



2024 Sustainability Report



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EDITORIAL

Dear Readers,

Sustainability is deeply embedded in Hilti's corporate strategy, aligning with our purpose of making construction better and our ambition to be our customers' best partner for sustainability, both through the solutions we offer and how we operate.

Decarbonization is a key focus, and our efforts are accelerating. In November 2024, our CO₂ reduction path received official validation from the Science Based Targets initiative (SBTi). Key initiatives include transitioning our ~15,000-vehicle fleet in sales markets to low-emission vehicles and reducing material-related CO₂ emissions in our business units. Furthermore, sustainability principles guide the management of our facilities. For instance, our newly inaugurated plant in India reduced energy consumption by 80% compared to its initial design and is fully self-sustained, powered by on-site solar PV installations – a win for both



Peter Rupp, Head of Corporate Sustainability

operations and the environment. Our decarbonization efforts are explained in detail in this report.

➤ [Climate Change: p. 13](#)

In 2024, our sustainability efforts have been recognized with EcoVadis Gold for the fourth consecutive time, placing us among the top 2% of over 130,000 companies evaluated across all industries worldwide and in the top 1% in our industry segment.

Our team members are the driving force behind these achievements. Beyond daily improvements in our operations, they make an impact through our “Engaged Beyond Business” corporate volunteering program. In 2024, thousands of colleagues have contributed to social and environmental initiatives in their communities. You can learn more about the contribution of our team members in this report and



Felix Hess, Member of the Executive Board

see some of the fantastic projects featured in detail in our 2024 Company Report.

➤ [Own Workforce: p. 38](#)

➤ [2024 Company Report](#)

This is our first Sustainability Report based on the European Union's Corporate Sustainability Reporting Directive (CSRD). We are pleased to contribute to advancing sustainability practices and hope you find the structure and content engaging.

A big thank you to our Hilti colleagues, customers and partners for their continued support on this journey to making construction better.

Felix Hess, Member of the Executive Board
Peter Rupp, Head of Corporate Sustainability

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GENERAL INFORMATION

Business model and value chain

Construction is the largest industry globally. About 15% of global GDP is generated by construction and about 10% of global employment is in construction. Construction covers one of the basic human needs and touches practically everyone living on our planet. The Hilti Group (“Hilti” or “the Group”) supplies this worldwide industry with technologically leading products, systems, software and services that provide sustained added value and is therefore making construction better.

The Group’s product range includes tools and systems covering demolition, drilling, sawing, cutting and grinding, direct and screw fastening, diamond coring and cutting, anchoring, firestop, installation, measuring and software construction services. These products and services provide professional end users with innovative and differentiated solutions. The development of new products, software and services is driven by ten business units.

Sales operations are organized across country organizations to ensure a localized, customer-focused approach. Europe and North America are the largest markets. They are led by their strongest respective contributors: Germany and the United States. Overall, the Group has sales organizations in over 80 countries and has over 34,000 employees worldwide. The graphic on the right illustrates the distribution of Hilti employees across the different regions.

Creating Hilti’s unique range of products and services involves a value chain that encompasses diverse activities across upstream, own operations and downstream stages:

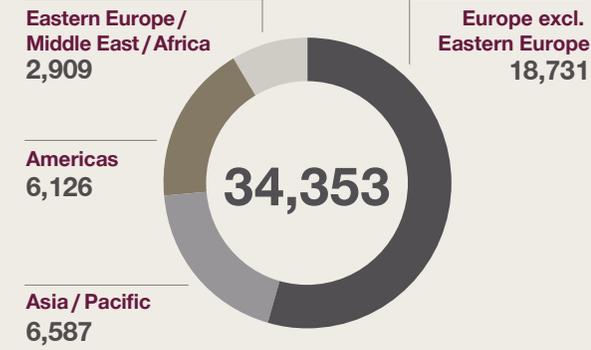
- Hilti’s upstream value chain involves the extraction and sourcing of raw materials, the processing of semi-finished and finished goods and the upstream transportation of these raw materials and goods. Furthermore, it includes the engagement of service providers in areas like energy, coating, packaging and assembly.
- Hilti’s own operations include research and development on materials and products, the sourcing of raw materials, semi-finished and finished goods, manufacturing, branding, marketing and sales.
- Hilti’s downstream value chain relies on Hilti’s direct sales model, supported by distribution and aftermarket services. These services include product maintenance and repair, technical advice, training and the disposal, reuse or recycling of end-of-life products from the Fleet Management program, Hilti’s Tool Park management service.

The Group’s business model, inputs, outputs, outcomes and value creation are summarized in the illustration on the next page.

Hilti’s Global Team in 2024

2024 Headcount¹

Number



¹ On June 28, 2024 the Group sold its subsidiaries in Russia and Belarus to local management. For more information, refer to Hilti’s 2024 Financial Report.

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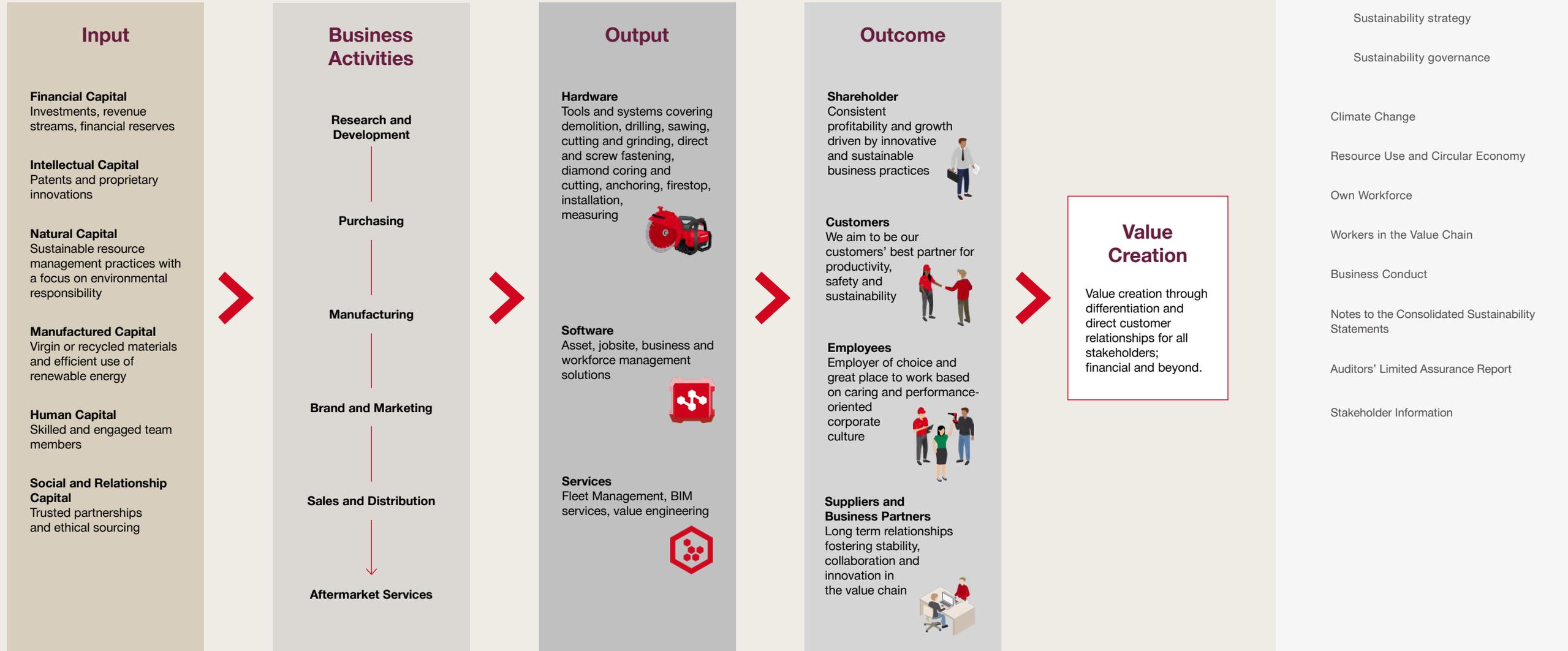
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Hilti's Business Model



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Sustainability strategy

At Hilti, sustainability has been a core value for decades. However, the growing challenges posed by climate change and societal issues demand a greater commitment. Recognizing these needs, Hilti has significantly intensified its sustainability efforts to meet the rising expectations of stakeholders – including customers, society, regulators and team members.

Hilti recognizes the pivotal role of the construction industry, one of the largest industries globally, in driving economic growth and providing essential infrastructure. As one of the largest contributors to global carbon emissions and a sector facing significant work-related health and safety challenges, the construction industry is transforming. Sustainability is becoming a key factor for business success while health and safety are increasingly prioritized. Hilti’s customers are thus looking for a partner in this transformation.

Hilti is ideally positioned to be this partner. With a focus on innovation, the Group helps customers to do things better. That is why Hilti has defined “Making Construction Better” as its purpose. Better means improved productivity, safety and sustainability.

Hence, Hilti’s commitment to sustainability is deeply integrated in its corporate strategy and reflected in its customer promise. To realize the ambition of being its customers’ best partner for sustainability, Hilti is accelerating its existing activities to become a more sustainable company while placing increased emphasis on making customers’ businesses more sustainable. The Group’s sustainability strategy is based on the three pillars Environment, People and Society.

Corporate Strategy Lead 2030



Sustainability at Hilti



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Hilti's strategic objective is value creation through leadership, built on differentiation and direct customer relationships. Value creation goes beyond economic value. Hilti aims to create value not only for the Group's shareholder, but also for customers, suppliers and partners, team members and society as a whole.

One significant aspect of pursuing the Group's sustainability strategy involves establishing relevant transparency for internal management and external reporting.

Materiality assessment

Hilti performed a double materiality assessment as a key step in developing its sustainability framework and strategic priorities. The double materiality assessment entails the analysis of both impact materiality (positive and negative impacts) and financial materiality (financial risks and opportunities). In line with the European Sustainability Reporting Standards (ESRS), Hilti's entire value chain was considered.

The double materiality assessment was conducted in the following steps:

1. Value chain identification

The Corporate Sustainability Team, with the support of internal subject matter experts, outlined the Group's value chain.

2. Stakeholder identification

The Corporate Sustainability Team identified stakeholders that are users of sustainability information and are also affected by the Group's business activities. They were grouped based on their relevance, with defined appropriate engagement approaches suitable to the respective stakeholder group. Key stakeholder groups identified for Hilti are customers and employees.

3. Impacts, risks and opportunities identification

The Corporate Sustainability Team identified and defined more than 300 group-specific impacts, risks and opportunities (IROs) along the value chain for all topics covered by the ESRS.

4. Impacts, risks and opportunities evaluation

Hilti subject matter experts reviewed, refined and evaluated the list of IROs, considering the perspective of relevant stakeholders based on their experience and business interactions. The evaluation criteria for impacts were based on severity, defined through scale, scope and remediability, multiplied by likelihood of occurrence. For risks and opportunities, the criteria included magnitude of financial impact multiplied by likelihood of occurrence. For assessments related to Hilti's key stakeholders, the subject matter experts' evaluation was further informed by insights gained from stakeholder surveys. To determine material IROs, the Corporate Sustainability Team defined and applied thresholds: "significant and above" for impact materiality and "substantial and above" for financial materiality.

5. Impacts, risks and opportunities validation

The Corporate Sustainability Team presented consolidated overviews of material IROs to senior management, who validated the evaluation. The validation was enhanced with Hilti's Value2Society™ (V2S) model, enabling an objective and impartial comparison with the help of monetized impacts and risks.

6. Impacts, risks and opportunities approval

The Corporate Sustainability Team presented a consolidated overview of material IROs to the Group's Executive Board and Board of Directors, both of which approved the results of the double materiality assessment.

Hilti's identified material IROs are summarized in clusters within the following topical standards:

Topic	Cluster
Climate Change (E1)	Decarbonization
	Low carbon footprint solutions
	Sustainable energy consumption
Resource Use and Circular Economy (E5)	Circular operations
	Circular solutions
Own Workforce (S1)	Well-being of team members
	Safety of team members
	Contribution of team members
	Human rights of team members
Workers in the Value Chain (S2)	Human rights in the value chain
	Corporate culture and values
Business Conduct (G1)	Anti-corruption and anti-bribery
	Supplier sustainability

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Details on the material IROs are disclosed in the respective chapters.

Hilti's process for approaching the materiality assessment changed compared to last year's sustainability reporting. Previously, reporting was prepared voluntarily with reference to the Global Reporting Initiative (GRI) standards, using a materiality matrix focused on the Group's impact materiality. For the first time, this year's reporting is based on a double materiality assessment aligned with the ESRS. This approach considers both impact and financial materiality. All material IROs identified and reported in this statement are covered by the ESRS disclosure requirements, and no entity-specific disclosures are included. The next review of the double materiality assessment is planned for the year 2025.

While the systematic identification and assessment of sustainability-related opportunities and the Group's overall sustainability risk profile are being developed (including the use of a sustainability risk assessment tool) as part of the overall management process, the management of identified material opportunities is already integrated into Hilti's sustainability governance. The double materiality assessment emphasizes gross impacts and risks; Hilti's risk management system adopts a net risk perspective. Sustainability-related risks are not prioritized over other types of risk.

Value2Society™ at Hilti

Since 2022, Hilti has used the Value2Society™ model to better understand and quantify its impacts across its upstream value chain and own operations. The V2S model aligns with impact valuation principles set by the Value Balancing Alliance (VBA) and the International Foundation for Valuing Impacts (IFVI).

The V2S model greatly supports the validation of material IROs by making the process more objective. This is achieved through monetized impacts and risks, which provide an impartial comparison. This valuable support helps companies make their double materiality assessments more objective and reliable.

The V2S model highlights that Hilti's most significant positive impacts stem from both direct and indirect contributions to economic welfare, including job creation, salaries, taxes and retained profits. Further positive impacts relate to employee well-being, created through benefits like voluntary insurance and pension plans and opportunities for development and volunteering for team members employed at

Hilti. The analysis also indicates possibilities for improvement. Leveraging these insights, Hilti is committed and continuously works to further improve its V2S.

Beyond these purposes, the V2S model serves several other valuable roles. It plays a crucial part in enriching Hilti's understanding of various factors that influence employee well-being. Additionally, it helps with assessing the social return on investment for initiatives undertaken by the Hilti Foundation and guides the evaluation of social project selections. By integrating these insights, Hilti can make more informed decisions that not only benefit the company but also positively impact the communities it serves.

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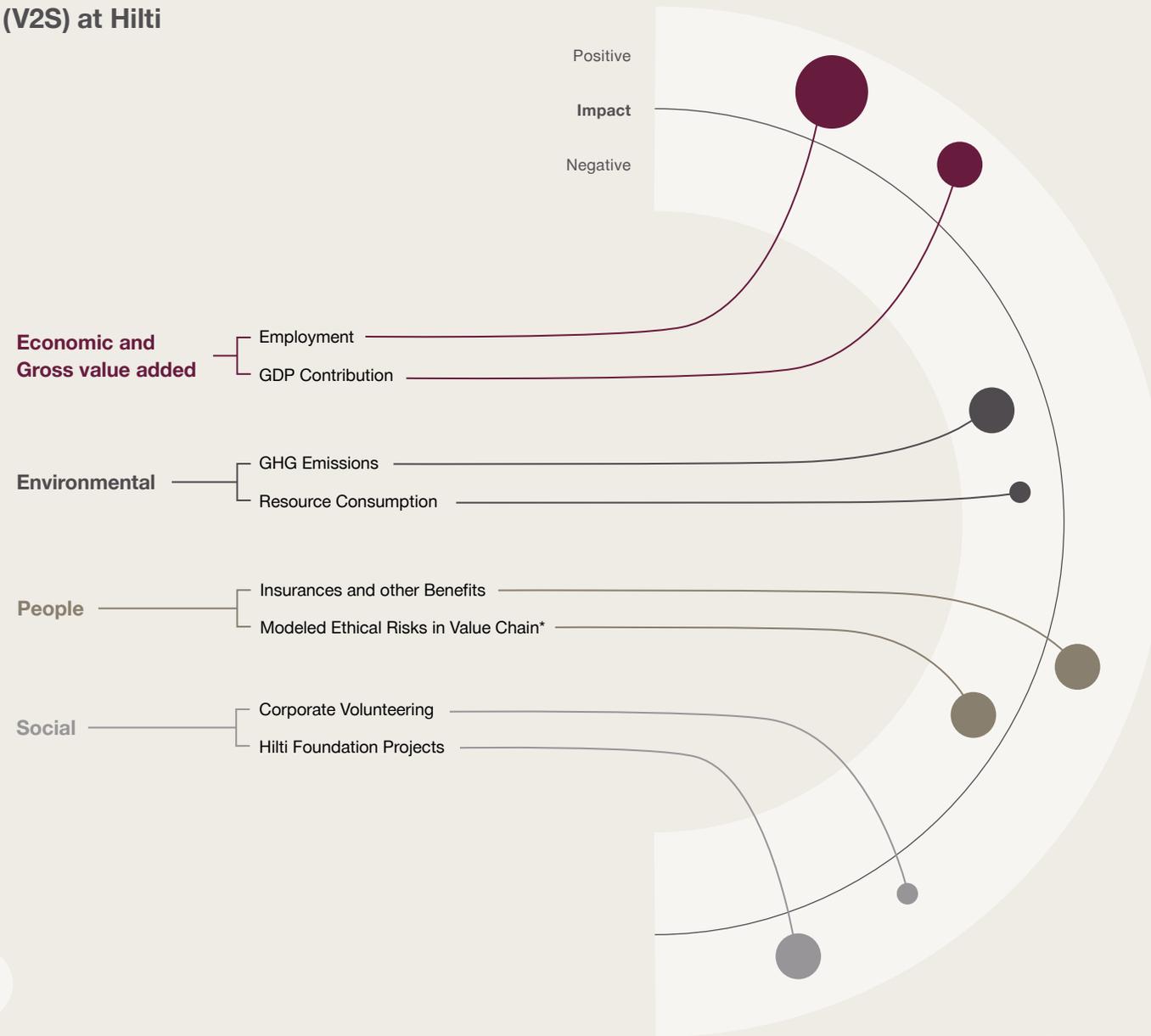
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Value2Society™ (V2S) at Hilti



Scale of Impact
(sizes are indicative only)



* Estimate based on statistics concerning industry sector and country interdependencies

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Dialogue with stakeholders

Hilti puts great emphasis on regular communication and dialogue with the internal and external stakeholders. The Group's key stakeholders are customers and employees. Other relevant stakeholders are the Group's large base of suppliers.

Direct and regular on-site contact with **customers** is a key element of the Group's business model. In Hilti's sales model, there are typically no intermediaries between the company and end users, fostering long term relationships with customers. In addition to direct contact through account managers, Hilti interacts with customers on a daily basis via customer service, by phone and e-mail, in Hilti Stores and through digital channels like the Group's Hilti Online website and social media.

Hilti systematically asks for customers' opinions as part of regular customer surveys, which include specific questions on sustainability. Engagement on sustainability-related topics with key accounts has intensified, supported by a dedicated corporate Sustainability Business Development Team and regional or local customer sustainability managers. These roles were newly established in recent years. Insights from these numerous customer exchanges help Hilti better understand evolving needs and trends and contribute to the Group's goal of being the customers' best partner for sustainability.

Regular exchanges with **employees** are promoted not only in the daily working environment, but also through various internal media and event formats. Hilti conducts its annual Global Employee Opinion Survey (GEOS), covering topics such as team members' engagement, perception of working conditions, equal treatment and opportunities and sustainability efforts. GEOS is an anonymous online survey facilitated by an external provider, with results segmented by teams, departments and functions for targeted insights. Open-ended comments are analyzed globally, and leadership teams define action plans based on findings, ensuring continuous and transparent updates on the implementation of employee feedback. The action plans are globally guided to ensure a uniform approach. It is recommended that three key focus areas are identified, with teams sharing their primary concerns. Together with the manager, the teams will define measures to address issues effectively. The Head of Global Human Resources oversees the survey process, and the results are presented to the Executive Board and the Board of Directors. GEOS serves to better understand employees' needs, concerns and overall engagement with Hilti. Additionally, Hilti encourages employee involvement through events and open dialogues.

Internationally, Hilti works with many **suppliers** and business partners. It is important for Hilti to build partnerships on equal terms and to engage in regular personal discussions. Cooperations are based on the highest ethical standards, which are set out in the Group's Code of Conduct for Suppliers. Before embarking on a business relationship with Hilti, suppliers must contractually agree to follow Hilti's principles against bribery, corruption and the violation of human rights, and to be in favor of humane working conditions and minimum wages, as well as environmental protection and the correct handling of

hazardous substances. Regular audits are conducted to assess compliance with this Code of Conduct and the Sustainable Sourcing Policies.

The views and interests of the Group's key stakeholders regarding sustainability-related impacts were considered during Hilti's double materiality assessment. Based on the stakeholder engagement, the Group does not currently plan to significantly amend its strategy or business model.

Sustainability governance

Hilti's **Board of Directors** is the supreme executive body within the Hilti Group and is responsible for superintendence, supervision and control of the management. It adopts the fundamental strategic direction for the Group, including sustainability as a key component. As such, it also oversees the establishment of targets for, and the management of, the Group's material IROs. At least annually, the Board of Directors reviews the effectiveness of the Group's actions in addressing these IROs and achieving the associated targets. The Head of Corporate Sustainability hosts these IRO review meetings with the Board of Directors.

The **Executive Board** reports to the Board of Directors. It is responsible for implementing the Group's strategy, including sustainability as a key element. As such, the Executive Board is involved in setting targets and managing the Group's material IROs. It has direct responsibility for the Group's climate change, human rights in the value chain, corporate culture and supplier sustainability efforts. The responsibility for other material IROs is delegated to senior management, as shown in the table on the next page. The Head of Corporate Sustainability organizes and coordinates at least one IRO review meeting a year for the Executive

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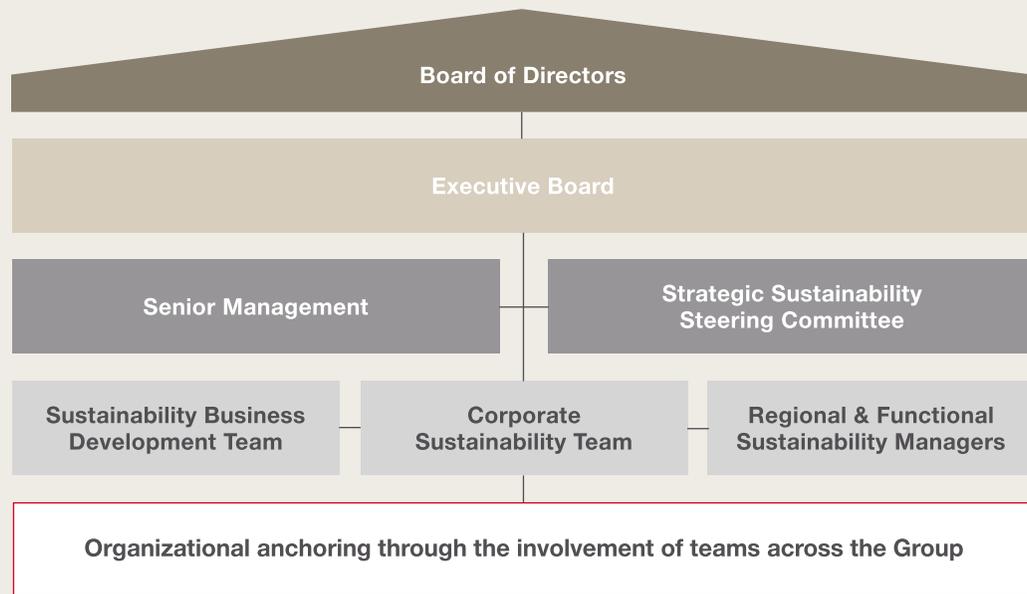
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Board and senior management. These meetings serve as the basis for preparing the review of the material IROs with the Board of Directors.

The **Strategic Sustainability Steering Committee** is the advisory body for Hilti’s sustainability activities. It meets three times a year and provides strategic advice and support on cross-functional challenges when addressing the material IROs. It is chaired by the Chief Executive Officer and also includes several Executive Board members and members of senior management. Members of senior management are informed of and review Hilti’s material IROs through this committee at least once a year.

The Group’s **Corporate Sustainability Team** coordinates and drives actions to address the material IROs, acts as an interface for all relevant parties and supports the implementation of initiatives. The **Sustainability Business Development Team** focuses on sustainability aspects in Hilti’s value chain, including making Hilti’s customers’ businesses more sustainable. The team develops and implements processes, methods, tools, data and services that support this goal.

Functional and Regional Sustainability Managers lead the local implementation of Hilti’s sustainability road map, acting as liaisons with the Corporate Sustainability Team and fostering employee engagement and learning about sustainability topics. Regional customer sustainability managers work with the Sustainability Business Development Team to integrate sustainability into product launches and sales training, addressing industry trends and building partnerships for innovative, sustainable solutions in construction.

Topic	Cluster	Responsibility
Climate Change (E1)	Decarbonization	Executive Board
	Low carbon footprint solutions	Executive Board
	Sustainable energy consumption	Executive Board
Resource Use and Circular Economy (E5)	Circular operations	Senior Management
	Circular solutions	Senior Management
Own Workforce (S1)	Well-being of team members	Head of Human Resources
	Safety of team members	Group General Counsel
	Contribution of team members	Head of Corporate Sustainability
	Human rights of team members	Group General Counsel
Workers in the Value Chain (S2)	Human rights in the value chain	Executive Board
	Corporate culture and values	Executive Board
Business Conduct (G1)	Anti-corruption and anti-bribery	Group General Counsel
	Supplier sustainability	Executive Board

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At the foundation of Hilti's sustainability governance, **teams across the organization** actively drive sustainability initiatives, ensuring that these efforts are embedded into daily processes and decision-making at every level. By integrating sustainability into core operations, the Group aims to anchor responsible practices deeply within the organizational culture and business processes. This decentralized approach empowers team members to contribute to sustainability goals, fostering a cohesive commitment that aligns with Hilti's strategic objectives and strengthens impact generation throughout the company.

Activities and composition of Board of Directors and Executive Board

In 2024, the Board of Directors and/or the Executive Board discussed the following material IRO clusters: decarbonization, sustainable energy consumption, circular operations and circular solutions, well-being of team members, safety of team members, contribution of team members and anti-corruption and anti-bribery. Further discussions conducted by the Board of Directors and the Executive Board focused on the upcoming sustainability reporting obligation and the approval of the double materiality assessment. In these meetings, sustainability-related trade-offs are generally taken into account when making strategic decisions. However, there are currently no specific guidelines to systematically address such trade-offs within the decision-making process.

Board of Directors

The Board of Directors is composed of eight non-executive members, of whom 50% are independent. Three members are female, leading to an average ratio of female-to-male board members of 38%. The members have diverse educational backgrounds, including business administration, engineering, finance, law, marketing and psychology. They also represent a range of nationalities, including Belgian, German, Liechtensteinian, Norwegian and Swiss. Employees and other workers do not have a dedicated representative on the Board of Directors.

Executive Board

The Executive Board is composed of six members, all of whom are male. The members have diverse educational backgrounds, including business administration, engineering and economics. They represent diverse nationalities: Austrian, German, Indian/Swiss, Israeli/United States of America, Spanish and Swiss. ^{1,2,3}

¹ Members of the Board of Directors have, based on their educational and professional backgrounds, industry-specific sustainability knowledge that they transfer and apply to the Group's business model and material IROs. If required, they leverage sustainability-related expertise from internal and external specialists.

² Members of the Board of Directors are responsible for strategic supervision and are updated about all relevant activities, including business conduct. They set the appropriate tone at the top and, along with the Executive Board, they participate in regular training on business ethics, including anti-corruption, to ensure adequate expertise. Additionally, the Group General Counsel serves as the secretary of the Board of Directors and is the primary point of contact in meetings concerning business ethics.

³ The accountability of the Board of Directors for the material IROs is not included in the Group's organizational documents.

Incentive scheme of Board of Directors

Sustainability-related targets or impacts, including performance assessment against greenhouse gas emission reduction targets, as referred to in the chapter Climate Change, or other sustainability-related performance metrics are not considered in the Board of Directors' incentive scheme.

Incorporation by reference

The following information is incorporated by reference in the chapter Notes to the Consolidated Sustainability Statements:

- Basis for preparation
 - Risk management and internal controls over sustainability reporting
 - Statement on due diligence
 - List of disclosure requirements complied with
 - Table of datapoints that derive from other EU legislation
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Climate Change



SBTi

CO₂ reduction targets validated by Science Based Targets initiative (SBTi)

*measured by net sales

LCAs

Two thirds of catalog covered by ISO-compliant Life Cycle Assessments (LCAs)*

Energy

100% green electricity used by Hilti Group

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CLIMATE CHANGE

As a global leader in providing innovative solutions for the construction industry, Hilti recognizes its critical role in addressing climate change. The Group is committed to reducing its greenhouse gas (GHG) emissions, aligning with international climate goals and driving the transition to a low-carbon economy. Through comprehensive measures that span product innovation, sustainable operations and collaboration across the value chain, Hilti integrates climate action into its core business strategy. This chapter outlines Hilti's approach to climate-related IROs, as well as its progress toward

achieving science-based emission reduction targets and contributing to a more sustainable future.

Climate strategy

Transition plan for climate change mitigation

To meet the aspirational goal of keeping global warming below 1.5° Celsius above pre-industrial levels, as outlined in the 2015 Paris Agreement, GHG

emissions globally must be significantly reduced. In 2022, Hilti committed to contributing to this effort by setting GHG emission reduction targets that are aligned with the Science Based Targets initiative (SBTi). In 2024, Hilti's targets were validated by SBTi. Besides having set ambitious medium term targets until 2032, Hilti aims for net-zero emissions by 2050. The Group's targets align with limiting global warming to 1.5°C.

Material Impacts, Risks and Opportunities (IROs)

	Description	Lever to mitigate / improve
Decarbonization (Accountability: Executive Board)		
Negative Impact (actual)	In the medium to long term, the Group negatively contributes to global warming, mainly through Hilti's manufacturing and distribution activities and sourcing of goods. The negative impact is located along the Group's whole value chain.	Within its operations, Hilti's strategies for lowering emissions primarily involve transitioning to low-emission vehicles. To lower emissions beyond its own operations and work towards more sustainable products, sustainable sourcing, reusing spare parts and utilizing recycled materials are important measures. Hilti's decarbonization efforts also assist its customers in minimizing their environmental impact, ultimately contributing to a more sustainable construction industry.
Transition Risk	In the medium to long term, Hilti may incur significant investment costs to comply with climate-related regulations. Additionally, market challenges, such as changing customer behavior and the availability of input materials with lower emissions, are pertinent. These risks are located along the Group's whole value chain.	Hilti actively addresses climate change regulations, for example by proactively committing to the Science Based Target initiative (SBTi) to significantly reduce emissions throughout its value chain. Beyond regulatory compliance, the Group's goal is to maintain competitiveness and capitalize on new market opportunities.
Low carbon footprint solutions (Accountability: Executive Board)		
Opportunity	In the medium term, Hilti can benefit from lowering the carbon footprint of its products and services and expanding these offerings to enable more climate-friendly solutions.	Not applicable.

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	Description	Lever to mitigate / improve
Sustainable energy consumption (Accountability: Executive Board)		
Negative Impact (actual)	In the short to medium term, Hilti and its suppliers place a significant burden on the environment and natural resources due to their energy-intensive manufacturing activities combined with the use of non-renewable energy sources. This negative impact is mainly located in Hilti's upstream value chain.	In its own operations, Hilti's levers for lowering its burden on the environment and natural resources include implementing energy efficiency measures, replacing existing energy sources with green electricity and producing renewable energy. In the supply chain, sourcing of more sustainable material is a key lever.
Positive Impact (actual)	In the medium term, Hilti has a positive impact by producing and sourcing green electricity. This impact is located in Hilti's upstream value chain and own operations.	Not applicable.

The Group developed a climate change mitigation plan to fulfil its SBTi commitment. This plan defines absolute emission reduction targets across the organization and identifies key levers to reduce Scope 1, 2 and 3 emissions and actions to achieve these targets:

Reducing Scope 1 and 2 emissions in sales and manufacturing

Hilti's sales organizations and manufacturing sites are key functions for reducing the Group's Scope 1 and 2 emissions. Key levers and actions are the following:

- **Transitioning to low-emission and renewable energy sources:**
 - Internal combustion engine vehicles in Hilti's sales operations are replaced with low-emission vehicles.
 - By purchasing green electricity certificates globally, the Group ensures that electricity used is from renewable sources.

- Fossil fuel sources used for heating and manufacturing activities are replaced with alternatives using renewable energy.
- **Investing in energy-efficient buildings:** Newly constructed buildings owned by Hilti need to meet, at minimum, the international gold standard of the German Sustainable Building Council (DGNB).

Reducing Scope 3 emissions from product development, sourcing and use

Hilti's business units play a key role in reducing Scope 3 emissions, which largely arise from sourcing raw materials, semi-finished goods and finished goods. Their contributions fall under the categories of directly purchased goods and use of sold products. Key levers and actions are the following:

- **Shifting to input materials with a lower carbon footprint:** Product design incorporates recycled materials instead of high-emission alternatives.

- **Optimizing product design:** Material footprint is lowered by designing lighter products, using less material where possible and optimizing product designs for sustainability.
- **Scaling circularity initiatives:** Tools, spare parts and components that are collected from Hilti's Fleet Management Program are reused for repairs to prevent new materials being used for this purpose.
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- **Decarbonizing supply chain:** Procurement is shifted towards suppliers with low-emission practices and strong business partnerships are established with suppliers to ensure that raw materials have a reduced carbon footprint.
- **Electrification in product use:** Fewer emissions in the products' use phase are primarily achieved through the electrification of Hilti's product portfolio, transitioning the remaining fuel-powered tools to electric. While Hilti's tools are already highly energy efficient, achieving full climate impact relies on the continued decarbonization of the electricity grid.

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Reducing Scope 3 emissions from logistics

Key levers and actions to reduce logistics-related emissions are the following:

- **Shifting to low-emission transportation options:** High-emission transport options, such as air freight, are shifted to lower-emission alternatives like rail transport. Last-mile delivery is transitioned to fossil-free last solutions, such as trucks powered by HVO fuel or other renewable sources.
- **Leveraging digital means:** The enhancement of digitalized processes and the implementation of digital tools to optimize transport routes, frequency of deliveries and replenishment procedures leads to lower emissions.
- **Optimizing packaging:** Optimized packaging to support multiple uses and the reduction of single-use packaging reduces both emissions and waste.

Supporting customers' emission reduction efforts

Hilti helps customers to simplify their CO₂ reporting and compliance documentation by providing CO₂ data for over two-thirds of its product portfolio (measured by net sales) via Life Cycle Assessments (LCAs). Additionally, Hilti provides environmental product declarations for its solutions to support customers in securing specific levels of green building schemes like Leadership in Energy and Environmental Design (LEED), Building Research Establishment Environmental Assessment Method (BREEAM) and DGNB.

Engaging stakeholders for emissions reduction beyond the value chain

Another key lever for reducing emissions lies in building partnerships and participating in sustainability

networks to foster dialog and create engagement beyond Hilti's own value chain. Key actions within this lever are the following:

- The Group collaborates with a variety of research institutes and universities.
- Hilti is engaged in sustainability-related associations and working groups. The Group is an active member of the United Nations Global Compact (UNGC) Switzerland/Liechtenstein and of the World Business Council for Sustainable Development (WBCSD).

Target rollout and education

To ensure effective implementation of these levers and actions, and to progress in line with the SBTi commitment, the Group defined targets across all relevant organizational units: sales organizations, manufacturing, business units and logistics. While several levers have advanced in recent years, like transitioning to electric vehicles, reusing spare parts and sourcing materials more sustainably, many others are in earlier stages.

To support the progress, the Group has launched an internal education program on its sustainability learning platform. This platform helps to raise employee awareness, expands knowledge of sustainability-related topics and showcases measures everyone can take to contribute towards achieving the target.

Financial planning

Sustainability is one of the core elements of the Group's overall strategy. Strategic decisions, including financial planning, reflect this commitment. Each organizational unit within the Group considers sustainability-related investments and expenses needed to implement the

key levers and achieve the Group's GHG emission reduction targets in their financial planning. In line with these targets, no material capital expenditures were invested in coal, oil and gas-related economic activities during the reporting period.

The Group is not excluded from the EU's Paris-aligned benchmarks.

Locked-in GHG emissions

While Hilti has set emission reduction targets and identified key levers to reach them, some emissions may remain locked in. This primarily affects heating systems that rely on fossil fuels, particularly natural gas. The Group distinguishes between owned and rented real estate assets when addressing these emissions.

For **buildings and plants owned by the Group**, more ambitious measures are either planned or underway to replace fossil systems, which are already at a low level, with renewable energy sources. In several of the Group's plants, heating systems are being upgraded to electric heat pumps, district heating or biogas.

In **rented properties**, fixed GHG emissions are lower, since lease contracts eventually end, creating an opportunity to switch to buildings equipped with non-fossil fuel systems. The Group's guidelines take into account regional differences in the availability of highly sustainable rentable buildings.

For **new buildings**, the Group aims for DGNB gold-standard certification to prevent locked-in GHG emissions from the outset. Additionally, investors constructing for or leasing buildings to the Group are encouraged to adopt high sustainability standards for similar objectives.

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Due to relatively short development cycles, the locked-in effect of Hilti's **products** is immaterial. Emission improvements can be implemented in each development cycle. Nevertheless, Hilti's core sustainability principles are applied to address any potential locked-in GHG emissions.

Climate management

Identification and assessment of material climate-related impacts, risks and opportunities

The identification and assessment of climate-related IROs is linked to Hilti's Scope 1, 2 and 3 emissions, which are calculated following the GHG Protocol.

For **impacts**, Hilti identified the main sources of emissions along the value chain. Next, in line with the ESRS, Hilti evaluated these climate-related impacts based on their severity and likelihood of occurrence. To determine the severity of impacts, Hilti monetized the Scope 1, 2 and 3 emissions by multiplying them with the social cost of carbon¹. This assessment showed that Hilti has material-negative impacts in the medium to long term across the entire value chain.

For climate-related **risks**, Hilti performed a physical risk analysis for its own manufacturing locations and a transition risks analysis for its own manufacturing locations and the supply chain in 2022.

Physical risk analysis

The assessment for manufacturing locations was performed using different scenarios of global emission development, based on the latest climate science.

¹ The social cost of carbon is the cost of the damages created by one extra ton of carbon dioxide emissions. Numbers are calculated on an annual basis by Route2, derived from Pindyck (2019).

This includes the Intergovernmental Panel on Climate Change (IPCC)'s assumptions on the key forces and drivers of climate change. The scenarios applied encompass a wide range of GHG concentrations and policy developments. Despite the inherent uncertainties within these scenarios, their broad coverage and diversity yield reliable results. Key factors include the policies and their implementation. However, the scenarios are constrained by the intrinsic limitations of complex climate models.

The following publicly available scenarios were used for an analysis that covered the period from 2022 to 2100:

- **Network for Greening the Financial System (NGFS):** NGFS net-zero 2050 and NGFS delayed transition.
- **Climate Action Tracker (CAT):** CAT current policies.
- **Representative Concentration Pathways (RCP):** RCP 2.6, RCP 4.5, RCP 6.0, RCP 8.5.

The physical risk and transition risk for the manufacturing locations under the above scenarios was calculated considering their location (based on postal code), a statistical model for heat stress, river flooding and tropical cyclones, and financial loss due to damages and decreased productivity.

Hilti did not identify any material climate-related physical risks.

Transition risk analysis

The assessment for manufacturing locations and the upstream supply chain considered price developments based on materials purchased and their countries of origin, taxes on fossil fuels and different scenarios of

Hilti's GHG development. The analysis covered the time horizon from 2022 to 2030.

This risk assessment was one input for the double materiality assessment, which was further supplemented by engagement with internal subject matter experts. Hilti identified only material climate-related transition risk.

Climate-related **opportunities** were evaluated based on engagement with internal subject matter experts, supplemented with insights gained from customer surveys.

Policies related to climate change

The Group has established policies that address the material IROs related to decarbonization, sustainable energy consumption and low carbon footprint solutions. These policies focus on key areas such as climate change mitigation, energy efficiency and renewable energy. They include the Environmental Policy and the Sustainable Sourcing Policies for both direct and indirect procurement.

The **Environmental Policy** elaborates on Hilti's Code of Conduct sections regarding sustainability and reaffirms the Group's commitment to reducing its ecological footprint. For example, it outlines measures to reduce raw material and energy consumption.

The **Sustainable Sourcing Policies** for direct procurement and indirect procurement build on Hilti's Code of Conduct principles related to sustainability and human rights. These policies provide guidance on embedding sustainability into procurement processes, such as assessing suppliers based on environmental and social criteria.

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Targets related to climate change

In 2023, Hilti achieved CO₂ neutrality within its own operations, marking a significant milestone in its commitment to reducing carbon emissions. Hilti's broader climate strategy is guided by emission reduction targets validated by the SBTi.

Long term commitment: Net-Zero by 2050

The Hilti Group aims to reach net-zero GHG emissions across its entire value chain by 2050, with 2022 as the base year. The commitment includes:

- **Scope 1 and 2 GHG emissions (approximately 5% of Hilti's total emissions):** A 90% absolute reduction.
- **Scope 3 GHG emissions (approximately 95% of Hilti's total emissions):** A 90% absolute reduction covering the following categories: purchased goods and services, capital goods, fuel and energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting, upstream leased assets, downstream transportation and distribution, use of sold products and end-of-life treatment of sold products.

Near-term targets for 2032

To drive near-term progress, Hilti has set interim science-based targets for 2032, with 2022 as the base year:

- **Scope 1 and 2 GHG emissions:** A 50.4% absolute reduction.
- Maintaining 100% renewable electricity sourcing.
- **Scope 3 GHG emissions:** A 30% absolute reduction covering the following categories: direct purchased goods and services, fuel and energy-related activities, upstream transportation and distribution, business travel and use of sold products.

The target boundary includes land-related emissions and removals from bioenergy feedstocks.

Interim targets for 2030 are derived linearly from the 2032 SBTi near-term targets and align with these objectives to ensure alignment and continuity in progress.

These targets align with Hilti's Environmental Policy objectives, reducing the Group's ecologic footprint while integrating sustainability into procurement processes.

Base year and GHG coverage

2022 was selected as a representative base year after COVID-19 disruptions. The values for the base year can be found in the Metrics section of this chapter. Hilti's targets cover all greenhouse gases defined under the ESRS, calculated in CO₂ or CO₂ equivalents.

Progress monitoring and stakeholder involvement

Performance is reviewed annually at multiple organizational levels, in alignment with Hilti's strategic targets. These efforts involve diverse internal and external stakeholders, including supply and development teams, who played a pivotal role in setting SBTi-aligned targets. Progress on the targets can be found in the Metrics section of this chapter.

Future considerations

While future scenarios are considered, including shifts in sales volumes and customer preferences, all targets are consistent with limiting global warming to 1.5°C under the SBTi framework. These targets are independent from sectoral decarbonization pathways. The targets are validated by the SBTi.

Pathway to achieve targets

The following visual representation outlines Hilti's pathway to achieving its climate targets, starting from the 2022 baseline of GHG emissions covered by the SBTi near-term target and progressing through 2030. It captures both the anticipated impact of activity growth on emissions and the reductions enabled by key GHG reduction activities within Hilti's climate strategy.

Key actions include transitioning Hilti's vehicle fleet to low-emission alternatives, reducing the carbon footprint of products through innovations in product design and using fewer or recycled input materials and scaling circularity initiatives like reusing spare parts to reduce the need for new materials. Additionally, decarbonizing the supply chain plays a central role by working with low-emission suppliers and cutting emissions in energy-intensive industries. Emission reductions in the

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product use phase stem from further electrifying Hilti's product portfolio and relying on a cleaner electricity grid. Furthermore, optimizing logistics with low-emission transportation helps drive this progress.

These initiatives collectively enable significant progress toward Hilti's near-term SBTi-aligned target for 2032 and the ultimate goal of achieving net-zero emissions by 2050.

Hilti identified its decarbonization levers and actions independently of the use of climate scenarios.

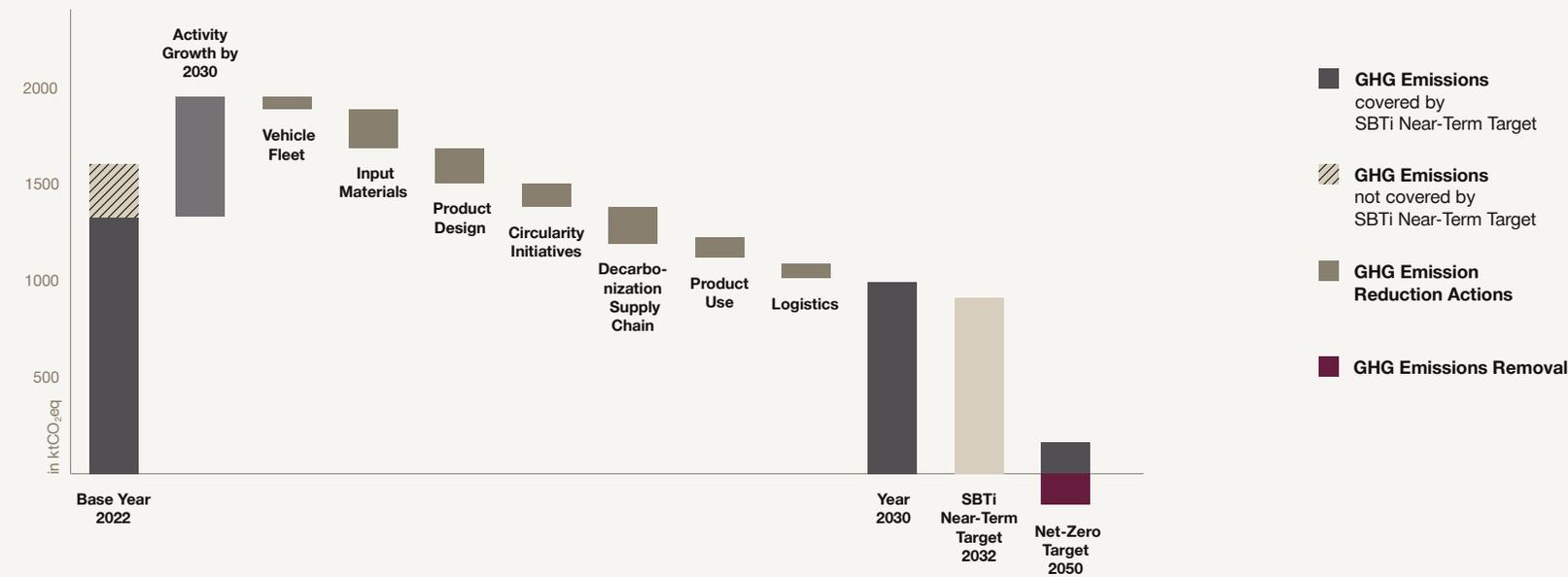
Resources to achieve targets

Achieving the ambitious GHG reduction targets requires a dedicated allocation of resources, including significant investment in research, innovation and infrastructure to support the transition to low-carbon solutions. This involves allocating substantial operational expenditures and capital to enable systemic changes across Hilti's value chain, from

sourcing and production to transportation and operations. Additionally, financial commitments to energy-efficient technologies and sustainable practices, alongside enhanced funding for the development of new, environmentally responsible products and infrastructure, are essential to drive meaningful progress toward reducing Hilti's carbon footprint.

GHG Emissions Reduction Pathway

in ktCO₂eq



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Energy consumption and production

Accounting policies

Hilti collects data on energy production and consumption from fossil sources, nuclear sources and renewable sources from its organizational units, for example, from buildings and fuel consumption of vehicles. Hilti includes estimates for locations and time intervals where no production or consumption data were available. For the last two months of the reporting period, Hilti systematically generates estimated data. These estimates are based on, for example, prior period data, average consumption per car (vehicles), per square meter (warehouses), per repair output hour (repair centers), per employee (office buildings) or per building (Hilti Stores).

As Hilti operates in high climate impact sectors, the table to the right disaggregates the Group's total energy consumption from fossil sources.

The Group produced 8,405 MWh (2023: 6,708 MWh) of renewable energy via the photovoltaic systems installed globally.

Energy consumption and mix

in MWh

	2023	✓ 2024	Change (%)
Fuel consumption from coal and coal products	0	0	0%
Fuel consumption from crude oil and petroleum products	277,396	251,856	-9%
Fuel consumption from natural gas	38,243	28,441	-26%
Fuel consumption from other fossil sources	0	0	0%
Consumption of purchased or acquired electricity, heat, steam or cooling from fossil sources	13,080	2,451	-81%
Total fossil energy consumption	328,719	282,748	-14%
Share of fossil sources in total energy consumption	69%	61%	-12%
Consumption from nuclear sources	0	0	0%
Share of consumption from nuclear sources in total energy consumption	0%	0%	0%
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	361	2,941	715%
Consumption of purchased or acquired electricity, heat, steam and cooling from renewable resources	144,926	174,219	20%
Consumption of self-generated non-fuel renewable energy	5,319	7,159	35%
Total renewable energy consumption	150,606	184,319	22%
Share of renewable sources in total energy consumption	31%	39%	26%
Total energy consumption	479,325	467,067	-3%

✓ Assured by PwC 2024 (limited assurance)

Energy production and mix

in MWh

	2023	2024	Change (%)
Total renewable energy production	6,708	8,405	25%
Share of renewable production in total energy production	100%	100%	0%
Total non-renewable energy production	0	0	0%
Share of non-renewable production in total energy production	0%	0%	0%
Total energy production	6,708	8,405	25%

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Energy intensity

Accounting policies

The disclosure of the energy intensity is derived from Hilti's total energy consumption and net revenue from its activities in the high climate impact sectors. The revenue-generating activities of Hilti are either directly related to the manufacture and trade of power tools, fastening systems and protective systems or support these objectives and therefore all fall into high climate impact sectors. Net revenue is measured in millions of Swiss francs and calculated in line with International Financial Reporting Standards (IFRS).

In 2024, the total energy consumption from activities in high climate impact sectors, per net revenue from activities in high climate impact sectors in MWh/CHF in million, amounts to 73 (2023: 74 MWh/CHF in million).

The following table presents the reconciliation of net revenue from activities in high climate impact sectors used to calculate energy intensity to the net revenues presented in the financial statements (Note 2.1 Operating income).

➤ 2024 Financial Report

Net revenue

in CHF million

	2023	2024
Net revenue from activities in high climate impact sectors used to calculate energy intensity	6,520	6,429
Total net revenue (financial statements)	6,520	6,429

Gross Scopes 1, 2, 3 and total GHG emissions

Accounting policies

Hilti has determined Scope 1 emissions for the Group using energy consumption, as described in the preceding accounting policy, and local emission factors.

Hilti accounts for Scope 2 emissions using a market-based approach and a location-based approach. For the market-based approach, Hilti attributes zero emissions to purchased electricity due to the procurement of green electricity for its global operations through certifications such as Renewable Energy Certificates and Guarantees of Origin. Additionally, Hilti generates its own photovoltaic electricity in some locations.

Hilti analyzed and evaluated its Scope 3 emissions in the upstream and downstream stages of the value chain and identified ten categories which are applicable for the Group. For the calculation of Scope 3 emissions in every category, different methods are used.

- For Category 1 (purchased goods and services), for direct materials, an average-data method is used where possible. Cradle-to-gate GHG emission factors were combined with their respective material weights to generate their Scope 3 GHG emissions. For weight categories with no associated emission factor, line items with no associated weight and indirect procurement spend, a spend-based method is used. If available, data from suppliers is preferred over average data or spend data.

- For Category 2 (capital goods), a spend-based method is used, considering the total capital expenditure as input. The country of the supplier is assumed to be the same as the country of the purchasing Hilti organization.

- For Category 3 (fuel and energy-related activities), an average-data method is used. Well-to-tank emission factors are combined with fuel usage and electricity consumption of Hilti's own operations. Electricity consumption emission factors include generation, transmission and distribution.

- For Category 4 (upstream transportation and distribution), a distance-based method is used, combining the weight-distance values with the appropriate weight-distance emission factors. Weights are taken from delivery statements within Hilti's ERP system for inbound, replenishment and last-mile transportation. In case distances are not available, a spend-based method is used.

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- For Category 5 (waste generated in operations), a waste type-specific method is used, combining emission factors for specific waste types and waste treatment methods with the relevant waste weights.
- For Category 6 (business travel), primary emissions data provided by travel agencies is used whenever available, based on distance traveled by transport method. For Hilti organizations without information on distance traveled, a spend-based method is used. Spending on passenger transport, hotels and restaurants is excluded.
- For Category 7 (employee commuting), a distance-based method is used for headquarters locations in Liechtenstein, using detailed commuting distance data and an internal mobility management online survey. For all other locations, an average-data method is used, supported by headcount data per country.
- For Category 9 (downstream transportation and distribution), where possible, the analysis is based on downstream transport of products combined with the revenue of retailers attributed to Hilti products. If not available, a spend-based method is used for downstream retailers.
- For Category 11 (use of sold products), an average-data method is used.

- For Category 12 (end-of-life treatments of sold products), a waste type-specific method is used, combining emission factors for specific waste types and waste treatment methods with the relevant waste weights.

Emission factors are sourced from the UK Department for Environment, Food & Rural Affairs (DEFRA) (predominantly for fuel), from the International Energy Agency (IEA) (primarily for electricity) and from EcolInvent (mainly for direct material). These sources were chosen for their comprehensive coverage and representativeness.

The disclosure of the GHG intensity is derived from Hilti's total GHG emissions and net revenue. Net revenue is measured in millions of Swiss francs and calculated in line with International Financial Reporting Standards (IFRS).

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Total GHG emissions disaggregated by Scopes 1 and 2 and significant Scope 3

in tCO₂eq

	Retrospective				Milestones and target years		
	2022	2023	✓ 2024	Change (% vs. 2023)	2030 ¹	2032 ²	2050
Scope 1 GHG emissions							
Gross Scope 1 GHG emissions	75,848	75,242	64,369	-14%	45,266	37,621	7,585
Percentage of Scope 1 GHG emissions from regulated emission trading schemes	0%	0%	0%	0%			
Scope 2 GHG emissions							
Gross location-based Scope 2 GHG emissions	47,737	46,884	51,387	10%	N/A	N/A	N/A
Gross market-based Scope 2 GHG emissions ³	167	968	978	1%	100	83	17
Significant Scope 3 GHG emissions							
Total Gross indirect (Scope 3) GHG emissions	1,526,441	1,361,409	1,279,365	-6%	914,851	842,626	152,644
1 Purchased goods and services	1,111,848	1,001,345	959,561	-4%			
of which direct material			764,388				
of which indirect material			195,173				
2 Capital goods	69,148	73,166	42,408	-42%			
3 Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	18,820	18,817	16,178	-14%			
4 Upstream transportation and distribution	109,401	80,632	73,170	-9%			
5 Waste generated in operations	805	656	502	-23%			
6 Business traveling	18,257	21,060	19,027	-10%			
7 Employee commuting	18,098	19,074	19,511	2%			
9 Downstream transportation ⁴	9,399	3,852	3,903	1%			
11 Use of sold products	163,781	135,572	138,035	2%			
12 End-of-life treatment of sold products	6,884	7,235	7,069	-2%			
Total GHG emissions							
Total GHG emissions (location-based)	1,650,026	1,483,535	1,395,120	-6%			
Total GHG emissions (market-based)	1,602,456	1,437,619	1,344,711	-6%			160,246
Total GHG emissions (covered by SBTi near-term target)	1,279,766		1,076,145		960,217	880,330	

¹ Interim targets for 2030 are derived linearly from the 2032 SBTi near-term targets and align with these objectives to ensure alignment and continuity in progress.

² The SBTi near-term target covers 78.86% of Scope 3 emissions from the base year 2022.

³ The 2023 values for Gross market-based Scope 2 GHG emissions were restated due to better data quality, increasing the emissions by 629t from 339t to 968t.

⁴ The 2023 values for Downstream transportation were restated due to better data quality, decreasing the emissions by 5,335t from 9,187t to 3,852t.

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In 2024, gross biogenic emissions of CO₂ from biomass used in Scope 1 GHG emissions amounted to 0 tCO₂eq (in 2023: 0 tCO₂eq). In 2024, gross biogenic emissions of CO₂ from the combustion or biodegradation of biomass in Scope 2 GHG emissions amounted to 0 tCO₂eq (in 2023: 0 tCO₂eq). In 2024, gross biogenic emissions of CO₂ from the combustion or biodegradation of biomass in Scope 3 GHG emissions amounted to 1,011 tCO₂eq (in 2023: 821 tCO₂eq).

The table on the previous page outlines the gross Scope 1, 2 and 3 emission targets for the year 2050. In accordance with the SBTi commitment, the Group aims to neutralize any residual emissions to achieve Net-Zero by 2050. The Group has yet to determine the specific removal activities and the points within the value chain where the residual emissions will be neutralized.

The table on the previous page excludes Scope 3 emissions from the following categories:

- Category 8 (upstream leased assets) due to the Group not having relevant activities in this category.
- Category 10 (processing of sold products) due to the Group not selling intermediate products to end users.
- Category 13 (downstream leased assets) due to the Group not renting out buildings. Products leased out by the Group are covered in Category 11 (use of sold products).
- Category 14 (franchises) due to not being part of the Group's business activities.
- Category 15 (investments) due to immateriality for the Group.

In 2024, Scope 3 emissions are calculated using 22% supplier information, as well as literature-based data and data generated by a multi-regional input-output (MRIO), spend-based model. The preferred method is supplier information, followed by literature-based data. If these are unavailable, average-data or spend-based methods supported by the MRIO are used. Hilti is actively working on enhancing and extending the collection of supplier information to increase the accuracy of the GHG calculation in the future. No calculation tool is utilized for the time being.

GHG intensity based on net revenue

in tCO₂eq per CHF in million

	2023	2024	Change (%)
Total GHG emissions (location-based) per net revenue	228	217	-5%
Total GHG emissions (market-based) per net revenue	220	209	-5%

Net revenue is disclosed in the financial statements, with details being presented in Note 2.1 on Operating income.

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GHG mitigation projects financed through carbon credits

Accounting policies

Carbon credits are acquired through emission compensation projects developed exclusively for the Group in collaboration with the Hilti Foundation and an external partner. The emission savings are monitored and verified by external parties. All projects undergo third-party certification which is conducted in accordance with either the “Gold Standard” or the “Verra Verified Carbon Standard” for offsetting projects.

Carbon credits cancelled in the reporting year

	2024
Total (tCO₂eq)	162,359
Share from removal projects	0%
Share from reduction projects	100%
Share from projects verified in accordance with Gold Standard	78%
Share from projects verified in accordance with Verra Verified Carbon Standard	22%
Share from projects within the EU	0%
Share of carbon credits that qualify as corresponding adjustments under Art. 6 of the Paris Agreement	0%

The total amount of carbon credits planned for cancellation under existing contractual arrangements is 438,000 tCO₂eq until the reporting period 2028.

The Group’s milestone of carbon neutrality within its own operations was reached by emission reduction, replacement of fossil energy sources, in-house production of green electricity and offsetting at the end of 2023. Compared to a scenario without mitigation measures, the Group saved 60% of Scope 1 and 2 emissions, compared to a 2019 baseline, and offset the remaining 40% with third-party verified carbon credits. In addition to Hilti’s offsetting efforts, the Group provides substantial funding to support Beyond Value Chain Mitigation (BVCM) measures worldwide, such as boosting research and developing engineering standards for sustainable construction.

Carbon pricing

In 2024, the Hilti Corporation implemented a cross charge to its subsidiaries for expenses related to the procurement of green electricity and carbon offsetting projects, both key elements for Hilti’s climate neutrality. The subsidiaries are charged a share of these costs based on the volume of their GHG emissions. The cross charge covers 64,369 tons of Scope 1 emissions, 51,387 tons of Scope 2 emissions and 19,027 tons of business travel emissions (part of Scope 3).

Incorporation by reference

Information on the integration of climate-related consideration in the incentive schemes is disclosed in the Sustainability Governance section, located in the General Information chapter.

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Reduce

Hilti offers insights on how to shrink customers' inventory, directly reducing the CO₂ footprint by removing underused equipment

Reuse

Successful pilots conducted to reuse returned batteries

Recycle

Transparency with Hilti's Circularity Report for customers

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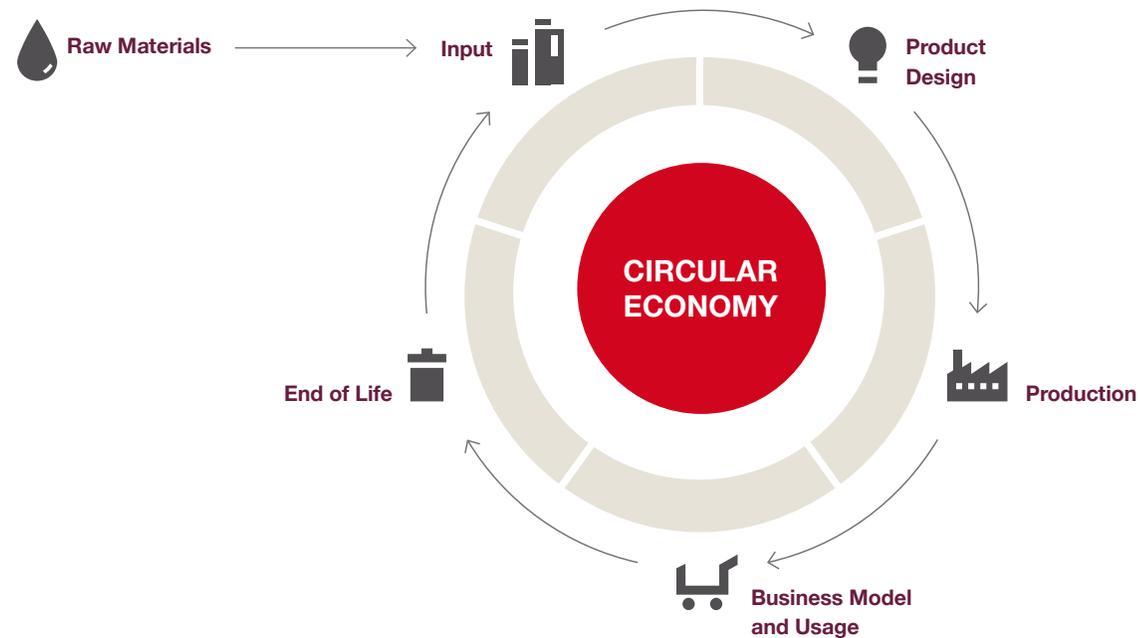
RESOURCE USE AND CIRCULAR ECONOMY

The circular economy aims to detach economic success from the consumption of resources and to ensure that resources remain in circulation for as long as possible, preventing the loss of valuable materials. This approach not only allows for ecological benefits but also provides new strategic impulses for businesses. Hilti controls its value chain – from product design to production, transport, customer contact and end of life, providing the company with a leading position to drive circularity in the industry.

Circularity at Hilti means generating maximum added value for customers with a minimum use of virgin raw materials. Clear priorities of this strategy are to:

- Institutionalize circularity in supply and design decisions, from material selection to designing for reparability and interchangeability.
- Improve, reduce and reuse packaging, both for products and in the supply chain.
- Further enhance Hilti’s Fleet Management circular business model.
- Actively reduce overbuying by providing tool park optimization services and short term use options, such as the tools on demand and loan tools offerings.
- Ensure reuse options for tools and components that meet Hilti’s high quality standards.

Hilti’s Circularity Approach



- Increase material recovery in end-of-life recycling through close collaboration with recycling partners.
- Provide customers with full transparency on their contribution to circularity.

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Material Impacts, Risks and Opportunities (IROs)

	Description	Lever to mitigate / improve
Circular operations (Accountability: Senior Management)		
Negative Impact (actual)	<p>In the short term, Hilti negatively contributes to resource consumption due to not making full use of circular economy principles like reparability, reusability, recycling and the use of renewable raw materials. This impact is relevant for the Group's upstream supply chain and own operations.</p> <p>Furthermore, in the medium term time horizon, Hilti negatively contributes to resource exploitation and production due to products that are not fully designed according to circular principles. The impact is located along the Group's whole value chain.</p>	Hilti actively works to apply circular principles by reducing virgin resource consumption and enhancing customer resource optimization, by reusing tools, batteries and spare parts, and by working closely with recycling partners to enable closed loops whenever possible.
Positive impact (actual)	In the medium term, Hilti's circularity activities support the reduction of the company's greenhouse gas emissions, aiding efforts of climate change mitigation. This impact is relevant for the Group's upstream supply chain and own operations.	Not applicable.
Circular solutions (Accountability: Senior Management)		
Opportunity	In the medium term, Hilti can support the construction industry and achieve greater customer appeal by the implementation of the circularity program and business models such as Fleet Management, tool park optimization and short-term use options.	Not applicable.

Identification and assessment of material IROs related to resource use and the circular economy

For **impacts**, Hilti initially identified the main areas of resource consumption along its value chain. Next, in line with the European Sustainability Reporting Standards, Hilti evaluated these resource-related impacts based on their severity and likelihood of occurrence. To determine the severity of impacts, Hilti assessed the amount of resources used and the

applicability and integration of circularity principles across processes. This assessment highlighted material negative impacts, particularly in the short and medium term, within the upstream value chain and Hilti's own operations.

Hilti conducted a comprehensive resource cost and availability **risk analysis** targeting its supply chain, as well as a reputational risk analysis for its downstream supply chain:

- Risks related to availability and costs of resources:** Hilti assessed the potential for supply constraints in critical materials and examined how fluctuations in raw material costs could affect operational stability. A key methodology involved analyzing market trends and geopolitical factors to assess sourcing risks, particularly for high-demand resources or materials sourced from regions with high regulatory or political volatility. Hilti also factored in resource scarcity trends due to increased global demand, which could elevate costs and impact operational efficiencies over time.

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- **Reputational risks:** The reputational risk analysis considered the potential impact of Hilti’s resource use and waste management practices on its brand perception. This included reviewing the alignment of its practices with industry benchmarks and circular economy principles. Hilti analyzed feedback from stakeholders, including customer surveys, to gauge brand reputation in relation to environmental responsibility, sustainable resource management and waste reduction efforts. The review also incorporated regulatory compliance trends, evaluating how failing to meet future sustainability requirements could damage Hilti’s reputation among environmentally conscious consumers and investors.

This risk assessment formed a core input for Hilti’s double materiality assessment, which was informed by engagements with internal subject matter experts. Based on materiality thresholds, Hilti did not identify material resource-related risks.

To identify circularity-related **opportunities**, Hilti engaged internal subject matter experts and supplemented their insights with findings from customer surveys. These engagements focused on potential benefits, such as cost savings through resource-efficient production, enhanced customer loyalty through sustainable practices and the potential to access new markets by adopting circular economy practices.

For the IRO assessment, Hilti conducted consultations with its key stakeholders, employees and customers.

Policies related to circular operations and circular solutions

Hilti’s approach to resource use and the circular economy is structured around the Environmental Policy and the Code of Conduct for Suppliers and Sustainable Sourcing Policies, along with newly established guidelines for spare parts reuse. Together, these frameworks aim to reduce the ecological footprint across Hilti’s operations and supply chain.

The **Environmental Policy** emphasizes minimizing the reliance on virgin materials through strategies such as material reuse and recycling, including initiatives like tool case and battery recycling, as well as supporting opportunities for reuse through circularity-focused design principles. The policy also promotes resource efficiency and circularity throughout the product life cycle.

To support the objectives of the Environmental Policy, **global process guidelines** were introduced for the extraction, storage and replenishment of reusable spare parts within Hilti’s repair supply chain. These guidelines standardize and scale up the reuse of spare parts, enhancing efficiency across the Group’s repair processes. Based on best practices, it defines the Kanban-driven replenishment process within tool service centers and ensures adequate controls. The pre-sorting of inbound tools awaiting parts extraction supports an efficient extraction process, enabling the local-to-local reuse of parts.

The **Sustainable Sourcing Policies** for **direct procurement** and **indirect procurement** specify how sustainability is incorporated in direct and indirect procurement processes by, for example, providing guidance on how suppliers are assessed according to environmental and social criteria.

The **Code of Conduct for Suppliers and Third-Party Intermediaries** further reinforces these practices along Hilti’s supply chain, requiring suppliers to minimize waste and emissions, prioritize material recycling and adhere to international standards for managing hazardous materials.

Actions and resources related to circular operations and circular solutions

Hilti advances resource efficiency and circularity by focusing on three key levers: reducing overbuying, maximizing the reuse of materials and advancing recycling processes. These actions support Hilti’s objectives for circular design and are integral to the company’s decarbonization strategy, reducing the material negative impact across the value chain and acting on the material opportunity.

Key levers

Hilti’s circular economy approach emphasizes three primary areas:

- **Reduce:** The focus is on minimizing wasteful overbuying and enhancing customer resource optimization through tool park optimization, as well as the tools on demand and loan tools offerings. This includes helping Hilti’s customers manage and optimize their tool inventory to reduce unnecessary purchases.
- **Reuse:** Processes prioritize intelligent reuse of tools, batteries and spare parts, leveraging the collection of Fleet Management tools to reuse these items, following stringent internal quality assessments, and ensure the highest degree of utilization possible.

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- **Recycle:** Recycling initiatives are continuously improved by working closely with partners to ensure that materials are returned into circulation.

Detailed reduction actions

Hilti's approach to minimizing resource outflows leverages durable product design, circular business models and tailored tool park solutions to reduce waste and optimize resource use.

- **Design for durability and longevity:** Hilti products are engineered for long-lasting performance, built with high-quality materials and subjected to rigorous testing. This ensures durability and reliability in demanding applications, reducing resource inflows and outflows by minimizing the need for frequent replacements.
- **Circular business models:** Hilti's Fleet Management Model and On!Track solution help customers optimize tool usage and inventory and avoid overconsumption. By enabling efficient asset tracking and inventory management, these services decrease the demand for new tools, lowering both resource inflows and outflows. Flexible short- and medium term use solutions provide additional ways for fleet customers to meet tool needs without unnecessary purchasing.
- **Tool park optimization service:** Customers are offered an individually tailored tool inventory based on usage patterns and needs. Hilti's Nuron cordless tool platform collects and analyzes data to provide insights into tool utilization, helping customers maintain an optimal tool park.

Detailed reuse actions

Hilti's reuse strategies are supported by a high tool collection rate that allows the effective repurposing

of returned items. Key activities within Hilti's reuse initiatives include:

- **Spare part reuse in repair:** Based on strict quality guidelines and in collaboration with customers, spare parts from returned tools are extracted and reused to reduce the need for new parts where possible, contributing to resource conservation. This practice has become a standardized process in Hilti's tool service centers.
- **Battery reuse in warranty exchange:** In 2024, a program was launched to reuse batteries that pass quality testing after they are returned by customers. A successful pilot in selected markets has been initiated.
- **Premium tool pool program:** Returned tools that meet Hilti's quality standards are added to a premium loaner inventory, when possible. This ensures that functional tools continue to serve customer needs, reducing the demand for new tools while increasing tool utilization and longevity. A robust platform for scaling these processes is in place, with further improvements planned for efficiency and reliability in the coming year.
- **Tool donations:** Donations of returned tools provide significant benefits to communities, educational institutions and humanitarian organizations. This initiative is underpinned by an operational process that will be rolled out globally.
- **Circularity factory:** A new circularity-focused repair center is expected to be completed in the first half of 2025. With this facility Hilti intends to meet at least the gold certification criteria of the German Sustainable Building Council and support its sustainability and reuse targets.

Detailed recycling actions

Hilti prioritizes recycling initiatives to close the loop on materials and minimize waste from end-of-life products.

- **Recycling through partnerships:** If reuse is not feasible, Hilti collaborates with high-quality recycling partners to ensure materials are recycled efficiently, with a high share of tool mass (primarily metals) recoverable through these efforts. Customers receive transparency regarding the circular impact of Hilti's solutions with customized circularity reports, including information on the recycled content in tools and second life usage of customers' tool parks.
- **Closed loop tool case recycling:** Hilti's tool case recycling program exemplifies closed-loop principles, using recycled materials in production. Tool cases from the European market are returned to a central facility where they are assessed for reuse or processed and reintegrated into manufacturing as recycled material.

Resources and implementation plans

To support the action plan for circular operations and circular solutions, a mix of current and future operational (Opex) and capital expenditure (Capex) are allocated across key projects. These resources aim to scale up capacities for the key levers while aligning with circular economy objectives.

- **Resource allocation:** Personnel and project resources are designated to accelerate the repair and reuse of critical components, including fleet returns, batteries and spare parts. Additionally, investments in technological solutions are underway to enhance tracking and handling efficiency across the supply chain.

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- **Current financial resources:** Hilti has allocated substantial financial resources to support these initiatives, mainly in the financial categories of operating expenses. These allocations ensure the necessary operational support to lay the groundwork for implementing circular design principles in business activities.
- **Future financial resources:** Future Capex will focus on scaling up circularity initiatives, with additional investments in greener technologies and materials projected over the next five years.

Hilti's ability to fully realize these objectives depends on specific external factors, such as policy developments in sustainable infrastructure and market evolution towards circular economy practices.

Targets related to circular operations and circular solutions

Hilti's approach to resource use and the circular economy is guided by strategic objectives rather than quantitative targets, focusing on maximizing reuse, minimizing overbuying and adopting sustainable sourcing practices. While Hilti has not set mandatory or legislated quantitative targets, initiatives are structured around core circular economy principles aimed at optimizing resource use and reducing primary raw material reliance. Specifically, the Group prioritizes:

- **Circular material use rate:** By maximizing the reuse of tools, batteries and spare parts, and enhancing recycling processes, Hilti actively seeks to capture remaining utility and minimize material waste in alignment with circular economy objectives wherever possible.

- **Minimization of primary raw materials:** Hilti's operations focus on intelligent reuse, recycling of high-value materials and designing products for durability, all of which reduce the demand for new raw materials and support decarbonization goals.
- **Sustainable sourcing of renewable resources:** Hilti's commitment to responsible sourcing includes collaborating with suppliers to ensure the sustainable and traceable origin of materials.

These qualitative goals reflect Hilti's voluntary commitment to sustainable resource management and circularity. They are also supported by a robust set of initiatives designed to continually improve Hilti's reuse, recycling and resource optimization practices.

Circularity metrics

Metrics related to resource inflows

! Accounting policies

Total weight of products, technical and biological materials

Total amount of materials sourced during the reporting period that was or will be used to manufacture Hilti's product offering. Total weight includes all raw materials, associated process materials and (semi-)manufactured goods or parts, including packaging. Hilti applies a consistent cut-off period and classification system globally.

Percentage of biological materials that are sustainably sourced

Proportion of biological material deemed sustainable based on the internationally recognized certification schemes: (i) Forest Stewardship Council (FSC); and (ii) Programme for the Endorsement of Forest Certification (PEFC). The proportion is calculated as the weight of biological materials deemed sustainable divided by the total biological material sourced.

Total weight and percentage of secondary reused or recycled components, secondary intermediary products and secondary materials

The total weight of previously used or recycled materials sourced. The preferred method to determine the metric is supplier information, followed by literature-based data (country and material averages).

Hilti's operations utilize a diverse range of resource inflows, primarily for manufacturing and packaging, and the Group is committed to managing associated material IROs specifically related to critical raw materials (CRMs):

- **Products and materials:** Hilti's manufacturing relies on steel, chemicals, polymers, aluminium, battery cells, electronics, ceramics, copper, zinc, magnesium, paper (for instructions for use) and various other metals and minerals, including critical raw materials such as cobalt, tungsten and tantalum.

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- **Packaging:** Hilti uses polymers, cardboard, paper and wood for packaging, focusing on sustainable sourcing and recyclability.

Ensuring reliable access to critical raw materials (CRMs), as outlined in the EU Critical Raw Materials (CRM) Act, is vital to Hilti’s operational resilience and aligns with emerging regulatory initiatives across G20 countries. Materials such as cobalt and tungsten have been identified as critical, given their supply risks and importance for technological advancement. Through investing in R&D projects, Hilti aims to minimize dependence on CRMs, thereby enhancing supply chain stability and reducing environmental impacts.

In the category of biological material, Hilti is primarily sourcing cardboard, paper and wood.

Metrics related to resource outflows

Hilti’s product and service offerings are designed to align with circular economy principles, emphasizing durability, reusability and recyclability throughout the production and life cycle:

- **Durable power tools:** Hilti’s high-quality power tools are engineered for long lifetimes, designed to endure demanding environments and manufactured with durable components to minimize premature obsolescence.
- **Repair and reuse services:** The Group offers comprehensive repair and maintenance services, enabling customers to maximize the useful life of their tools and equipment. This approach supports reuse and helps reduce waste associated with frequent replacements.

Resource inflows

in t or %

	2023	2024	Change (% or %pts.)
Total weight of products, technical and biological materials sourced	237,503	243,795	3%
Percentage of biological materials that is sustainably sourced	39.4%	38.9%	-0.5%pts.
Total weight of secondary reused or recycled components, secondary intermediary products and secondary materials sourced	54,032	56,491	5%
Percentage of secondary reused or recycled components, secondary intermediary products and secondary materials sourced	22.8%	23.2%	0.4%pts.

- **Recyclable input materials:** Hilti products are constructed with a high proportion of metal components, which are well suited for recycling. This choice of materials enhances recyclability at the end of the product’s life, reducing the need for virgin resources.
- **Sustainable packaging:** Packaging incorporates high percentages of recyclable materials, ensuring that packaging waste is minimized and contributing to circularity by supporting recycling infrastructure.

Accounting policies

Hilti determines the recyclability of each material group based on third-party data. The recyclability of products is calculated by combining their weight with their assigned recyclability percentage. Similarly, the recyclability of packaging is determined by factoring in both its weight and recyclability percentage.

Resource outflows

in %

	2023	2024	Change (%pts.)
Rate of recyclable content in products	57.8%	57.4%	-0.4%pts.
Rate of recyclable content in packaging	89.3%	93.4%	4.1%pts.

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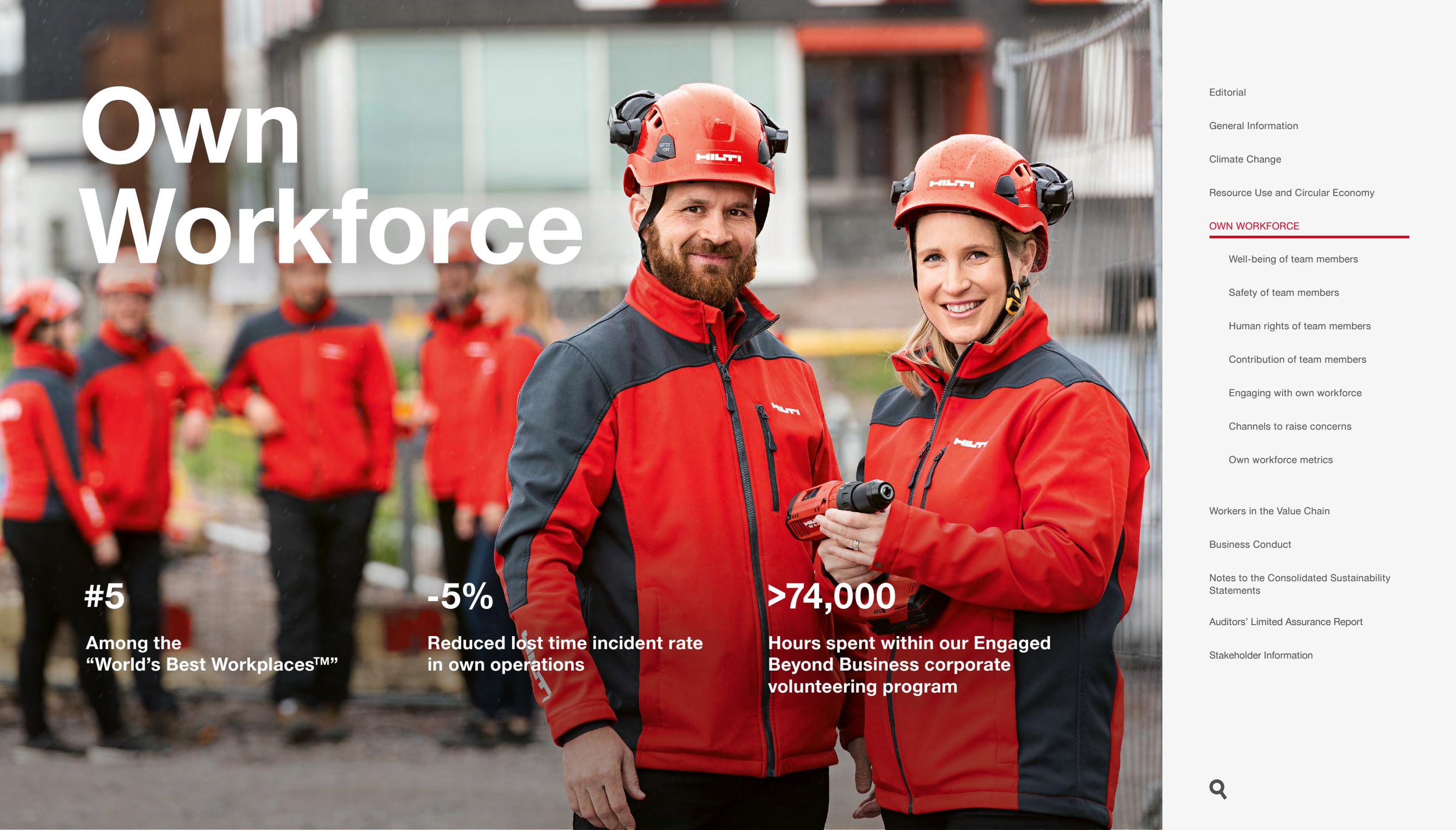
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#5

Among the
“World’s Best Workplaces™”

-5%

Reduced lost time incident rate
in own operations

>74,000

Hours spent within our Engaged
Beyond Business corporate
volunteering program

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OWN WORKFORCE

The foundation of Hilti’s business strategy and success is a people-oriented environment. The shared values of commitment, courage, teamwork and integrity form the basis for the caring and performance-oriented culture which, in turn, paves the way for the success of the worldwide team. Hilti wants to be a great employer for everyone, everywhere, and inspire engaged and empowered teams who passionately drive high performance.

Fair labor relations, respect for human rights, freedom of association, equal opportunities and a safe and healthy working environment are the core standards of the International Labor Organization. Hilti’s own ambitions go beyond these standards, with the Code of Conduct serving as a key internal regulation for the well-being, safety and human rights of team members. The Code of Conduct outlines Hilti’s legal and ethical framework and is applicable to the company’s global

workforce. Specifically, it states that Hilti opposes forced labor, human trafficking and child labor, and establishes and maintains safe and healthy working conditions throughout its operations. Violations of the Code of Conduct are strictly prohibited and are sanctioned according to the severity and context of the violation, to the extent possible under local laws. In some areas, a zero-tolerance approach is enforced.

Material Impacts, Risks and Opportunities (IROs)

	Description	Lever to mitigate / improve
Well-being of team members (Accountability: Head of Human Resources)		
Negative Impact (actual)	In the medium term, Hilti employees may be negatively impacted if they exceed their established working hours due to additional workload, employee fluctuations and a shortage of skilled workers. This may lead to stress for employees.	To mitigate the impact of excessive working hours, Hilti is enhancing workforce planning to balance workloads and also providing resources for employee well-being in an effort to maintain a sustainable, supportive work environment.
Risk	In the short term, employee motivation, satisfaction and, as a result, productivity can be affected by the company failing to pay competitive wages. Furthermore, in the medium term, rising wages and benefit levels, resulting from competition for talent, could result in increasing personnel costs for Hilti. Both risks apply to Hilti’s own operations.	Hilti performs regular salary benchmark studies and aims to pay competitive wages.
Opportunity	In the medium term, Hilti can increase work performance, efficiency and decrease turnover in its own operations by attracting the best talent on the market by paying competitive salaries.	Not applicable.

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	Description	Lever to mitigate / improve
Safety of team members (Accountability: Group General Counsel)		
Positive impact (actual)	In the short term, Hilti is positively contributing to protecting the safety of its workforce, especially those working with dangerous equipment (e.g., vehicles, machines, hazardous substances) or under permanently stressful conditions (e.g., shift work, poor posture at the workplace), through an appropriate occupational health and safety management system and a corporate culture that supports a “safety is caring” mindset. This impact is relevant for the Group’s own operations, specifically its employees and non-employees (mainly contingent workers), collectively referred to as the workforce.	Not applicable.
Contribution of team members (Accountability: Head of Corporate Sustainability)		
Positive impact (actual)	In the short term, Hilti can support increased job satisfaction and employee engagement in its own operations by fostering social involvement through the Group’s Engaged Beyond Business (EBB) corporate volunteering program.	Not applicable.
Human rights of team members (Accountability: Group General Counsel)		
Risk	There is a reputational risk in case of any child labor or forced labor allegations or misconduct in Hilti’s own operations.	The Group is vigilant to ensure that its business is free of child labor and forced labor. Hilti’s Compliance Management System, which is aligned with ISO and audit standards, includes policies, training and monitoring measures specifically designed to prevent child and forced labor across all Group companies.

Well-being of team members

Hilti’s approach and policies

Hilti places a high priority on the well-being of its team members, recognizing that their satisfaction, health and engagement are essential to the company’s overall success and sustainable growth.

The Group acknowledges the importance of balanced working hours for employee well-being and organizational effectiveness. To address this, the company follows localized policies on working hours

that align with regional legal frameworks, ensuring a tailored approach that respects local conditions and promotes a healthy work-life balance.

Hilti also fosters equitable and transparent reward systems that recognize local conditions and support fair compensation. The Group addresses (un-) competitive pay and the related material risks and opportunities through localized reward frameworks, rather than a binding global policy. This approach is due to the variety of local laws and external market practices concerning reward packages. At the group level, the **Global Rewards Framework**, in conjunction

with the **Global Rewards Principles**, establish the guiding principles of the Group’s reward system, promoting participative performance orientation as well as equitable and transparent rewards.

Hilti’s actions

To prevent, mitigate and remediate the negative impact of team members working beyond their scheduled hours, the Group has enacted a comprehensive action plan:

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- **Personnel Management System:** The Group utilizes a software-based workforce system, with a key feature of time and absence management. Working hours are recorded using a range of methods, mainly through full-time tracking and work schedules, in line with local legal requirements. Work schedules can either be based on default eligibility rules or tailored individually for each employee, with supervisor approval required.

In cases where locally allowed working hours are exceeded, corrective actions are implemented, such as reallocating tasks or hiring additional resources. Similarly, if deviations from work schedules are observed, mitigation measures are defined and put in place. The effectiveness of these mitigation measures is tracked and assessed either automatically through the software or by reviewing the work schedule annually or as necessary. This process applies to all Group employees and is an ongoing process to ensure compliance with working time regulations.

- **Employer Attractiveness and Retention:** The Group prioritizes maintaining its status as an attractive employer as this helps reduce employee turnover and attract talented individuals, which, in turn, helps alleviate stress on existing employees. Efforts to enhance employer appeal include offering modern workplaces, comprehensive mental and physical health programs and international career opportunities. To assess the effectiveness of these initiatives, the Group and its local organizations regularly participate in assessments carried out by “Great Place To Work®” and consistently achieve top rankings. In 2024, Hilti was recognized as the world’s 5th best workplace.

- **Global Employee Opinion Survey:** The Group conducts an annual Global Employee Opinion Survey (GEOS), which gauges team members’ perception of, among other topics, working conditions and working hours. Based on the survey results, leadership teams define action plans with continuous, transparent communication about the progress of implementing employee feedback, also with regard to working time.

Various corporate functions are involved in implementing the action plan. This includes employees responsible for maintaining information in the workforce management system, as well as maintaining the system itself and arranging both the GEOS and “Great Place To Work®” assessments. Additionally, dedicated team members are assigned to ensure the implementation of GEOS feedback.

A comprehensive action plan is in place to mitigate the **risks** associated with **competitive pay**:

- **Regular Salary Review and Benchmarking:** Hilti performs a regular review and benchmarks salaries across all global locations. If salaries are found to be inadequate, adjustments are made to ensure competitive and fair compensation.
- **Commitment to Closing the Living Wage Gap by 2030:** In line with its strategic goals and core values, the Group is committed to closing any living wage gap across the organization by 2030. Progress is closely monitored, with regular steering meetings to track and drive efforts to meet this target.

To mitigate the risk of increased personnel expenses due to competition for talent, Hilti recruits skilled

individuals from a global talent pool and offers international career development opportunities. These efforts are supported by the Group’s reputation as an attractive employer, as outlined in the previous sections.

Hilti has also identified a material **opportunity** associated with **competitive pay**, specifically increased motivation and productivity by attracting highly qualified talent by offering competitive salaries. To act on this opportunity, the Group regularly performs salary benchmark studies and pays competitive wages, as described in the preceding section.

Hilti’s targets

Hilti’s target is to close any living wage gap in its workforce by 2030. This target was formulated during the Group strategy project with input from human resources and the company’s Executive Board. Performance is tracked by comparing local salaries to local living wages in each country where Hilti operates. In 2023, tracking began with a baseline of 95.6% of employees earning living wages. The performance of this metric is regularly steered by the human resources department and reported to the Head of Human Resources once a year. No changes in targets and corresponding metrics or underlying measurement methodologies were applied.

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Safety of team members

Hilti's approach and policies

Hilti is dedicated to creating a harm-free workplace and work environment, fostering safe behavior as an integral part of its caring and performance-oriented corporate culture. The **Health and Safety Policy** outlines the fundamental rules and standards established to protect employees from accidents and work-related illnesses. For example, it requires employees to wear the necessary personal protective equipment in manufacturing or during demonstrations for customers, use work support aids as provided, stop any activity when there are safety concerns, consider fatigue and stress as serious safety factors and to report all safety incidents and learn from them. Hilti has occupational health and safety management in place globally. This includes management systems based on ISO 45001 in Europe and OHSAS in the USA, as well as other national and industry-wide systems. Certain entities within the Hilti Group hold ISO 45001 certification.

Hilti's actions

Hilti protects the **health and safety** of its employees through an occupational health and safety (OHS) management system and a corporate culture that supports a "safety is caring" mindset.

As part of Hilti's safety mindset road map, the Group has developed and implemented Corporate Health and Safety Standards across ten high-risk areas. These standards supplement the Health and Safety Policy and extend the OHS management system by establishing a global set of baseline safety rules for team members. The common set of standards reinforces Hilti's commitment to a harm-free workplace

by defining minimum requirements to mitigate a variety of occupational risks across all Hilti locations and work environments. These standards also represent Hilti's dedication to promoting occupational safety excellence organization-wide, with each unit tailoring the standards to address its specific operational needs.

Additionally, the Group has developed an implementation guide, a self-assessment and a requirement matrix tailored to the different functional areas, specifying the safety criteria that must be met. For example, Hilti's global network of over 70 repair centers, staffed by more than 800 trained technicians, has performed the self-assessment to identify and implement improvement measures.

Furthermore, to enhance safety visibility across the organization, Hilti has shop floor signboards at plants and repair centers, where both open and resolved (mitigation measures implemented) safety incidents are displayed and discussed during regular shop floor meetings. This initiative promotes transparency and continuous improvement in workplace safety practices. To identify potential areas for improvement, Hilti systematically analyzes reported incidents and conducts safety surveys. Each incident is evaluated by both the local health and safety officer and the global process manager. If an incident could potentially occur in other parts of the Group, best practices for prevention are shared across organizational units.

Health and safety officers across the organization support the effective management of the positive health and safety impact. Additionally, a designated member of each unit's leadership team acts as a health and safety ambassador, while a global process manager for health and safety, reporting to the Chief Compliance Officer, ensures consistent and comprehensive oversight over health and safety initiatives.

Hilti's targets

The Lost Time Incident Rate (LTIR) serves as one of the Group's relevant performance metrics to track health and safety. Targets for the LTIR have been established until 2027. In 2022 Hilti's LTIR was at 3.9 and the Group aims to reduce it to a value of 2.1 by 2027, with different reduction paths established for each organizational unit – such as manufacturing, logistics, salesforce and aftermarket services. The targets were determined through benchmarks, utilizing peer group data provided by an external consultant specializing in health and safety.

A global dashboard, managed by the global health and safety process manager, is used to track target achievement by compiling data from the safety incidents reporting tool. In addition, it is shared within each organizational unit's health and safety community on a monthly basis. The number of safety incidents is also regularly reported to the Executive Board and Board of Directors. In 2024, the Group achieved an LTIR of **3.36** at group level (3.55 in 2023), which is a reduction of 0.19 points compared to 2023.

The target and the corresponding metric and underlying methodologies did not change in the reporting period.

Human rights of team members

Hilti's approach and policies

Hilti is exposed to human rights-related impacts. Hilti strives to avoid these adverse impacts throughout all business operations. The Group is committed to the ten principles of the **UN Global Compact** and to

✓ Assured by PwC 2024 (limited assurance)

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respecting human rights as set out in the **Universal Declaration of Human Rights** and the **Declaration of the International Labor Organization** on fundamental principles and rights at work. This commitment is further demonstrated through the human rights section of the Code of Conduct. Grievance procedures and reporting, as well as training and capacity building, are rooted in the Code of Conduct.

Hilti's actions

Hilti's compliance management system applies to all Group companies and encompasses policies, guidelines, regulations, processes, organizational structures, roles and responsibilities, as well as protocols for implementing compliance measures to prevent Human Rights violations within the Group related to employees.

Various aspects within the CMS are tracked via a comprehensive dashboard, including key metrics such as overall risk scores, training coverage, behavior-influencing initiatives and incident reporting. This dashboard is regularly presented to the Audit Committee and Board of Directors to ensure appropriate oversight – covering internal and external performance.

To embed business ethics throughout Hilti's processes, the CMS includes tailored compliance training for team members, delivered both online and on-site. The training sessions provide a general introduction to compliance issues and more in-depth guidance

on specific topics. Monthly communications from the compliance department, provided through a multitude of internal platforms, reinforce key compliance messages and remind employees of mandatory and optional e-learning courses.

Furthermore, all newly appointed general managers receive comprehensive compliance training in their area of responsibility as part of their onboarding process.

Hilti's targets

Hilti firmly opposes child labor and forced labor, in all aspects of its operations and throughout its supply chain. The Group is committed to maintaining a workforce with zero instances of child labor or forced labor, in line with the Code of Conduct.

Contribution of team members

Hilti's approach and policies

Hilti is committed to supporting, and increasing the involvement of, its team members in sustainability initiatives through its corporate volunteering program, Engaged Beyond Business (EBB). The **Engaged Beyond Business guidelines** set out the priority areas for EBB initiatives and their selection criteria. Furthermore, they provide resource allocation recommendations for local Hilti organizations – one working day per employee per year – and introduce regular reporting requirements to measure the progress of local EBB initiatives.

Hilti's actions

Through the EBB program, if permitted by local legislation, Hilti team members receive paid time off to volunteer for causes they care about, supporting projects on-site with both technical and hands-on skills. Skills-based volunteering is encouraged, allowing team members to apply their professional knowledge and competencies to make a meaningful contribution.

To monitor and assess the impact of EBB, Hilti has implemented a digital reporting tool that is integrated in the community platform and was launched in 2021. It has now been rolled out to 34 organizations worldwide.

Hilti's targets

Hilti aims to dedicate, on average, one working day per team member each year to social or environmental initiatives. Across the organization, this commitment equates to an annual engagement of approximately 160 working years, providing a strong sense of purpose beyond business for Hilti's 34,353 team members.

In 2024, the average volunteer days per employee amounted to 0.27, which is an increase from 0.26 in 2023. The numbers show that, while the absolute number of team members participating in the volunteering program decreased, the hours volunteered per person increased significantly. With the continued focus on the promotion of the EBB program with a dedicated global communication campaign, Hilti aims to engage even more employees to participate and contribute in the coming years.

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Engaging with own workforce

Regular exchanges with employees are promoted not only in the daily working environment, but also through various internal media and event formats. Hilti conducts its annual Global Employee Opinion Survey (GEOS), covering topics such as team members' engagement, perception of working conditions, equal treatment and opportunities and sustainability efforts. GEOS is an anonymous online survey facilitated by an external provider, with results segmented by teams, departments and functions for targeted insights. Open-ended comments are analyzed globally and leadership teams define action plans based on findings, ensuring continuous and transparent updates on the implementation of employee feedback. The action plans are globally guided to ensure a uniform approach. It is recommended that three key focus areas are identified, with teams sharing their primary concerns. Together with the manager, the teams will define measures to address issues effectively. The Head of Global Human Resources oversees the survey process, and the results are presented to the Executive Board and the Board of Directors. GEOS serves to better understand employees' needs, concerns and overall engagement with Hilti. Additionally, Hilti encourages employee involvement through events and open dialogues.

For health and safety-related impacts, regular exchanges over different hierarchical and organizational levels occur. There are daily exchanges between local health and safety experts and team members in Hilti's production, repair centers and logistic operations. In addition, Hilti directs its activities through safety steering committees where leadership members serve as safety ambassadors. Moreover, a regular external assessment to evaluate the safety perception and the safety mindset culture is conducted. Additionally,

an external partner performs physical site visits and interviews in the Group's plants, warehouses and tool service centers. Based on the feedback from the surveys and interviews, the Group assesses the effectiveness of its health and safety measures and develops new improvement strategies, if needed. The Chief Compliance Office is responsible for ensuring that these engagement activities are conducted.

Channels to raise concerns

Employees are encouraged to report violations of the Code of Conduct promptly, either to their team leaders, their human resources business partners, the local or global compliance offices or via the "SpeakUp" whistleblowing hotline, in line with local legislation. Each incident reported to the compliance office or through this hotline undergoes an initial review conducted or supervised by the compliance office. Upon completion of this review, the compliance office provides recommendations and/or advice to the relevant manager regarding necessary actions, if any. Information on the Code of Conduct and channels to report incidents are part of corporate compliance training that must be completed by all employees on a regular basis. Furthermore, reminders on the availability of the reporting channels are regularly disseminated via printed posters and the Group's intranet and more information is accessible through the internal company policy portal.

Trust in the channels that allow concerns to be raised is established by thoroughly reviewing all reported incidents to clarify facts and identify systemic issues or patterns. Hilti ensures that the rights of both the reporting party and the involved individuals are protected, adhering to a strict non-retaliation policy. Given the number of incidents reported over recent

years, it is evident that team members are both aware of and confident in utilizing the established reporting channels.

Own workforce metrics

Characteristics of the Group's employees

! Accounting policies

Headcount data, information on employee gender and information on employment by contract type is obtained from the Group's workforce system. All employees must provide information on their gender and can select the male, female or non-binary attribute when providing it. The gender information reported in subsequent tables reflects non-binary in the line item "Other," as required by the ESRS. When presenting information on employment by contract type, the different categories are defined in line with the national laws of the countries of employment. This country-level data is then added up to calculate the total number at Group level. All information presented is based on data captured at the end of the reporting period. The applied methodology provides information for that point in time without capturing fluctuations during the reporting period.

The turnover rate is calculated by dividing the number of employees who left the Group voluntarily or left the Group due to dismissal, retirement or death in service within the reporting period by the average headcount number during the reporting period (excl. leavers from disinvestments in Group subsidiaries).

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At the end of the 2024 reporting period, the total number of employees amounts to 34,353 (2023: 34,111). The following table presents the breakdown of employees by gender.

Gender

	Number of employees (headcount)
Male	24,654
Female	9,690
Other ¹	9
Total employees	34,353

¹ Gender as specified by the employees themselves.

The following table presents the breakdown of employees by countries where the Group has at least 50 employees, and where this number represents at least 10% of the Group's total number of employees.

Country

	Number of employees (headcount)
Germany	5,744
USA	3,872

More information on the headcount of employees and personnel expenses can be found in note 3.1, Personnel expenses, in the Group's financial statements.

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The following table presents information on employees by contract type, broken down by gender:

	2024				Total
	Female	Male	Other ¹		
Employees	9,690	24,654	9		34,353
Permanent employees	8,977	23,114	8		32,099
Temporary employees	641	1,408	1		2,050
Non-guaranteed hours employees	72	132	0		204

¹ Gender as specified by the employees themselves.

In 2024, 5,254 employees left and 6,056 employees joined the Group. The rate of employee turnover amounts to 15.3%.

Characteristics of non-employees in the Group's workforce

Accounting policies

Headcount data is obtained from the Group's workforce system. All information presented is based on data captured at the end of the reporting period. The applied methodology provides information for that point in time without capturing fluctuations during the reporting period.

At the end of the 2024 reporting period, the total number of non-employees in the Group's own workforce amounted to 1,533 (in 2023: 1,566).

Adequate wages

Accounting policies

The annual base pay of Hilti employees is extracted from the Group's workforce system for all Group entities. This data is compared to national minimum wages where available, and an external benchmark where national minimum wages were not available.

The Group pays all employees at or above the minimum wage or benchmark wage, respectively.

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Health and safety metrics

Accounting policies

Data on work-related accidents is collected in Hilti's safety incidents reporting tool and aggregated at Group level. This includes work-related accidents involving both Hilti employees and non-employees. Hilti discloses a combined KPI for the number and rate of recordable work-related accidents, the Lost Time Incident Rate (LTIR). The rate of work-related accidents is calculated by dividing the respective number of cases by the number of total hours worked by people in Hilti's own workforce and multiplied by one million working hours. To calculate the number of cases, all work-related accidents resulting in one or more days of absence from work are considered. Total hours worked are calculated based on an estimate considering contractually agreed working hours, including entitlements of periods of paid absence from work. Fatalities, as a result of work-related injury, are considered in the calculation of this rate.

To calculate the number of days lost due to work-related injuries and fatalities from work-related accidents, both the first full day and the last day of an absence for Hilti's employees and non-employees are counted, including all calendar days such as weekends.

In 2024, 100% of people in the Group's own workforce were covered by the Group's health and safety management system. 0 fatalities were recorded in Hilti's own workforce and 0 fatalities for other people working on the Group's sites due to work-related injuries. 209 work-related recordable accidents were recorded in 2024, leading to a rate of work-related accidents of  3.36. With regard to work-related injuries and fatalities from work-related accidents, the number of lost days amounts to 3,015.

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Information on the interests and views of stakeholders is disclosed in the Sustainability strategy section in the General Information chapter.

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 Assured by PwC 2024 (limited assurance)

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Workers in the Value Chain

Empowering Sustainable Sourcing

Training programs to equip and enable the supply community

Comprehensive Due Diligence

IT-supported supplier screening for comprehensive oversight

“SpeakUp” for Business Partners

Whistleblower hotline available for suppliers

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WORKERS IN THE VALUE CHAIN

Hilti is vigilant to ensure its supply chain is free of child labor and forced labor, with the Code of Conduct and Code of Conduct for Suppliers and Third-Party

Intermediaries serving as the key documents to ensure that the human rights of value chain workers are respected. Violations of the Code of Conducts are

strictly prohibited and are sanctioned according to the severity and context of the violation, to the extent possible under local laws.

Material Impacts, Risks and Opportunities (IROs)

	Description	Lever to mitigate / improve
Human rights in the value chain (Accountability: Executive Board)		
Risk	There is a reputational risk in case of any child labor or forced labor allegations or misconduct in Hilti's major supply chains.	The Group is vigilant to ensure its supply chain is free of child labor and forced labor. Hilti has implemented mitigation measures that include employee education, increased transparency, automation of due diligence for supplier assessments and external collaborations.

Material risks and their interaction with Hilti's strategy and business model

Hilti's global supplier network significantly contributes to the Group's added value, quality and innovative strength, and to its overall sustainability performance along the value chain. Hilti's relationships with suppliers not only grant them significant influence over the company's sustainability goals, but also aim to assist them in becoming more sustainable. Hilti works with approximately 820 core direct suppliers, which are registered on the supplier platform, to procure materials used in the Group's products or as components of semi-finished and finished goods.

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Hilti sources a significant proportion of its direct purchase volume locally in the regions where products will eventually be sold. Hilti acknowledges that some materials processes in its products may originate from minerals sourced from conflict-affected and high-risk areas (CAHRAs). At present, there are no equivalent substitutes for these minerals, whose extraction may help finance armed conflicts or lead to political instability, insecurity, widespread violence and prevalent human rights violations in these areas.

Policies related to human rights in the value chain

Hilti's **Code of Conduct** serves as a key document to ensure that the human rights of value chain workers are respected, stating that Hilti works against forced, trafficked and child labor. Hilti's suppliers and business partners are required to adhere to business principles consistent with the principles applicable to the Group's own operations. Violations of the Code of Conduct are strictly prohibited and are sanctioned according to the severity and context of the violation, to the extent possible under local laws. In some areas, a zero-tolerance approach is enforced.

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The Group is committed to the ten principles of the **UN Global Compact** and to respecting human rights as set out in the **Universal Declaration of Human Rights** and the **Declaration of the International Labor Organization (ILO)** on fundamental principles and rights at work. This commitment is further demonstrated through the **Human Rights Policy for Supply Chain Due Diligence on Human Rights and the Environment**, which details the human rights section of the Code of Conduct. Besides Hilti's top-down and bottom-up risk assessment procedures, a due diligence framework is established to prevent or remedy any human rights violations in the context of Hilti's supply chain. Grievance procedures and reporting, as well as training and capacity building, are also set out in this policy. The resulting requirements, expectations and escalation mechanisms are set out in the **Code of Conduct for Suppliers and Third-Party Intermediaries** and defined in the relevant business processes.

Before entering into a business relationship with Hilti, both direct and indirect suppliers must contractually agree to adhere to the Group's principles against bribery, corruption and human rights violations. They must also commit to humane working conditions, minimum wages, environmental protection and the proper handling of hazardous substances as outlined in the Code of Conduct for Suppliers. Specifically, Hilti's suppliers pledge to eschew slave labor, servitude, forced or compulsory labor and human trafficking, to pay at least valid minimum wages and refrain from using child labor. New and existing suppliers, based

on a risk assessment, undergo a third-party code of conduct assessment before or during their business relationship with Hilti. These regular assessments are conducted to evaluate compliance with the Group's Code of Conduct for Suppliers and local legislation.

To uphold the supplier standards, the Code of Conduct for Suppliers stipulates a risk-based approach, and Hilti has established **Sustainable Sourcing Policies** for both direct and indirect material sourcing. The sustainable sourcing policies mandate comprehensive due diligence, for example in the form of background checks and screening of third parties.

The Group provides **whistleblowing** and **grievance mechanisms** through its "SpeakUp for Business Partners" hotline, allowing suppliers to report any violations of the Code of Conduct and associated policies.

Actions related to human rights in the value chain

A comprehensive action plan is in place, in line with the Group's enterprise-wide risk management.

Employees working in sourcing-related functions are responsible for complying with relevant policies, instructions and guidelines. To ensure correct application, training on sustainable sourcing is provided to the internal supply community. In addition, mandatory e-training is in place for compliance topics related to procurement.

Hilti carries out comprehensive due diligence through background checks and screening of third parties. The Group screens its direct suppliers using three different IT-supported mechanisms. These screenings include topics such as ethical behavior, health and safety management and compliance with human rights. The related supplier self-assessment is a mandatory condition for initiating or maintaining a business relationship with Hilti, as outlined in the Group's Sustainable Sourcing Policy. Hilti excludes suppliers with human rights violations, evaluating and addressing incoming alerts daily. The Group maintains a stringent policy for business partner onboarding.

Hilti collaborates with an external partner to assess compliance with domestic regulations and high standards for employee treatment. In addition, the Group reserves the right to monitor existing and new business partners for compliance with the Code of Conduct for Suppliers on a regular or ad hoc basis if necessary. If there is a suspicion or indication of a violation of the Code of Conduct for Suppliers, such as non-compliance with local regulations, human rights abuses or the use of child labor, Hilti initiates follow-up actions, either internally or through the external partner, for on-site verification. In the event of serious or repeated infringements, the Group terminates the business relationship.

Hilti has established an internal IT-supported dashboard to monitor the transparency created within its direct supplier network, focusing on the suppliers and their sustainability performance. In preparation for

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the EU Supply Chain Directive, Hilti closely monitors global supply chain regulations such as the German Due Diligence in the Supply Chain Act and the Norwegian Supply Chain Transparency Act. Moreover, Hilti publishes statements of compliance with modern slavery and supply chain due diligence reporting requirements in Hong Kong, Australia, the United Kingdom, Norway, Canada and California, as well as other jurisdictions, if legally required. These statements include information based on local requirements.

No significant operational expenditures and/or capital expenditures are required for the implementation of the previously described actions.

Targets related to human rights in the value chain

Hilti is vigilant to ensure its supply chain is free of any form of child labor and forced labor. By executing a comprehensive action plan, as detailed in the previous section, the Group aims to minimize instances of human rights violations among people working within the supply chain.

Channels for value chain workers to raise concerns

Hilti’s approach to addressing the concerns and grievances of workers in the value chain is based on enabling the workers to report incidents of non-compliance with the Code of Conduct, the Code of Conduct for Suppliers and associated policies. This is done through the Group’s anonymous “SpeakUp for Business Partners” whistleblowing hotline, publicly available on all Hilti websites and referenced in documents relevant for suppliers, or directly through supply managers. Each incident reported undergoes an initial review, conducted or supervised by the compliance office. Upon completion of this review, the compliance office provides recommendations and/or advice regarding any necessary actions.

Hilti has a non-retaliation policy in place to ensure that the rights of both the whistleblower and the involved party are not compromised. People who, in good faith, report known or presumed violations will be protected

from retaliation. Any kind of reprisal against people who report violations in accordance with these principles is a clear, severe breach of the Code of Conduct and will be handled accordingly.

Outside the channels to raise concerns, Hilti has not adopted a general process to engage with workers in the value chain. The Group does, however, encourage all business partners, including their representatives and employees, to inform it about any suspected violations of the Code of Conducts via the “SpeakUp for Business Partners” hotline.

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Information on the interests and views of stakeholders is disclosed in the Sustainability strategy section in the General Information chapter.

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Compliance Training

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BUSINESS CONDUCT

Hilti’s approach to business conduct is driven by integrity, a core value of its caring and performance-oriented corporate culture. Hilti not only aims to meet existing legal requirements, but also wants to make a statement regarding responsible corporate governance.

The Group has set this ambitious goal, recognizing that corporate attitudes and behavior cannot be changed in the short term. This involves constantly improving the internal organization, regularly questioning existing systems and making necessary changes.

Corporate culture

The foundation of Hilti’s business strategy and success is a people-oriented environment. The shared values of commitment, courage, teamwork and **integrity** form

Material Impacts, Risks and Opportunities (IROs)

	Description	Lever to mitigate / improve
Corporate culture and values (Accountability: Executive Board)		
Positive impact (actual)	In the long term, Hilti has a positive impact on employee well-being and how they identify with the company through a caring and performance-oriented corporate culture characterized by commitment, courage, teamwork and integrity, and a well-functioning whistleblower system. This impact is relevant for the Group’s own operations.	Not applicable.
Opportunity	In the medium term, Hilti can increase work performance, have a positive impact on employee tenure and decrease turnover by further motivating employees to work for a company they trust.	Not applicable.
Anti-corruption and anti-bribery (Accountability: Group General Counsel)		
Risk	There is a risk of legal proceedings, resulting in fines, due to insufficient anti-corruption measures or incidents of corruption associated with the Group, which could also lead to reputational harm.	Hilti has implemented a Compliance Management System in accordance with ISO 37301 and ISO 37001 that includes prevention, detection, response and mitigation processes. Hilti’s Prohibited Practices Policy outlines the company’s anti-corruption and anti-bribery rules. The company also conducts dedicated risk assessments for corruption risks, regular communication at all levels, a benefit approval process, comprehensive compliance training, and provides an anonymous whistleblowing hotline for both internal and external stakeholders.
Supplier sustainability (Accountability: Executive Board)		
Positive impact (actual)	In the medium term, Hilti has a positive impact on supplier sustainability by promoting sustainable practices through rigorous criteria in the selection of suppliers and closely managing corresponding relationships. This impact is relevant for the Group’s upstream value chain.	Not applicable.

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the basis for the **caring and performance-oriented culture** which, in turn, paves the way for the success of the worldwide team. By strictly upholding these values, Hilti's management acts as ambassadors of the company culture. When new team members join Hilti, they receive comprehensive training that introduces them to the company's corporate culture. This training covers the Group's values, business model, and products and services in detail and fosters a community where people work with, rather than for, one another. The corporate culture is further enhanced in regular team camps. Hilti's team camps serve as forums to enable the teams to work on culture-related topics as they see priorities in their areas. The implementation then takes place in the daily work in the company. The corporate culture is strengthened by regular communications, published on Hilti's intranet, on important developments, as well as interviews and podcasts on relevant issues.

Hilti evaluates its corporate culture via the "Great Place to Work®" assessment and the "Global Employee Opinion Survey."

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Anti-corruption and anti-bribery

Anti-corruption and anti-bribery policies

Anti-corruption and anti-bribery are covered in the Group's **Code of Conduct**, which applies to the Group's entire own workforce and to its suppliers and builds the legal and ethical framework of the Group.

It is supplemented by the **Prohibited Practices Policy** covering the company's anti-corruption and anti-bribery rules.

Functions at risk refer to specific business operations or departments within Hilti that are particularly prone to attempts of corruption, bribery or unethical practices due to their roles, responsibilities and interactions with external stakeholders. In Hilti's view these functions are typically involved in high-value transactions, regulatory compliance or direct engagement with suppliers, customers or government officials.

Based on that, Hilti's functions at risk are: Procurement and supply chain management, sales and marketing, logistics and distribution and colleagues in the local and global roles for product licensing and standard developments. Senior management roles are critical gatekeepers independent from their function and hence, also fall into the above definition.

Anti-corruption and anti-bribery actions

The Group has established a Group-wide Compliance Management System, aligned with the requirements of the ISO 37301, ISO 37001 and the IDW PS 980 audit standard that is overseen by the Chief Compliance Officer. The CMS applies to all Group companies and encompasses policies, guidelines, regulations, processes, organizational structures, roles and responsibilities, as well as protocols for implementing compliance measures. Preventing, detecting and responding to corruption and bribery is one element of the CMS.

Actions to prevent corruption and bribery

To prevent corruption and bribery, the Group maintains, amongst other measures, a dedicated risk assessment for corruption risks, comprehensive compliance training programs, frequent communication on all levels and an automated benefit approval process:

- **Comprehensive compliance training:** Comprehensive and target group-oriented compliance trainings ensure team members are informed about relevant compliance requirements. Besides an online component, on-site trainings and case studies are an essential part of the compliance training strategy. These courses provide a general introduction to compliance issues related to anti-corruption and anti-bribery, including whistleblowing, as well as business ethics topics and more in-depth handling of individual aspects. All new general managers at the Group's local organizations receive training on compliance issues in their area of responsibility as part of their onboarding program.

The adoption rate of the training program is tracked by the compliance department. In 2024, compliance training programs covered 100% of all at-risk functions within the Group.

- **Frequent communication:** The compliance department communicates monthly on specific topics through internal platforms, with concise, easy-to-remember content to increase awareness of current and relevant compliance topics. These communications are also used to remind employees to participate in the mandatory or optional e-learning courses.

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- **Benefit approval process:** To prevent incidents of corruption and bribery, Hilti has implemented a set of automated controls in the expense systems and a benefit approval process in the compliance service web portal.

Actions to detect and respond to corruption and bribery

To detect and respond to corruption and bribery, the Group maintains, amongst others, expense and other data monitoring, a whistleblowing hotline and systematic investigation processes:

- **Whistleblowing hotline:** To detect incidents of corruption and bribery, all employees are encouraged to report prohibited practices in Hilti’s activities, in line with the “SpeakUp” guidelines. “SpeakUp” is Hilti’s whistleblowing reporting channel, operated by a third party and completely anonymous. Each incident reported through this hotline, or directly to the compliance office, undergoes an initial review conducted or supervised by the compliance office. Upon completion of this initial review, the compliance office forwards the case to the responsible compliance officer for further investigation or starts a full investigation. If the case does not require further assessment or is not within the scope of Compliance Department investigations, it provides recommendations and/or advice to the relevant management function regarding necessary actions, if any. The “SpeakUp for Business Partners” hotline is also publicly accessible for Hilti’s business partners. The Group ensures that the rights of both the reporting party and the involved individuals are protected, adhering to a strict non-retaliation policy.

In addition, software tools are in place to comprehensively evaluate and proactively manage supply chain risk data in the corruption and bribery area, from both the top-down and the bottom-up perspective. In-person audits are also conducted by a third-party service provider as part of the supplier monitoring procedures.

➤ Own Workforce: p. 39; Workers in the Value Chain: p. 44-45

The Group’s compliance department is headed by the Chief Compliance Officer, who has overall responsibility for the compliance management system and reports to the Group General Counsel, who reports to the CEO. In addition, the Chief Compliance Officer is in direct contact with the Board of Directors’ Audit Committee. According to the CMS, any investigations are independent from the chain of management involved in the matter. A comprehensive dashboard, featuring metrics such as the overall risk score, training coverage, behavior-influencing initiatives and incident reporting, is used for regular reporting to senior management, the Audit Committee and the Board of Directors.

The Company Policy Portal, a user-friendly platform designed to serve as the central repository for all Group policies, guidelines and standards, is accessible to all employees. One key feature is automated content filtering based on user profiles and geographical locations, ensuring that team members are presented with the most pertinent information up-front. Furthermore, permanent links are implemented to guarantee that users always have access to the latest versions of the documents.

Incidents of corruption or bribery

Accounting policies

Incidents of corruption or bribery encompass instances where a Hilti legal entity has been convicted of anti-bribery or corruption violations by a court of law, as well as any fines imposed in connection with enforcement actions brought against the company for such violations.

In 2024, the number of convictions related to corruption or bribery amounted to 0. Fines for violation of anti-corruption and anti-bribery laws amounted to CHF 0 million. To address breaches in procedures and standards of anti-corruption and anti-bribery processes, no disciplinary actions were required.

Management of relationships with suppliers

It is important for the Group to build partnerships on equal terms with its global network of suppliers and engage in regular personal discussions. Cooperations are based on the highest ethical standards, which are set out in the Code of Conduct for Suppliers.

➤ Workers in the Value Chain: p. 42

In its direct procurement practice, Hilti follows a five-step strategy to gradually raise its own activities and the activities of suppliers to a higher sustainability level:

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- In the first step, Hilti focuses on creating a high degree of transparency concerning the business partners. The goal is to track and manage all product-related compliance certificates and declarations transparently. As a result, all company-related environmental certificates, the signed Code of Conduct for Suppliers, the results of supplier audits, and external ratings and validated supplier data are stored and accessible on a single platform.
- The second step considers the sustainability assessments and the related key figures of suppliers in procurement processes. Internal and external sustainability assessments are part of a bonus-malus system, which gives advantages to suppliers in the awarding process if they have proven to be more sustainable. The assessments deploy a structured and uniform manner to compare suppliers more transparently and comprehensively.
- In the third step, after evaluating the supplier portfolio, Hilti focuses on sustainability initiatives for individual material groups.
- In the fourth step, Hilti systematically expands its sustainable sourcing practices to include sub-suppliers, including the monitoring of their respective performance in sustainability scores and awarding practices.
- The fifth step applies model-driven sustainability engineering practices to influence product design and the development process, further promoting the integration of sustainable sourcing and the circular economy. Global implementation of these practices in Hilti's development processes continues and is driven by dedicated resources.

 [Resource Use and Circular Economy: p. 26](#)

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Basis for preparation

Basis of accounting

These consolidated sustainability statements have been prepared with reference to the European sustainability reporting standards as adopted by the European Commission. For the Group, preparation of the sustainability statements in accordance with the ESRS is required by Liechtenstein's Law on Persons and Companies, the "Personen- und Gesellschaftsrecht," starting with the 2025 financial year.

The Group's accounting policies, including information on (critical) accounting estimates and judgements, are set out in the notes to the disclosed metrics in each chapter. The assurance provider is the sole instance that validates metrics, unless it is explicitly mentioned otherwise in the respective note.

Critical accounting estimates and judgements

The preparation of the sustainability statements requires management to use certain estimates and judgment in the process of applying the Group's sustainability policies. The Group also makes estimates and assumptions concerning the future. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including

expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from these assumptions and estimates. Significant estimates (with the related uncertainties) were primarily made in the following area:

- Assumptions underlying the greenhouse gas emission calculation.

Scope of consolidation

The scope of these consolidated sustainability statements is based on the Group's consolidated financial statements, extended by entities, assets and sites under operational control for calculating greenhouse gas emissions. Where relevant, Group companies will apply their exemption option and do not report under the European Union's Corporate Sustainability Reporting Directive (CSRD) or, respectively, the corresponding national transposition of the CSRD in member states at an individual level.

Scope of value chain information

In addition to the Group's own operations, this sustainability statement includes information on the value chain illustrated in the General Information chapter.

➤ General Information: p. 5

Changes in reporting standards, accounting policies and estimates

For the reporting period 2024, the Group adopted the ESRS and no longer applies the Global Reporting Initiative (GRI) standards. Consequently, the materiality analysis was updated in accordance with the ESRS requirements in 2024 and approved by both the Board of Directors and the Executive Board.

Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements

The Group does not include in its sustainability statements information stemming from other legislation in addition to the information prescribed by ESRS.

Omission of information

The Group has not used the option to omit a specific piece of information corresponding to intellectual property, know-how or the results of innovation.

Reporting error in prior periods

In the event that Hilti discovers material errors in or materially changes its accounting policies for previously reported numbers, Hilti restates these. Hilti clearly indicates what the restatement is in the relevant table(s) with the metrics.

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Risk management and internal controls over sustainability reporting

Within the Board of Directors, Hilti's Audit Committee is responsible for financial and sustainability reporting. Management responsibility for sustainability reporting lies with the Chief Financial Officer, Head of Finance and Head of Corporate Sustainability. The Group Accounting and Corporate Sustainability departments jointly draft the sustainability statement, based on qualitative and quantitative information received from topical experts located in a variety of departments. Before being published, the sustainability statement is reviewed by the topic accountable and the Legal department. Following their approval, the statement is then reviewed and released by the management members responsible, the Audit Committee and the Board of Directors. The report and the quantitative data contained within may also be subject to internal audit. Findings with respect to the Group's sustainability statements will be reported to, and discussed in, the Audit Committee on a yearly basis.

Hilti regularly assesses risks and controls over its sustainability reporting process. Hilti's sustainability data is collected within a regular reporting cycle from Group entities or, wherever possible, directly retrieved from IT systems at the Group level by topical experts. Hilti is exposed to risks associated with incomplete or inconsistent reporting on sustainability topics, including

risks associated with greenwashing. There are also risks related to the accuracy of data input and manual errors in the reporting process from aggregating data from multiple systems. Hilti has implemented controls based on their assessment of risks in the sustainability statements, including validation/review controls for quantitative data in the sustainability statements by group functions.

Release of sustainability statements

This sustainability statement was released for issue by the Board of Directors on March 12, 2025.

Statement on due diligence

The reflection of core elements of due diligence in disclosure requirements set out in ESRS 2 and in the topical ESRS is illustrated in the following table. For further details, refer to the respective paragraphs in the sustainability statement, as presented in the table: List of disclosure requirements complied with.

Core elements of due diligence	Disclosure requirement
a) Embedding due diligence in governance, strategy and business model	Cross-topic: ESRS 2 GOV-2, ESRS 2 GOV-3, ESRS 2 SBM-3
b) Engaging with affected stakeholders in all key steps of the due diligence	Cross-topic: ESRS 2 SBM-2, ESRS 2 IRO-1 Topical standard(s): ESRS S1-2; ESRS S2-2
c) Identifying and assessing adverse impacts	Cross-topic: ESRS 2 IRO-1 Topical standard(s): ESRS E1 IRO-1; ESRS E5-1; ESRS S1-3; ESRS S2-3
d) Taking actions to address those adverse impacts	Topical standard(s): ESRS E1-3; ESRS E5-2; ESRS S1-4
e) Tracking the effectiveness of these efforts and communicating	Topical standard(s): ESRS E1-4 and E1-6; ESRS E5-3, E5-4 and E5-5; ESRS S1-4 and S1-5

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List of guiding documents

The following table lists all relevant guiding documents (policies, guidelines, frameworks, etc.) referenced in the sustainability statements, including details on who published the documents and to whom they are applicable.

All guiding documents are available to Group employees through Hilti's policy portal or the Group's intranet. The Code of Conduct, Code of Conduct for Suppliers and Third-Party Intermediaries and Sustainable Sourcing Policy for Direct Procurement are available on the Hilti Group website.

-  [Code of Conduct](#)
-  [Code of Conduct for Suppliers and Third-Party Intermediaries](#)
-  [Sustainable Sourcing Policy for Direct Procurement](#)
-  [Hilti Group](#)

Document	Published by	Approved by	Applicable to
Circularity Process Guidelines	Global Process Manager Circularity	Global Process Owner Circularity	Hilti Corporation and all its subsidiaries
Code of Conduct	Chief Compliance Officer	Executive Board	
Code of Conduct for Suppliers and Third-Party Intermediaries	Chief Compliance Officer	Executive Board	
Engaged Beyond Business Guidelines	Head of Corporate Sustainability	Head of Corporate Sustainability	
Environmental Policy	Chief Compliance Officer	Executive Board	
Global Rewards Framework	Head of Global Human Resources	Head of Global Human Resources	
Global Rewards Principles	Head of Global Human Resources	Executive Board	
Health and Safety Policy	Chief Compliance Officer	Executive Board	
Human Rights Policy for Supply Chain Due Diligence on Human Rights and the Environment	Chief Compliance Officer	Executive Board	
Prohibited Practices Policy	Chief Compliance Officer	Executive Board	
Sustainable Sourcing Policy for Direct Procurement	Head of Sourcing Excellence	Executive Board	
Sustainable Sourcing Policy for Indirect Procurement	Head of Procurement Indirect Materials	Executive Board	
Whistleblowing Guidelines "SpeakUp"	Chief Compliance Officer	Chief Compliance Officer	

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List of disclosure requirements complied with

The following tables list all the disclosure requirements addressed when preparing these sustainability statements, based on the outcome of the materiality assessment. The tables can be used to find information relating to specific disclosure requirements.

General Disclosures

Disclosure Requirement		Page
BP-1	General basis for preparation of sustainability statements	p. 51
BP-2	Disclosures in relation to specific circumstances	p. 51
GOV-1	The role of the administrative, management and supervisory bodies	p. 10-12
GOV-2	Information provided to and sustainability matters addressed by Hilti's administrative, management and supervisory bodies	p. 12
GOV-3	Integration of sustainability-related performance in incentive schemes	p. 12
GOV-4	Statement on due diligence	p. 52
GOV-5	Risk management and internal controls over sustainability reporting	p. 51
SBM-1	Strategy, business model and value chain	p. 4-8
SBM-2	Interests and views of stakeholders	p. 7-8, 10
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	p. 7-8, 14-15, 28, 34-35, 43, 47
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	p. 7-9
IRO-2	Disclosure requirements in ESRS covered by Hilti's sustainability statement	p. 53-56

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Climate Change

Disclosure Requirement		Page
ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	p. 12
E1-1	Transition plan for climate change mitigation	p. 14-16
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	p. 14-15
ESRS 2 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	p. 17
E1-2	Policies related to climate change mitigation and adaptation	p. 17, 53
E1-3	Actions and resources in relation to climate change policies	p. 18-19
E1-4	Targets related to climate change mitigation and adaptation	p. 18-19
E1-5	Energy consumption and mix	p. 20-21
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	p. 21-24
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	p. 25
E1-8	Internal carbon pricing	p. 25
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Not stated

Resource Use and Circular Economy

Disclosure Requirement		Page
ESRS 2 IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	p. 28-29
E5-1	Policies related to resource use and circular economy	p. 29, 53
E5-2	Actions and resources related to resource use and circular economy	p. 29-31
E5-3	Targets related to resource use and circular economy	p. 31
E5-4	Resource inflows	p. 31-32
E5-5	Resource outflows	p. 32
E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	Not stated

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Disclosure Requirement		Page
ESRS 2 SBM-2	Interests and views of stakeholders	p. 7-8, 10
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	p. 34-35
ESRS S1-1	Policies related to own workforce	p. 35, 37-38, 53
ESRS S1-2	Processes for engaging with own workforce and workers' representatives about impacts	p. 39
ESRS S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	p. 39
ESRS S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	p. 35, 37-38
ESRS S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p. 36-38
ESRS S1-6	Characteristics of Hilti's employees	p. 39-40
ESRS S1-7	Characteristics of non-employees in Hilti's own workforce	p. 40
ESRS S1-10	Adequate wages	p. 40
ESRS S1-14	Health and safety metrics	p. 41
ESRS S1-17	Incidents, complaints and severe human rights impacts	Not stated

Workers in the Value Chain

Disclosure Requirement		Page
ESRS 2 SBM-2	Interests and views of stakeholders	p. 7-8, 10
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	p. 43
S2-1	Policies related to value chain workers	p. 43-44, 53
S2-2	Processes for engaging with value chain workers about impacts	p. 45
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	p. 45
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	p. 44-45
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p. 45

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Disclosure Requirement		Page
ESRS 2 GOV-1	The role of the administrative, supervisory and management bodies	p. 10-12
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	p. 7-9
G1-1	Business conduct policies and corporate culture	p. 47-48
G1-2	Management of relationships with suppliers	p. 49-50
G1-3	Prevention and detection of corruption and bribery	p. 48-49
G1-4	Incidents of corruption or bribery	p. 49

Table of datapoints that derive from other EU legislation

The following table includes all datapoints that derive from other EU legislation as listed in ESRS 2 Appendix B, indicating where they can be found in the sustainability statement and which data points are assessed as not material, not stated, or not relevant.

Disclosure Requirement	Datapoint		Page
ESRS 2 GOV-1	21 (d)	Board's gender diversity paragraph	p. 12
ESRS 2 GOV-1	21 (e)	Percentage of board members who are independent paragraph	p. 12
ESRS 2 GOV-4	30	Statement on due diligence	p. 52
ESRS 2 SBM-1	40 (d) i	Involvement in activities related to fossil fuel activities	Not relevant
ESRS 2 SBM-1	40 (d) ii	Involvement in activities related to chemical production	Not relevant
ESRS 2 SBM-1	40 (d) iii	Involvement in activities related to controversial weapons	Not relevant
ESRS 2 SBM-1	40 (d) iv	Involvement in activities related to cultivation and production of tobacco	Not relevant

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Disclosure Requirement	Datapoint		Page
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050	p. 14-16
ESRS E1-1	16 (g)	Undertakings excluded from Paris-aligned Benchmarks	p. 16
ESRS E1-4	34	GHG emission reduction targets	p. 18-19
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	p. 20
ESRS E1-5	37	Energy consumption and mix	p. 20
ESRS E1-5	40 to 43	Energy intensity associated with activities in high climate impact sectors	p. 21
ESRS E1-6	44	Gross Scope 1, 2, 3 and Total GHG emissions	p. 23
ESRS E1-6	53 to 55	Gross GHG emissions intensity	p. 24
ESRS E1-7	56	GHG removals and carbon credits	p. 25
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks	Not stated
ESRS E1-9	66 (a) (c)	Disaggregation of monetary amounts by acute and chronic physical risk Location of significant assets at material physical risk	Not stated
ESRS E1-9	67 (c)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes	Not stated
ESRS E1-9	69	Degree of exposure of the portfolio to climate-related opportunities	Not stated
ESRS E2-4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	Not material
ESRS E3-1	9	Water and marine resources	Not material
ESRS E3-1	13	Dedicated policy	Not material
ESRS E3-1	14	Sustainable oceans and seas	Not material
ESRS E3-4	28 (c)	Total water recycled and reused	Not material
ESRS E3-4	29	Total water consumption in m ³ per net revenue in own operations	Not material
ESRS 2 - SBM 3 - E4	16 (a)		Not material
ESRS 2 - SBM 3 - E4	16 (b)		Not material
ESRS 2 - SBM 3 - E4	16 (c)		Not material
ESRS E4-2	24 (b)	Sustainable land/agriculture practices or policies	Not material
ESRS E4-2	24 (c)	Sustainable oceans/seas practices or policies	Not material
ESRS E4-2	24 (d)	Policies to address deforestation	Not material
ESRS E5-5	37 (d)	Non-recycled waste	Not material
ESRS E5-5	39	Hazardous waste and radioactive waste	Not material
ESRS 2 - SBM3 - S1	14 (f)	Risk of incidents of forced labour	Not material
ESRS 2 - SBM3 - S1	14 (g)	Risk of incidents of child labour	Not material
ESRS S1-1	20	Human rights policy commitments	p. 37-38

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Disclosure Requirement	Datapoint		Page
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8	p. 37-38
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings	p. 37-38
ESRS S1-1	23	Workplace accident prevention policy or management system	p. 37
ESRS S1-3	32 (c)	Grievance/complaints handling mechanisms	p. 38
ESRS S1-14	88 (b) (c)	Number of fatalities and number and rate of work-related accidents	p. 41
ESRS S1-14	88 (e)	Number of days lost to injuries, accidents, fatalities or illness	Partially stated (p. 41)
ESRS S1-16	97 (a)	Unadjusted gender pay gap	Not material
ESRS S1-16	97 (b)	Excessive CEO pay ratio	Not material
ESRS S1-17	103 (a)	Incidents of discrimination	Not stated
ESRS S1-17	104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD Guidelines	Not stated
ESRS 2 - SBM3 - S2	11 (b)	Significant risk of child labor or forced labor in the value chain	p. 43
ESRS S2-1	17	Human rights policy commitments	p. 44
ESRS S2-1	18	Policies related to value chain workers	p. 43-44
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	Not stated
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8	Not stated
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	Not stated
ESRS S3-1	16	Human rights policy commitments	Not material
ESRS S3-1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines	Not material
ESRS S3-4	36	Human rights issues and incidents	Not material
ESRS S4-1	16	Policies related to consumers and end-users	Not material
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	Not material
ESRS S4-4	35	Human rights issues and incidents	Not material
ESRS G1-1	10 (b)	United Nations Convention against Corruption	Not relevant
ESRS G1-1	10 (d)	Protection of whistle-blowers	Not relevant
ESRS G1-4	24 (a)	Fines for violation of anti-corruption and anti-bribery laws	p. 49
ESRS G1-4	24 (b)	Standards of anti-corruption and anti-bribery	p. 49

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Hilti Group has reported the information cited in this GRI content index for the period between January 1, 2024 and December 31, 2024 with reference to the GRI Standards.

GRI Standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-1 Organizational details	Financial Report 2024: Chapter "Group at a Glance"
	2-2 Entities included in the organization's sustainability reporting	ESRS 2 BP-1
	2-3 Reporting period, frequency and contact point	ESRS 1
	2-4 Restatements of information	ESRS 2 BP-2
	2-5 External assurance	p. 63
	2-6 Activities, value chain and other business relationships	ESRS 2 SBM-1
	2-7 Employees	ESRS 2 SBM-1; ESRS S1-6
	2-8 Workers who are not employees	ESRS S1-7
	2-9 Governance structure and composition	ESRS 2 GOV-1; ESRS G1
	2-10 Nomination and selection of the highest governance body	Financial Report 2024: Chapter "Corporate Governance"; Company Report 2024: "Board of Directors" and "Executive Board"
	2-11 Chair of the highest governance body	Financial Report 2024: Chapter "Corporate Governance"; Company Report 2024: "Board of Directors" and "Executive Board"
	2-12 Role of the highest governance body in overseeing the management of impacts	ESRS 2 GOV-1; ESRS G1
	2-13 Delegation of responsibility for managing impacts	ESRS 2 GOV-1 and GOV-2; ESRS G1-3
	2-14 Role of the highest governance body in sustainability reporting	ESRS 2 GOV-1
	2-16 Communication of critical concerns	ESRS 2 GOV-2; ESRS G1-1
	2-17 Collective knowledge of the highest governance body	ESRS 2 GOV-1
	2-18 Evaluation of the performance of the highest governance body	Financial Report 2024: Chapter "Corporate Governance" and Note "Related Parties"
	2-19 Remuneration policies	ESRS 2 GOV-3; ESRS E1
	2-20 Process to determine remuneration	ESRS 2 GOV-3
	2-22 Statement on sustainable development strategy	ESRS 2 SBM-1

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GRI 2: General Disclosures 2021	2-23 Policy commitments	ESRS 2 GOV-4 and MDR-P; ESRS S1-1; ESRS S2-1; ESRS G1-1
	2-24 Embedding policy commitments	ESRS 2 GOV-2 and MDR-P; ESRS S1-4; ESRS S2-4; ESRS G1-1
	2-25 Processes to remediate negative impacts	ESRS S1-1; ESRS S2-1
	2-26 Mechanisms for seeking advice and raising concerns	ESRS S1-3; ESRS S2-3; ESRS G1-1
	2-27 Compliance with laws and regulations	ESRS 2 SMB-3; ESRS S1-17; ESRS G1-4
GRI 3: Material Topics 2021	2-29 Approach to stakeholder engagement	ESRS 2 SBM-2; ESRS S1-1
	3-1 Process to determine material topics	ESRS 2 BP-1 and IRO-1
	3-2 List of material topics	ESRS 2 SBM-3 and BP-2
GRI 205: Anti-corruption 2016	3-3 Management of material topics	ESRS 2; ESRS E1; ESRS E5; ESRS S1; ESRS S2; ESRS G1
	205-1 Operations assessed for risks related to corruption	ESRS G1-3
	205-2 Communication and training about anti-corruption policies and procedures	ESRS G1-3
GRI 301: Materials 2016	205-3 Confirmed incidents of corruption and actions taken	ESRS G1-4
	301-1 Materials used by weight or volume	ESRS E5-4
GRI 302: Energy 2016	301-2 Recycled input materials used	ESRS E5-4
	302-1 Energy consumption within the organization	ESRS E1-5
GRI 305: Emissions 2016	302-3 Energy intensity	ESRS E1-5
	305-1 Direct (Scope 1) GHG emissions	ESRS E1-4 and E1-6
	305-2 Energy indirect (Scope 2) GHG emissions	ESRS E1-4 and E1-6
	305-3 Other indirect (Scope 3) GHG emissions	ESRS E1-4 and E1-6
	305-4 GHG emissions intensity	ESRS E1-6
GRI 308: Supplier Environmental Assessment 2016	305-5 Reduction of GHG emissions	ESRS E1-3 and E1-4
	308-1 New suppliers that were screened using environmental criteria	ESRS G1-2
GRI 401: Employment 2016	308-2 Negative environmental impacts in the supply chain and actions taken	ESRS 2 SBM-3
	401-1 New employee hires and employee turnover	ESRS S1-6
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	ESRS S1-1
	403-2 Hazard identification, risk assessment, and incident investigation	ESRS S1-3
	403-3 Occupational health services	ESRS S1-1
	403-4 Worker participation, consultation, and communication on occupational health and safety	ESRS S1 MDR-P, MDR-A, MDR-T

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GRI Standard	Disclosure	Location
GRI 403: Occupational Health and Safety 2018	403-5 Worker training on occupational health and safety	ESRS S1 MDR-P, MDR-A, MDR-T
	403-6 Promotion of worker health	ESRS S1 MDR-P, MDR-A, MDR-T
	403-8 Workers covered by an occupational health and safety management system	ESRS S1-14
	403-9 Work-related injuries	ESRS S1-4 and S1-14
	403-10 Work-related ill health	ESRS S1-4 and S1-14
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	ESRS 2 GOV-1
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	ESRS S1-17
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	ESRS S1; ESRS S2
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	ESRS S1; ESRS S2
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	ESRS G1-2
	414-2 Negative social impacts in the supply chain and actions taken	ESRS 2 SBM-3 and BP-2
GRI 415: Public Policy 2016	415-1 Political contributions	ESRS G1-5

This GRI Content Index is based on the GRI-ESRS Interoperability Index published by GRI and EFRAG in November 2024.

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Independent practitioner's limited assurance report

on selected indicators in the 2024 Sustainability Report to the Board of Directors of Hilti Aktiengesellschaft, Schaan

We have been engaged by Board of Directors to perform assurance procedures to provide limited assurance on selected indicators in the 2024 Sustainability Report (including the GHG emissions) of Hilti Aktiengesellschaft for the period from 1 January 2024 to 31 December 2024.

The following selected indicators (including the GHG emissions), which are marked with the check mark , were subject to our engagement (hereby called as the selected indicators):

- Environment (pages 20 and 23 of the 2024 Sustainability Report)
 - Table 'Energy consumption and mix';
 - Total Scope 1, Scope 2 & Scope 3 emissions in table 'Total GHG emissions disaggregated by Scopes 1 and 2 and significant Scope 3'
- Social (page 37 / 41 of the 2024 Sustainability report)
 - Employee Health and Safety – rate of work-related accidents.

The 2024 Sustainability Report was prepared by the Management of Hilti Aktiengesellschaft (the Company) based on GRI Standards (latest versions), published by the Global Reporting Initiative, the Greenhouse Gas (GHG) Protocol Corporate Standard and European Sustainability Reporting Standards (ESRS) published by the European Commission. The Company presents its Basis of reporting in the section "GRI Index" in the 2024 Sustainability Report, from page 60 to 62 (based on the GRI-ESRS Interoperability Index published by GRI and EFRAG in November 2024) and the list of disclosure requirements complied with as per ESRS from page 54 to 57. We evaluated the selected indicators against the related GRI Standards and the GHG Protocol Standard (collectively referred to hereafter as the suitable Criteria) only.

Inherent limitations

The accuracy and completeness of the selected indicators are subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. In addition, the quantification of the indicators is subject to inherent uncertainty because

of incomplete scientific knowledge used to determine factors related to the indicators (including the GHG emissions) and the values needed to combine e.g. emissions of different gases. Our assurance report will therefore have to be read in connection with the suitable Criteria used by the Company.

Board of Directors' responsibility

The Board of Directors of Hilti Aktiengesellschaft is responsible for preparing and presenting the 2024 Sustainability Report as referred to in the section "GRI Index" on pages 60 to 62 based on the GRI-ESRS Interoperability Index published by GRI and EFRAG in November 2024. This responsibility includes the design, implementation and maintenance of the internal control system related to the preparation of the indicators (including the GHG emissions) that are free from material misstatement, whether due to fraud or error. Furthermore, the Board of Directors is responsible for the selection and application of the adaptation of the suitable Criteria and with the related record keeping.

Independence and quality management

We are independent of the Hilti Aktiengesellschaft in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

PricewaterhouseCoopers AG applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's responsibility

Our responsibility is to perform an assurance limited engagement and to express a conclusion on the selected indicators. We conducted our engagement in accordance with

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the International Standard on Assurance Engagements (ISAE) 3000 (Revised) 'Assurance engagements other than audits or reviews of historical financial information' and the International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements ('ISAE 3410'), issued by the International Auditing and Assurance Standards Board. Those standards require that we plan and perform our procedures to obtain limited assurance whether anything has come to our attention that causes us to believe that the selected indicators in the 2024 Sustainability Report were not prepared, in all material aspects, in accordance with the suitable Criteria.

Based on risk and materiality considerations, we performed our procedures to obtain sufficient and appropriate assurance evidence. The procedures selected depend on the assurance practitioner's judgement. A limited assurance engagement under ISAE 3000 (Revised) and ISAE 3410 is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. Consequently, the nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement and therefore less assurance is obtained with a limited assurance engagement than for a reasonable assurance engagement.

We performed the following procedures, among others:

- Assessing the suitability of Company's use of the suitable Criteria in the circumstances, applied as explained in the section "GRI Index" on the pages 60 to 62 in the 2024 Sustainability Report to the selected indicators;
- Inquiries and detailed walkthroughs with relevant stakeholders for the selected indicators in the 2024 Sustainability Report;
- Analytical procedures;
- Reperformance of relevant calculations (including the GHG emissions);
- Additional assurance procedures as deemed necessary (e.g. on sample based source tracing);
- Local level procedures (site visits at Poland and Canada) to inspect local processes and reconcile source evidence.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on the work we performed, nothing has come to our attention that causes us to believe that selected indicators, marked with the check mark ✓ in the 2024 Sustainability Report of Hilti Aktiengesellschaft for the period from 1 January 2024 to 31 December 2024, are not prepared, in all material respects, in accordance with the suitable Criteria.

Intended users and purpose of the report

This report is prepared for, and only for, the Board of Directors of Hilti Aktiengesellschaft, and solely for the purpose of reporting to them on the selected indicators in the 2024 Sustainability Report and no other purpose. We do not, in giving our conclusion, accept or assume responsibility (legal or otherwise) or accept liability for, or in connection with, any other purpose for which our report including the conclusion may be used, or to any other person to whom our report is shown or into whose hands it may come, and no other persons shall be entitled to rely on our conclusion.

We permit the disclosure of our report, in full only and in combination with the suitable Criteria, to enable the Board of Directors to demonstrate that they have discharged their governance responsibilities by commissioning an independent assurance report over the selected indicators in the 2024 Sustainability Report, without assuming or accepting any responsibility or liability to any third parties on our part. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Directors of Hilti Aktiengesellschaft for our work or this report.

PricewaterhouseCoopers AG

Beat Inauen Petar Lesic

Zurich, 12 March 2025

'The maintenance and integrity of Hilti Aktiengesellschaft's website and its content are the responsibility of the Board of Directors; the work carried out by us as the independent assurance practitioner does not involve consideration of the maintenance and integrity of the Hilti Aktiengesellschaft's website, accordingly, we accept no responsibility for any changes that may have occurred to the selected indicators marked with the check mark ✓ in the 2024 Sustainability Report or suitable Criteria since they were initially presented on the website.

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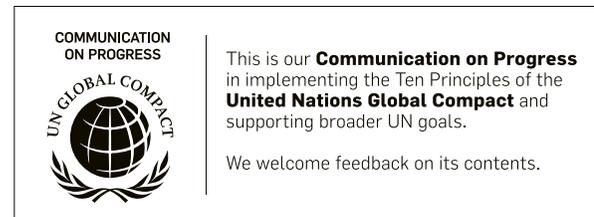
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We would like to thank our customers, employees and partners for their support. The sustainability report is published in English. Duplication, even in part, requires the permission of the publisher.

The complete sustainability report, the principles of corporate governance, the Group organizational chart, a list of consolidated companies and information on the Martin Hilti Family Trust can be found on the Internet at www.hilti.group.

Our Communication on Progress (CoP) 2024 for the UN Global Compact is fully integrated into this sustainability report.



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