.cz/against-corruption>

Gifts and Hospitality

CZECHOSLOVAK GROUP is providing standard services for their partners in the context of building acceptable professional relationships including the possibility of covering the costs of accommodation during the partners' stay and extending gifts and courtesies.

However, it is forbidden to provide a disproportionately luxurious accommodation, unethical and expensive entertainment or give gifts with a clearly unreasonable value. These actions are considered potentially corruptive in relation to CZECHOSLOVAK GROUP partners. Similarly, managers and employees of CZECHOSLOVAK GROUP member companies, especially in their sales departments, are forbidden to accept such inappropriate services or luxurious gifts. In case such offers are extended by a partner, the employee is required to report this to their superior.

## 6. Supply Chain Management

Question
6.1. Does the company require the involvement of its procurement department in the establishment of new supplier relationships and in the oversight of its supplier base?
Score
0
Comments
Based on publicly available information, there is no evidence that the company requires the involvement of its procurement department in the establishment or oversight of its supplier base.
Evidence
No evidence found.

Question
<b>6.2 Does the company conduct risk-based anti-bribery and corruption due diligence when engaging or re-engaging with its suppliers?</b>
Score
<b>0</b>
Comments
Based on publicly available information, there is no evidence that the company conducts anti-bribery and corruption due diligence on its supply chain. The company indicates that it verifies business partners against the standards set out in its Code of Conduct; however, this statement is insufficiently detailed to merit a score of '1'.
Evidence
<p><b>[1] Anti-corruption program (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/anti-corruption-program">http://www.excaliburarmy.cz/anti-corruption-program</a>  [p. 5] c) the obligation to verify business partners carefully and conscientiously, as set by the Code of Conduct for business partners,</p> <p>d) the implemented obligation to perform random checks of Workers and workplaces, systemic inspections and questionnaires filled by Workers, regular internal audits focused on the results of adopted remedial measures and potential risks,</p> <p><b>[4] Code of Conduct in Relations with External Subjects of Excalibur Army spol. s.r.o. (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/code-of-conduct">http://www.excaliburarmy.cz/code-of-conduct</a>  [p. 3] <u>Suppliers And Business Partners</u>  All Workers shall follow the basic principles of polite behaviour also in case of communication and dealing with business partners of the Company.</p> <p>The Company and its Workers promote and proclaim always the correct, professional and fair approach when concluding business contracts with partners and suppliers. The choice of contractual partners shall follow the principle of equality and result from healthy and natural competition. During a tender, suppliers are assessed independently, regardless of any personal or family relationships or on the basis of acquisition of illegal or unwanted benefit of a person/entity. The basic principles of assessment of individual suppliers are in particular the quality, price and payment terms, delivery period, adopted quality system and environmental management system.</p> <p>The Company and its Workers always care about the anti-corruption principles, based on the anti-corruption program of the Company. Company Workers may never misuse their power, funds or influence to secure any unjustified advantage for the suppliers, the Company or themselves, or they may not also discredit the Company's image and reputation in the future by their actions.</p>

Question
<b>6.3 Does the company require all of its suppliers to have adequate standards of anti-bribery and corruption policies and procedures in place?</b>
Score
<b>1</b>
Comments
<p>Based on publicly available information, there is some evidence that the company ensures that its external partners (which include suppliers) have adequate anti-bribery and corruption policies and procedures in place. There is evidence that the company takes active steps to ensure this, by requiring that all suppliers follow its own anti-bribery policies and procedures. These policies prohibit bribery and facilitation payments and include procedures to address conflicts of interest, gifts and hospitality, and whistleblowing.</p> <p>However, the company receives a score of '1' because there is no evidence that it takes active steps to ensure that its suppliers abide by its policies or that its suppliers have their own adequate anti-bribery and corruption policies and procedures in place.</p>
Evidence
<p><b>[4] Code of Conduct in Relations with External Subjects of Excalibur Army spol. s.r.o. (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/code-of-conduct">http://www.excaliburarmy.cz/code-of-conduct</a>  <p>[p. 5] <u>Relations Between External Subjects And The Company</u>  The basic values of the Company, incorporated into the principles and obligations set by internal regulations of the Company, are so important for the Company that it enforces its observation also from its suppliers and other external subjects. Compliance with ethical and moral values is an appreciated asset for the Company and a natural thing, being as important as the securing and observation of legal provisions.</p> <p>The approach of the Company in relation to the observance of the basic ethical and moral rules and legal order is so natural for it, that it became the condition for further cooperation with external subjects. Therefore, the basic principle is not only the observance of the mentioned rules by Workers, but also their active enforcement by external subjects.</p> <p>By entering business or any other negotiations by external subjects, such a subject confirms that it will follow the rules mentioned in this Code, that the proclamations here stated are true and that it will be bound to observe such rules and principles. Besides this, the external subject undertakes to make the observance of basic principles, stated in this Code, the condition for cooperation with its subcontractors.</p> <p>[p. 6] <u>Conflict Of Interest, Anti-Corruption Rules And The Principles Of Economic Competition</u>  The external subject declares the following:</p> <ul style="list-style-type: none"> <li>- it runs its bookkeeping properly pursuant to the respective legal rules and standards, does not provide any gifts, minor services, favours, services, discounts or any other privileges for the purpose of achieving advantages or minor gifts, or for the purpose of affecting the decision of the third party,</li> <li>- it adopts such internal regulations, which avoid the possibility of conflict of interest among its workers, as well as in relation to the business conduct between the Company and an external partner,</li> <li>- all orders and supplied goods are not acquired and will never be acquired either through a criminal act or as a reward for such an act,</li> </ul> <p>and undertakes to:</p> <ul style="list-style-type: none"> <li>- observe the legal rules within the area of corruption prevention,</li> </ul> <p>[p. 7]</p> <ul style="list-style-type: none"> <li>- check the origin of all its goods carefully and conscientiously and shall never hide or conceal such origin,</li> <li>- shall observe the rules of economic competition, in particular to avoid such behaviour that could be considered illegal or unfairly competitive.</li> </ul> <p>[...]  <u>Compliance Program</u>  The external subject declares the following:</p> <ul style="list-style-type: none"> <li>- takes into account that the Company observes the compliance program, aiming for the avoidance of unwanted situations by using an internal system of rules, principles and procedures. Within this program, the Company</li> </ul> </p>

communicates which actions and behaviours of any person taking part in the business conduct of the Company, including external subjects, is binding on it,

- takes into account that the actions of Company employees contradictory to the basic principles and rules set within the Code of Ethics and this Code of Conduct, as well as in the anti-corruption program published on the website...

[p. 8]

...shall not be binding on the Company, as it is completely in contradiction with the Company's main ideas, fully contravenes the main principles and rules of the Company, and is condemned and not tolerated by the Company, and undertakes to:

- inform the Company without delay of any case when the Worker of the Company breaches certain regulations or basic principles set within the Code of Ethics, the Anti-corruption Program or this Code of Conduct,
- stop any negotiations with such Worker immediately and turn to his superior in the case when such Worker of the Company abuses his competences or breaches the above-mentioned rules.

Here are the following possibilities on how to notify the statutory body, General Director or head of department, who is the superior for such Worker, about any such unwanted action by the Worker:

- by phone,
- in writing,
- electronically, by using the contacts specified on the Company's website.

#### **[6] CSG Group Code of Ethics (Document)**

Accessed 28/06/2019

[https://czechoslovakgroup.cz/media/cache/file/31/CSG\\_eticky-kodex\\_EN\\_single-page\\_web.pdf](https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf)

[p. 9] We fight against corruption

Employees of CZECHOSLOVAK GROUP – especially sales representatives and marketing professionals – are obliged to inform external partners (mainly dealers and suppliers) about the Group's anti-corruption programme (i.e. those parts of the programme which are applicable to the external partners).

Question
<b>6.4 Does the company ensure that its suppliers require all their sub-contractors to have anti-corruption programmes in place that at a minimum adhere to the standards established by the main contractor?</b>
Score
<b>1</b>
Comments
Based on publicly available information, there is some evidence that the company takes steps to ensure that the substance of its anti-bribery and corruption programme and standards are required of sub-contractors throughout the supply chain. However, this evidence is in the form of a simple statement and it is unclear how the company does this in practice.
Evidence
<p><b>[4] Code of Conduct in Relations with External Subjects of Excalibur Army spol. s.r.o. (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/code-of-conduct">http://www.excaliburarmy.cz/code-of-conduct</a></p> <p>[p. 5] By entering business or any other negotiations by external subjects, such a subject confirms that it will follow the rules mentioned in this Code, that the proclamations here stated are true and that it will be bound to observe such rules and principles. Besides this, the external subject undertakes to make the observance of basic principles, stated in this Code, the condition for cooperation with its subcontractors.</p> <p>[p. 9] Furthermore, the Company requires all requirements set in this Code of Conduct to be observed by external subjects taking part in cooperation with the Company in any way (subcontractor, supplier of respective components, etc.).</p>

Question
<b>6.5 Does the company publish high-level results from ethical incident investigations and disciplinary actions against suppliers?</b>
Score
<b>0</b>
Comments
There is no evidence that the company publishes any data on ethical or anti-bribery and corruption investigations relating to its suppliers.
Evidence
No evidence found.

## 7. Agents, Intermediaries and Joint Ventures

### 7.1 Agents and Intermediaries

Question
7.1.1 Does the company have a clear policy on the use of agents?
Score
0
Comments
Based on publicly available information, there is no clear evidence that the company has a policy on the use of agents. There is some evidence that the company's Code of Ethics applies to intermediaries, but it is not clear that this relates to agents or brokers contracted to act on behalf of the company.
Evidence
<p><b>[1] Anti-corruption program (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/anti-corruption-program">http://www.excaliburarmy.cz/anti-corruption-program</a>  [p. 1] The Code of Ethics forms part of this system and covers all Company employees, including the members of Company bodies and external subjects, such as consultants, suppliers or intermediaries representing the Company (hereinafter referred to as the "Workers").</p> <p>EXCALIBUR ARMY spol. s.r.o. does not tolerate any acts of its Workers, which could be considered illegal, corrupt, unethical, unfair or immoral in any way. The Company considers such behaviour as condemnable and unacceptable within the pre-set frame of behaviour and acting.</p>

Question
<b>7.1.2 Does the company conduct risk-based anti-bribery and corruption due diligence when engaging or re-engaging its agents and intermediaries?</b>
Score
<b>0</b>
Comments
Based on publicly available information, there is no evidence that the company conducts anti-bribery and corruption due diligence on its agents and intermediaries. The company states that it verifies business partners against the standards set out in its Code of Conduct; however, this statement is insufficiently detailed to receive a score of '1' and it is unclear whether it applies to agents and intermediaries.
Evidence
<p><b>[1] Anti-corruption program (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/anti-corruption-program">http://www.excaliburarmy.cz/anti-corruption-program</a></p> <p>[p. 1] The Code of Ethics forms part of this system and covers all Company employees, including the members of Company bodies and external subjects, such as consultants, suppliers or intermediaries representing the Company (hereinafter referred to as the "Workers").</p> <p>EXCALIBUR ARMY spol. s r.o. does not tolerate any acts of its Workers, which could be considered illegal, corrupt, unethical, unfair or immoral in any way. The Company considers such behaviour as condemnable and unacceptable within the pre-set frame of behaviour and acting.</p> <p>[p. 2]</p> <ul style="list-style-type: none"> <li>- setting effective procedures for the identification and elimination of risks – within its system, the Company implements procedures with the objective to consider the actual state, efficiency and effectivity of the implemented Anti-corruption Program regularly, such as regular meetings of the compliance team, internal audits, inspection of Program observance, etc., which are assessed without delay and on the basis of the results, remedial measures are subsequently adopted,</li> </ul> <p>[p. 5] c) the obligation to verify business partners carefully and conscientiously, as set by the Code of Conduct for business partners</p>

Question
7.1.3 Does the company aim to establish the ultimate beneficial ownership of its agents and intermediaries?
Score
0
Comments
Based on publicly available information, there is no evidence that the company commits to establish the beneficial ownership of its agents.
Evidence
No evidence found.

Question
<b>7.1.4 Does the company's anti-bribery and corruption policy apply to all agents and intermediaries acting for or on behalf of the company, and does it require anti-bribery and corruption clauses in its contracts with these entities?</b>
Score
<b>1</b>
Comments
<p>Based on publicly available information, there is evidence that the company's anti-bribery and corruption policy applies to all external subjects working with the company, including consultants and intermediaries. There is some evidence that the company includes anti-bribery and corruption clauses in its contracts with these entities.</p> <p>However, the company receives a score of '1' because there is no evidence that it includes audit and termination rights in its contracts with agents and intermediaries.</p>
Evidence
<p><b>[1] Anti-corruption program (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/anti-corruption-program">http://www.excaliburarmy.cz/anti-corruption-program</a>  <p>[p. 1] The Code of Ethics forms part of this system and covers all Company employees, including the members of Company bodies and external subjects, such as consultants, suppliers or intermediaries representing the Company (hereinafter referred to as the "Workers").</p> <p>EXCALIBUR ARMY spol. s.r.o. does not tolerate any acts of its Workers, which could be considered illegal, corrupt, unethical, unfair or immoral in any way. The Company considers such behaviour as condemnable and unacceptable within the pre-set frame of behaviour and acting.</p> </p> <p><b>[2] Code of Ethics (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/code-of-ethics">http://www.excaliburarmy.cz/code-of-ethics</a>  <p>[p. 1] The Code of Ethics forms part of this system and covers all Company employees, including the members of Company bodies and external subjects, such as consultants, suppliers or intermediaries representing the Company (hereinafter referred to as the "Workers").</p> <p>EXCALIBUR ARMY spol. s.r.o. does not tolerate any acts of its Workers, which could be considered illegal, corrupt, unethical, unfair or immoral in any way. The Company considers such behaviour as condemnable and unacceptable within the pre-set frame of behaviour and acting.</p> <p>[p.3] RELATIONS WITH THIRD PARTIES AND BRIBERY  1. The Company and its Workers shall act in a way to avoid illegal activities, in particular to avoid acting in ways which could be considered as corruptive. A corruptive act means the acceptance or offering of any bribe, agreement of advantages or any tangible or intangible remuneration in connection with the Company's business activities and carrying out of duties of the Worker. Corruptive action also means any offer of remuneration, benefit or profit for public authority, which could result in alteration or publishing of a public authority decision for the benefit of the Company.  [...]  5. None of the Workers may require or accept any gifts, minor services, favours or benefits for himself or anyone else. Simultaneously, he may not provide any donations, payments, rewards, or services to business partners of the Company, official authority or any third party, except for such donations, which have minimal nominal value, or are promotion materials, or advertisement items, or represent any common politeness that is not in breach of the commercial rules of the Company.</p> </p>
<p><b>[4] Code of Conduct in Relations with External Subjects of Excalibur Army spol. s.r.o. (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/code-of-conduct">http://www.excaliburarmy.cz/code-of-conduct</a>  <p>[p. 5] <u>Relations Between External Subjects And The Company</u>  The basic values of the Company, incorporated into the principles and obligations set by internal regulations of the Company, are so important for the Company that it enforces its observation also from its suppliers and other</p> </p>

external subjects. Compliance with ethical and moral values is an appreciated asset for the Company and a natural thing, being as important as the securing and observation of legal provisions.

The approach of the Company in relation to the observance of the basic ethical and moral rules and legal order is so natural for it, that it became the condition for further cooperation with external subjects. Therefore, the basic principle is not only the observance of the mentioned rules by Workers, but also their active enforcement by external subjects.

By entering business or any other negotiations by external subjects, such a subject confirms that it will follow the rules mentioned in this Code, that the proclamations here stated are true and that it will be bound to observe such rules and principles. Besides this, the external subject undertakes to make the observance of basic principles, stated in this Code, the condition for cooperation with its subcontractors.

[p. 6] Conflict Of Interest, Anti-Corruption Rules And The Principles Of Economic Competition

The external subject declares the following:

- it runs its bookkeeping properly pursuant to the respective legal rules and standards, does not provide any gifts, minor services, favours, services, discounts or any other privileges for the purpose of achieving advantages or minor gifts, or for the purpose of affecting the decision of the third party,
- it adopts such internal regulations, which avoid the possibility of conflict of interest among its workers, as well as in relation to the business conduct between the Company and an external partner,
- all orders and supplied goods are not acquired and will never be acquired either through a criminal act or as a reward for such an act,

and undertakes to:

- observe the legal rules within the area of corruption prevention,

[p. 7]

- check the origin of all its goods carefully and conscientiously and shall never hide or conceal such origin,
- shall observe the rules of economic competition, in particular to avoid such behaviour that could be considered illegal or unfairly competitive.

[...] Compliance Program

The external subject declares the following:

- takes into account that the Company observes the compliance program, aiming for the avoidance of unwanted situations by using an internal system of rules, principles and procedures. Within this program, the Company communicates which actions and behaviours of any person taking part in the business conduct of the Company, including external subjects, is binding on it,
- takes into account that the actions of Company employees contradictory to the basic principles and rules set within the Code of Ethics and this Code of Conduct, as well as in the anti-corruption program published on the website...

[p. 8] ...shall not be binding on the Company, as it is completely in contradiction with the Company's main ideas, fully contravenes the main principles and rules of the Company, and is condemned and not tolerated by the Company,

and undertakes to:

- inform the Company without delay of any case when the Worker of the Company breaches certain regulations or basic principles set within the Code of Ethics, the Anti-corruption Program or this Code of Conduct,
- stop any negotiations with such Worker immediately and turn to his superior in the case when such Worker of the Company abuses his competences or breaches the above-mentioned rules.

Here are the following possibilities on how to notify the statutory body, General Director or head of department, who is the superior for such Worker, about any such unwanted action by the Worker:

- by phone,
- in writing,
- electronically, by using the contacts specified on the Company's website.

Question
<b>7.1.5 Does the company ensure that its incentive schemes for agents are designed in such a way that they promote ethical behaviour and discourage corrupt practices?</b>
Score
<b>0</b>
Comments
Based on publicly available information, there is no evidence that the company considers incentive structures as a risk factor in agent behaviour.
Evidence
No evidence found.

Question
<b>7.1.6 Does the company publish details of all agents currently contracted to act with and on behalf of the company?</b>
Score
<b>0</b>
Comments
There is no evidence that the company publishes any details of the agents currently contracted to act for and/or on its behalf.
Evidence
No evidence found.

Question
<b>7.1.7 Does the company publish high-level results from incident investigations and sanctions applied against agents?</b>
Score
<b>0</b>
Comments
There is no evidence that the company publishes any data on ethical or bribery and corruption-related investigations, incidents or the associated disciplinary actions involving its agents.
Evidence
No evidence found.

## 7.2 Joint Ventures

Question
<b>7.2.1 Does the company conduct risk-based anti-bribery and corruption due diligence when entering into and operating as part of joint ventures?</b>
Score
<b>0</b>
Comments
Based on publicly available information, there is no evidence that the company conducts anti-bribery and corruption due diligence on its joint ventures. The company indicates that it verifies business partners against the standards set out in its Code of Conduct; however, this statement is insufficiently detailed to receive a score of '1' and it is unclear whether it applies to joint venture partners.
Evidence
<p><b>[1] Anti-corruption program (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/anti-corruption-program">http://www.excaliburarmy.cz/anti-corruption-program</a></p> <p>[p. 5] c) the obligation to verify business partners carefully and conscientiously, as set by the Code of Conduct for business partners,</p> <p>[p. 6] The scope of work of internal auditors, when evaluating the compliance program held at least once per year, is, inter alia, the effectivity assessment and right functioning of the Anti-corruption Program. The areas where there is a high risk of corrupt acting, are regularly inspected with the aim of evaluation if any facts suggest such corrupt acting.</p>

Question
<b>7.2.2 Does the company commit to incorporating anti-bribery and corruption policies and procedures in all of its joint venture partnerships, and does it require anti-bribery and corruption clauses in its contracts with joint venture partners?</b>
Score
<b>0</b>
Comments
Based on publicly available information, there is no evidence that the company commits to establishing or implementing anti-bribery and corruption policies or procedures in its joint ventures. Although the company has such policies relating to external parties, it is not clear whether this includes joint venture partners.
Evidence
<p><b>[4] Code of Conduct in Relations with External Subjects of Excalibur Army spol. s.r.o. (Document)</b>  Accessed 27/06/2019  <a href="http://www.excaliburarmy.cz/code-of-conduct">http://www.excaliburarmy.cz/code-of-conduct</a></p> <p>[p. 5] <u>Relations Between External Subjects And The Company</u>  The basic values of the Company, incorporated into the principles and obligations set by internal regulations of the Company, are so important for the Company that it enforces its observation also from its suppliers and other external subjects. Compliance with ethical and moral values is an appreciated asset for the Company and a natural thing, being as important as the securing and observation of legal provisions.</p> <p>The approach of the Company in relation to the observance of the basic ethical and moral rules and legal order is so natural for it, that it became the condition for further cooperation with external subjects. Therefore, the basic principle is not only the observance of the mentioned rules by Workers, but also their active enforcement by external subjects.</p> <p>By entering business or any other negotiations by external subjects, such a subject confirms that it will follow the rules mentioned in this Code, that the proclamations here stated are true and that it will be bound to observe such rules and principles. Besides this, the external subject undertakes to make the observance of basic principles, stated in this Code, the condition for cooperation with its subcontractors.</p> <p>[p. 6] <u>Conflict Of Interest, Anti-Corruption Rules And The Principles Of Economic Competition</u>  The external subject declares the following:</p> <ul style="list-style-type: none"> <li>- it runs its bookkeeping properly pursuant to the respective legal rules and standards, does not provide any gifts, minor services, favours, services, discounts or any other privileges for the purpose of achieving advantages or minor gifts, or for the purpose of affecting the decision of the third party,</li> <li>- it adopts such internal regulations, which avoid the possibility of conflict of interest among its workers, as well as in relation to the business conduct between the Company and an external partner,</li> <li>- all orders and supplied goods are not acquired and will never be acquired either through a criminal act or as a reward for such an act,</li> </ul> <p>and undertakes to:</p> <ul style="list-style-type: none"> <li>- observe the legal rules within the area of corruption prevention,</li> </ul> <p>[p. 7]</p> <ul style="list-style-type: none"> <li>- check the origin of all its goods carefully and conscientiously and shall never hide or conceal such origin,</li> <li>- shall observe the rules of economic competition, in particular to avoid such behaviour that could be considered illegal or unfairly competitive.</li> </ul> <p>[...] <u>Compliance Program</u>  The external subject declares the following:</p> <ul style="list-style-type: none"> <li>- takes into account that the Company observes the compliance program, aiming for the avoidance of unwanted situations by using an internal system of rules, principles and procedures. Within this program, the Company communicates which actions and behaviours of any person taking part in the business conduct of the Company, including external subjects, is binding on it,</li> <li>- takes into account that the actions of Company employees contradictory to the basic principles and rules set within the Code of Ethics and this Code of Conduct, as well as in the anti-corruption program published on the website...</li> </ul>

[p. 8]

...shall not be binding on the Company, as it is completely in contradiction with the Company's main ideas, fully contravenes the main principles and rules of the Company, and is condemned and not tolerated by the Company, and undertakes to:

- inform the Company without delay of any case when the Worker of the Company breaches certain regulations or basic principles set within the Code of Ethics, the Anti-corruption Program or this Code of Conduct,
- stop any negotiations with such Worker immediately and turn to his superior in the case when such Worker of the Company abuses his competences or breaches the above-mentioned rules.

Here are the following possibilities on how to notify the statutory body, General Director or head of department, who is the superior for such Worker, about any such unwanted action by the Worker:

- by phone,
- in writing,
- electronically, by using the contacts specified on the Company's website.

Question
<b>7.2.3 Does the company commit to take an active role in preventing bribery and corruption in all of its joint ventures?</b>
Score
<b>0</b>
Comments
Based on publicly available information, there is no evidence that the company commits to take an active role in preventing bribery and corruption in all of its joint ventures.
Evidence
No evidence found.

## 8. Offsets

Question
<b>8.1 Does the company explicitly address the corruption risks associated with offset contracting, and is a dedicated body, department or team responsible for oversight of the company's offset activities?</b>
Score
<b>0</b>
Comments
<p>There is some evidence that the company recognises the bribery and corruption risks associated with offset contracting. However, based on publicly available information, there is no clear evidence that the company has policies or procedures in place to address these risks. The company receives a score of '0' because there is no evidence it has a dedicated body, department or team responsible for managing offset obligations.</p>
Evidence
<p><b>[7] CZECHOSLOVAK GROUP Against Corruption (Webpage)</b>  Accessed 02/07/2019  <a href="https://czechoslovakgroup.cz/against-corruption">https://czechoslovakgroup.cz/against-corruption</a>  <b>CZECHOSLOVAK GROUP's Involvement in Offset Programs</b>  While Czech legislation, in adherence to the European law, does not further enable Czech companies to participate in offset programs as a part of public contracts of Czech government and ministries, they can be required to fulfil offset programs when working in foreign environments. A typical requirement, even in democratic countries, can be the partial transfer of production, which can be perceived as a so-called direct offset. CZECHOSLOVAK GROUP in cooperation with their foreign partners carries out the offset programs in strict accordance with national legislation, usually in order to fulfil the customer's need to gain the capability of partial production and maintenance of the product. CZECHOSLOVAK GROUP refuses and does not participate in offset programs whose aim is to submit contracts not coherent with their activities, which include a risk of corruption and could be abused in order to commit corruption. CZECHOSLOVAK GROUP informs about the activities which can be perceived as direct offsets by standard means while communicating information about the original contract (the production transfer is possible only with the more significant and publicly controllable projects).</p>

Question
<b>8.2 Does the company conduct risk-based anti-bribery and corruption due diligence on all aspects of its offset obligations, which includes an assessment of the legitimate business rationale for the investment?</b>
Score
<b>0</b>
Comments
Based on publicly available information, there is no evidence that the company has formal procedures in place to conduct risk-based anti-bribery and corruption due diligence on its offset obligations.
Evidence
<p><b>[7] CZECHOSLOVAK GROUP Against Corruption (Webpage)</b>  Accessed 02/07/2019  <a href="https://czechoslovakgroup.cz/against-corruption">https://czechoslovakgroup.cz/against-corruption</a>  <b>CZECHOSLOVAK GROUP's Involvement in Offset Programs</b>  CZECHOSLOVAK GROUP refuses and does not participate in offset programs whose aim is to submit contracts not coherent with their activities, which include a risk of corruption and could be abused in order to commit corruption. CZECHOSLOVAK GROUP informs about the activities which can be perceived as direct offsets by standard means while communicating information about the original contract (the production transfer is possible only with the more significant and publicly controllable projects).</p>

Question
<b>8.3 Does the company publish details of all offset agents and brokers currently contracted to act with and/or on behalf of the company?</b>
Score
<b>0</b>
Comments
There is no evidence that the company publishes any details of the offset agents, brokers or consultancy firms currently contracted to act with and on its behalf.
Evidence
No evidence found.

Question
8.4 Does the company publish details about the beneficiaries of its indirect offset projects?
Score
0
Comments
There is no evidence that the company publishes any details of its offset obligations or contracts.
Evidence
No evidence found.

## 9. High Risk Markets

Question
<b>9.1 Does the company have enhanced risk management procedures in place for the supply of goods or services to markets or customers in countries identified as at a high risk of corruption?</b>
Score
<b>0</b>
Comments
<p>Based on publicly available information, there is some evidence that the company acknowledges the corruption risks associated with operating in different markets. The company indicates that its sales representatives take certain risks into account in the conduct of business, such as those related to ownership structures and country of operation.</p> <p>However, the company receives a score of '0' because there is no further evidence that risk assessment procedures are used to inform the company's operations in high risk markets. There is also no evidence that assessments have an impact on business decisions or trigger the implementation of additional controls.</p>
Evidence
<p><b>[6] CSG Group Code of Ethics (Document)</b>  Accessed 28/06/2019  <a href="https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf">https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf</a>  <p>[p. 9] <u>We fight against corruption</u></p> <p>When assessing sales opportunities and negotiating potential deals, CZECHOSLOVAK GROUP sales representatives and dealers must always take into consideration the possible risks of corruption. Such risks depend particularly on whether the customer is from the public or private sector, the position of the customer's home country in the Transparency International rankings, and the form of procurement (either by direct approach or via a tender process).</p> </p>

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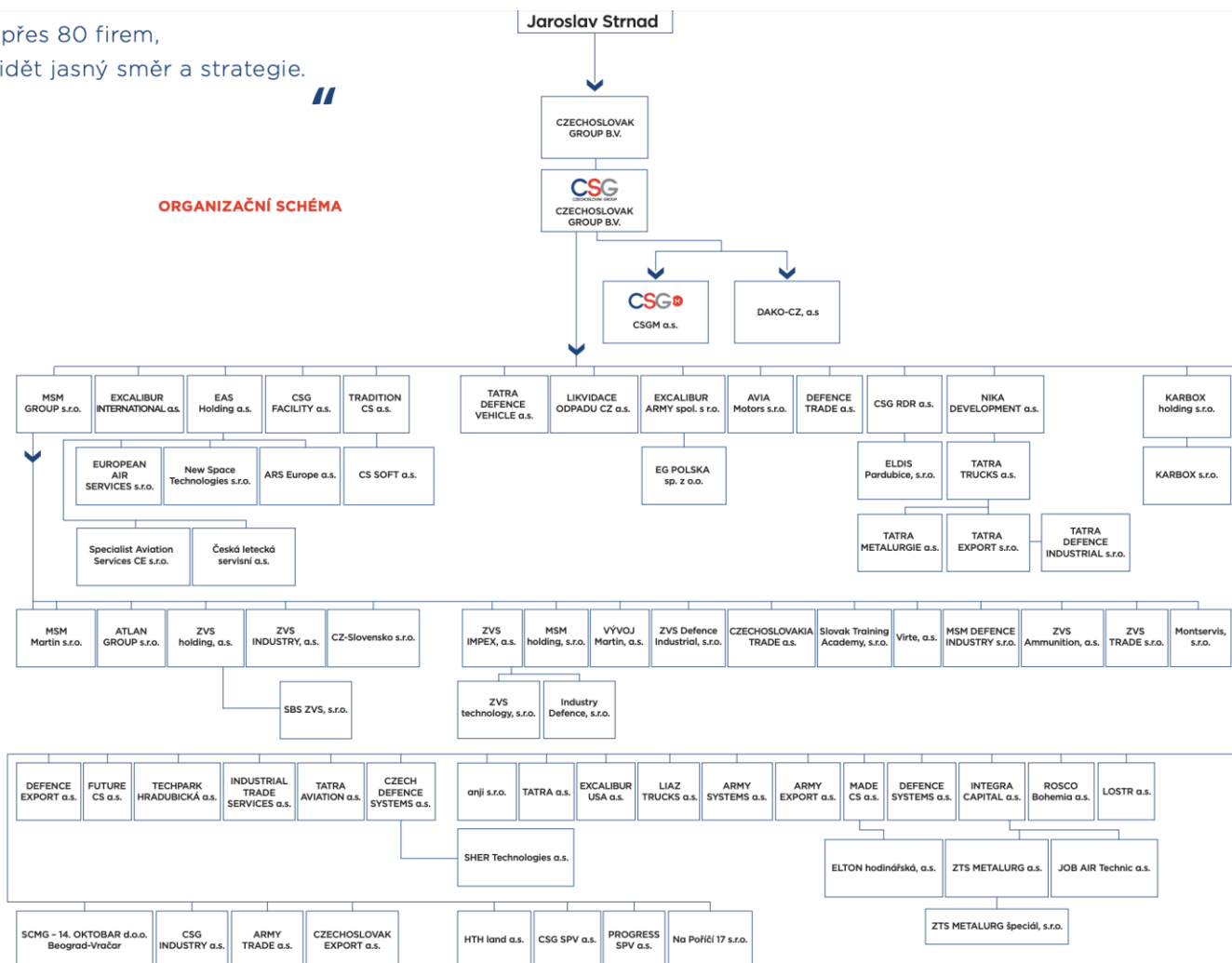
61

[p. 13] Organisational Chart

: přes 80 firem,  
vidět jasný směr a strategie.



**ORGANIZAČNÍ SCHÉMA**



Question
<b>9.3 Does the company disclose its beneficial ownership and control structure?</b>
Score
<b>1</b>
Comments
<p>The company discloses the name of its controlling shareholder and parent company, CSG Holding, and provides shareholding information for this entity to indicate that it is privately owned.</p> <p>However, the company receives a score of '1' because it does not provide further information on its beneficial ownership. There is no evidence that the company publishes a complete breakdown of its ownership structure to confirm whether it might have other shareholders, nor is there evidence that this information is available in a freely accessible public register.</p>
Evidence
<p><b>[5] Výroční zpráva 2017/Annual Report 2017 (Document)</b>  Accessed 28/06/2019  <a href="https://or.justice.cz/ias/ui/vypis-sl-detail?dokument=54059078&amp;subjektId=391707&amp;spis=129633">https://or.justice.cz/ias/ui/vypis-sl-detail?dokument=54059078&amp;subjektId=391707&amp;spis=129633</a>  [p. 38]</p> <p><b>I. Struktura vztahů mezi osobami</b></p> <p><b>Ovládající osoba</b>  CZECHOSLOVAK GROUP a. s., IČ: 03472302, Sokolovská 675/9, Praha 8</p> <p>Ovládající osobou společnosti CZECHOSLOVAK GROUP a. s. je společnost Czechoslovak Group B.V. Společnost Czechoslovak Group B.V. je ovládána panem Jaroslavem Strnadem.</p> <p><b>Ovládaná osoba</b>  EXCALIBUR ARMY spol. s r.o., IČ: 64573877, Kodaňská 521, Praha 10, zapsaná v OR vedeném MS Praha, sp. zn. C 41695.</p> <p><b>TRANSLATION:</b></p> <p>[p. 38] I. Structure of Relationships between Persons</p> <p>Controlling person  CZECHOSLOVAK GROUP a.s., Company Identification Number: 03472302, Sokolovska 675/9, Prague 8</p> <p>The controlling person of CZECHOSLOVAK GROUP a.s. is the company Czechoslovak Group B.V. The company Czechoslovak Group B.V. is controlled by Mr. Jaroslav Strnad.</p> <p>Controlled person  EXCALIBUR ARMY spol. s r.o., Company Identification Number: 64573877, Kodanska 521, Prague 10, registered in the commercial register of the Municipal Court in Prague, sp. zn. C41695.</p> <p><b>[8] Roční zpráva 2017/Annual Report 2017 (Document)</b>  Accessed 02/07/2019  <a href="https://czechoslovakgroup.cz/media/cache/file/af/Rocni-zprava-CSG-2017.pdf">https://czechoslovakgroup.cz/media/cache/file/af/Rocni-zprava-CSG-2017.pdf</a>  [p. 13] Jediný akcionář CSG  Jediným akcionářem CSG je společnost Czechoslovak Group B. v. se sídlem Kingsfordweg 151, 1043Gr amsterdam, nizozemské království, zapsaná pod reg. číslem 61195456 (Jediný akcionář), jež byla v roce 2017 ze 100 % vlastněna panem Jaroslavem Strnadem.</p> <p>Ten jako jediný akcionář vykonával působnost nejvyššího orgánu CSG.</p>

**Skupina**

CSG je holdingovou společností zastřešující aktivity Dceřiných společností v české republice a na Slovensku. CSG má přímou majetkovou účast ve společnostech zobrazených na následujícím schématu spolu s drženým podílem na základním kapitálu a hlasovacích právech příslušné společnosti.

**Změna majitele skupiny v roce 2018**

na začátku roku 2018 proběhla změna vlastníka Skupiny CSG, kterým se od 26. ledna 2018 stal Michal Strnad, syn zakladatele Jaroslava Strnada. K převodu došlo na základě smlouvy o převodu 100% akciového podílu ve společnosti Czechoslovak Group B.v.

**TRANSLATION:**

[p. 13] The sole shareholder of CSG

The sole shareholder of CSG is the group Czechoslovak Group B. v, established in Kingsfordweg 151, 1043Gr Amsterdam, The Netherlands, registered under the number 61195456 (sole shareholder), that was 100% owned by Mr. Jaroslav Strnad in 2017.

The sole shareholder exercised the competences of the supreme company body of the CSG.

**Group**

CSG is a holding company overseeing the activities of its subsidiaries in the Czech Republic and Slovakia. CSG had a direct equity holding in the companies shown on the attached scheme together with an ownership interest in the shares and voting rights of the respective company.

**Change of the holding's owner in 2018**

A change in the ownership of the CSG Group occurred in the beginning of 2018. The new owner and the son of the founder Jaroslav Strnad, Michal Strnad, was appointed on 26<sup>th</sup> January 2018 when the transfer of 100% voting shares of Czechoslovak Group B.v was transferred to his name.

**[9] Open Ownership (Webpage)**

Accessed 03/06/2020

<https://register.openownership.org/search?utf8=%E2%9C%93&q=EXCALIBUR+SPOL.+S.R.O.>

## Who controls, influences, or benefits from a company?



No results containing all your search terms were found.

Transliterate

Matches on some of your search terms:

Displaying results **1 - 10** of **17106** in total

**FILTER BY TYPE**

Legal entity 17105

Question
9.4 Does the company publish a percentage breakdown of its defence sales by customer?
Score
0
Comments
There is no evidence that the company publishes any information about its defence sales.
Evidence
No evidence found.

## 10. State-Owned Enterprises (SOEs)

Question
10.1 Does the SOE publish a breakdown of its shareholder voting rights?
Score
N/A
Comments
N/A
Evidence

Question
10.2 Are the SOE's commercial and public policy objectives publicly available?
Score
N/A
Comments
N/A
Evidence

Question
10.3 Is the SOE open and transparent about the composition of its board and its nomination and appointment process?
Score
N/A
Comments
N/A
Evidence

Question
10.4 Is the SOE's audit committee composed of a majority of independent directors?
Score
N/A
Comments
N/A
Evidence

Question
10.5 Does the SOE have a system in place to assure itself that asset transactions follow a transparent process to ensure they accord to market value?
Score
N/A
Comments
N/A
Evidence

## List of Evidence & Sources

No.	Type (Webpage or Document)	Name	Download Date	Link
01	Document	Anti-corruption program of EXCALIBUR ARMY spol. s r.o.	27/06/2019	<a href="http://www.excaliburarmy.cz/anti-corruption-program">http://www.excaliburarmy.cz/anti-corruption-program</a>
02	Document	Code of Ethics	27/06/2019	<a href="http://www.excaliburarmy.cz/code-of-ethics">http://www.excaliburarmy.cz/code-of-ethics</a>
03	Webpage	WE SUPPORT ORGANIZATION AND SOCIAL EVENTS	28/06/2019	<a href="http://www.excaliburarmy.com/en/supported">http://www.excaliburarmy.com/en/supported</a> [the company's newly updated website does not display this page]
04	Document	Code of Conduct in Relations with External Subjects of Excalibur Army spol. s r.o.	27/06/2019	<a href="http://www.excaliburarmy.cz/code-of-conduct">http://www.excaliburarmy.cz/code-of-conduct</a>
05	Document	Výroční zpráva 2017	28/06/2019	<a href="https://or.justice.cz/ias/ui/vypis-sl-detail?dokument=54059078&amp;subjektId=391707&amp;spis=129633">https://or.justice.cz/ias/ui/vypis-sl-detail?dokument=54059078&amp;subjektId=391707&amp;spis=129633</a>
06	Document	CSG Group Code of Ethics	28/06/2019	<a href="https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf">https://czechoslovakgroup.cz/media/cache/file/31/CSG_eticky-kodex_EN_single-page_web.pdf</a>
07	Webpage	CZECHOSLOVAK GROUP Against Corruption	02/07/2019	<a href="https://czechoslovakgroup.cz/against-corruption">https://czechoslovakgroup.cz/against-corruption</a>
08	Document	Roční zpráva 2017	02/07/2019	<a href="https://czechoslovakgroup.cz/media/cache/file/af/Rocni-zprava-CSG-2017.pdf">https://czechoslovakgroup.cz/media/cache/file/af/Rocni-zprava-CSG-2017.pdf</a>
09	Webpage	Open Ownership	03/06/2020	<a href="https://register.openownership.org/search?utf8=%E2%9C%93&amp;q=EXCALIBUR+SPOL.+S.R.O.">https://register.openownership.org/search?utf8=%E2%9C%93&amp;q=EXCALIBUR+SPOL.+S.R.O.</a>