



HILTI

Code of Conduct

**ACT WITH INTEGRITY,
GROW SUSTAINABLY.**

Hilti. Outperform. Outlast

**Dear Sir or Madam:
Dear colleagues:**

For Hilti, there is an inseparable connection between business success and corporate responsibility to its employees, business partners, society and the environment. This includes complying with applicable laws, respecting ethical principles and acting sustainably at all times and in all locations. Every Hilti employee, without exception, is asked to respect this responsibility and exercise it according to the internal regulations.

This Code of Conduct provides the legal and ethical framework for our company and is meant as support and guiding principles to help to act in line with corporate responsibility and make the right decisions in everyday business activities. Neglect or failure to follow these basic rules for business success is in clear contradiction to our corporate culture.

Integrity is one of our core values. That is why we expect all Hilti employees to act in accordance with our Code of Conduct and stand up for our values.

Thank you very much for your support.



Pius Baschera
Chairman
of Board of Directors



Christoph Loos
Chief
Executive Officer

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Application of the Hilti Code of Conduct

Compliance means that Hilti abides by applicable laws and regulations and adheres to its own ethical standards. Breaches of compliance can cause considerable damage to the company, its employees¹⁾ and its business partners. In addition to commercial losses and public sanctions, the company may also suffer considerable damage to its reputation. Hilti maintains a compliance management system in order to correctly and appropriately manage such risk. This Code of Conduct defines the legal and ethical framework that Hilti pledges to abide by. It helps employees act correctly in cases of uncertainty by presenting potential areas of risk and conflict and providing concrete guidelines for these areas.

Violations of this Code of Conduct are unacceptable and will be sanctioned accordingly. The sanctions applied depend on the severity of the breach and can range from warnings and reminders to immediate termination, civil action for damages and criminal prosecution.

This Code of Conduct applies worldwide wherever and whenever Hilti engages in business activities.

The rules of this Code of Conduct are binding for the board of directors, the executive board and all employees¹⁾ of the Hilti Group (referred to collectively as “Hilti employees”). Hilti requires its Team Leaders to ensure that their Team Members comply with this Code of Conduct. This includes leading by good example in issues of compliance and communicating the meaning of this Code of Conduct to their Team Members on a regular basis.

¹⁾ If for practical reasons the male gender is used when referring to a group of persons, we naturally don't mean to discriminate against women, and all statements shall include women and men.

Hilti also expects that all business partners (e.g., customers, suppliers, sub-suppliers, consultants, distributors, agents) comply with this Code of Conduct and reserves the right to terminate the business relationship in the event of severe or repeated breaches of compliance by a business partner.



B Hilti Compliance Rules

Anti-Discrimination

Hilti does not tolerate any form of discrimination on the basis of ethnicity, nationality, sex, cultural background, race, age, disability, religious beliefs or sexual orientation by Hilti employees.

Hilti condemns all forms of sexual harassment and mobbing/harassment.

Sexual harassment refers to any behavior of a sexual nature that is not wanted by the person concerned or to which said person is exposed against his or her will. This includes intrusive bodily contact and unnecessary touching, lewd remarks, sexist comments and jokes, suggestive requests and the display or exhibition of any material with sexual content.

Mobbing/harassment refers to a situation of conflict at the workplace, in which a person or a group of people repeatedly exercise high and sustained psychological pressure on an individual and systematically harass, demean or exclude him or her.

What Hilti expects of employees

- Be tolerant, respectful and trusting of one another
- Be open and sensitive to differences between employees, such as cultural, ethnic and national differences
- Respect the privacy of others
- Oppose any form of sexual harassment or mobbing

What Hilti employees may not do

- Discriminate against colleagues and Team Members on the basis of their sex, race, disability status, age, religious beliefs or sexual orientation
- Tolerate any form of sexual harassment or mobbing (tacitly)

Conflicts of Interest

Hilti employees must avoid situations in which private interests are in conflict or could come into conflict with the interests of Hilti as a company.

Employees who find themselves in an actual or potential conflict of interest must immediately disclose the situation to their Team Leader. For additional support, Team Leaders can contact the Local Compliance Officers and the Chief Compliance Officer.

The mere existence of private interests in a business situation does not necessarily lead to a conflict of interest. Most cases can be resolved by clearly documenting the private interests and showing transparently why there is no conflict. This type of documentation benefits everyone involved: it demonstrates the employees' integrity and the compliance of Hilti.

What Hilti expects of employees

- Avoid situations with potential conflicts of interest
- Report any actual or potential conflicts of interest immediately to the Team Leader

What Hilti employees may not do

- Accept inappropriate private benefits from business partners of Hilti
- Utilize employee manpower or Hilti property in bad faith for private purposes
- Take advantage of one's own position at Hilti in bad faith for personal gain or to benefit relatives or friends
- Engage in private activities outside of Hilti that involve the use of resources that are actually intended for fulfillment of the employment relationship with Hilti or that negatively affect one's job performance
- Work for competitors of Hilti or maintain a connection to a competitor that is harmful to Hilti's interests

Anti-Corruption

Hilti pursues a strategy of zero tolerance towards corruption and bribery. This Code of Conduct and the company's internal Anti-Corruption Directive implement the World Economic Forum's Partnering Against Corruption Initiative (PACI) and the anti-corruption principles of the UN Global Compact, which Hilti signed in 2004 and 2006 respectively.

Hilti strictly prohibits the offering, giving or receiving of benefits with the intention or effect to influence a business or public authority decision process. On the other hand, offering, giving or receiving reasonable and good faith gifts and hospitality expenditures or other benefits is in many situations expected from local customs, traditions and morals. Such benefits may often be necessary to build or maintain business relations.

Particularly restrictive rules apply to offering or giving benefits to Public Officials.

In every case, the benefit must be legal, neutral, appropriate, proportional and transparent.

Hilti employees must abide by the company's internal Anti-Corruption Directive and the applicable reporting and approval processes (see compliance section on Hilti Corp. intranet) in all business transactions.

What Hilti expects of employees

- Knowledge of the company's internal anti-corruption rules, acquired through participation in a compliance training
- Ask their supervisors and compliance representatives for advice in every case of uncertainty
- Offer Team Members the necessary support and guidance in questions of anti-corruption

What Hilti employees may not do

- Give or accept bribes
- Offer benefits with the intention or effect to influence a decision process
- Accept benefits that could influence one's own decision process
- Offer, give or receive inappropriate or disproportionate benefits (see compliance section on Hilti Corp. intranet)

Correct Behavior in Competition

Hilti believes in the importance of functioning markets and competition as a driving force for innovation, technological progress and continuous quality improvement. Violations of the applicable antitrust and competition legislation can result in very significant damages for Hilti. Hilti employees are strictly forbidden from concluding agreements or concerting practices whose purpose or effect is the prevention or restriction of competition.

In communication and correspondence with competitors, employees must ensure not to share any information that would allow for conclusions about the current or future market behavior of Hilti or competitors. In principle, Hilti employees should only have contact with competitors when absolutely required for a legally permissible business reason. If and when Hilti has a leading/dominant position in the market, Hilti will take appropriate measures to prevent abuse of this market position. In particular, Hilti will not discriminate among customers or unduly obstruct competitors.

Hilti employees must follow the company's internal guidelines for proper behavior in competition in every business transaction and should reach out to the legal department in a timely manner in all cases of uncertainty.

What Hilti expects of employees

- Abide by the applicable antitrust and competition laws and regulations
- Be especially careful when dealing with competition-related information
- Inform Team Leaders immediately of any attempts by competitors to exchange competition-related information or concert competition-restricting practices

What Hilti employees may not do

- Agree on prices or other conditions with competitors
- Exchange market-relevant information with competitors (e.g., prices, discounts, capacities, areas, customer groups)
- Partition markets with competitors (e.g., by areas, products, customers and supply sources)

Data Privacy, Confidentiality and Protecting Business Assets

Hilti observes the applicable data privacy/protection regulations and protects the personal data of its employees and business partners. Hilti collects, stores, processes and uses personal data solely for legitimate business purposes or if legally required – and always in accordance with the law or with the consent of those affected.

The unauthorized transfer of technical know-how or operational and business secrets belonging to Hilti or third parties can have serious consequences for the company and the employees involved. Hilti employees must therefore treat such information as confidential and handle it with utmost care.

Hilti has implemented binding internal data protection and IT security guidelines for all employees. Hilti employees are asked to consult with their local data protection representative or their colleagues in the legal department in all cases of uncertainty.

Tangible and intangible business assets (e.g., Hilti products, work equipment, software licensed to Hilti) may only be used for business purposes. All employees must take care when dealing with Hilti's business assets and make sure not to damage, misuse or waste said assets.

What Hilti expects of employees

- Abide by the company's data protection and IT security guidelines
- Be careful with personal data and to collect, store, process or otherwise use it only in accordance with the law or with the consent of those affected

What Hilti employees may not do

- Intentionally damage, misuse or waste Hilti property or use it for purposes unrelated to the company
- Disclose confidential business information belonging to Hilti (e.g., technical know-how, business and financial data, customer information) or personal data of colleagues or business partners to third parties without authorization

Health, Safety and Environment

Every Hilti employee has the right to work in a safe and healthy working environment and is personally responsible for ensuring that the company's rules regarding health and safety in the workplace are upheld.

Hilti is equally committed to providing its customers with suitable solutions for improving safety in the workplace. Hilti's innovative products and user trainings actively contribute to health protection and accident prevention.

Hilti is convinced that sustainable growth can only be achieved when protecting the environment and climate is systematically incorporated into everyday business processes. In 2007, Hilti signed the UN Caring for Climate Initiative and works together with clients and suppliers towards improving our climate, in particular towards reducing CO₂ emissions.

Through a comprehensive supplier audit system, Hilti ensures that its suppliers also abide by the company's established ecological and social standards.

What Hilti expects of employees

- Keep in mind that health and safety not only affect us, but always also our colleagues
- Constantly enhance and promote healthy and safe working conditions
- Be attentive to conserving resources and energy in our daily work
- Thoroughly evaluate possible effects on the environment before making business decisions
- Contribute to the recycling and reuse of material and products
- Continuously improve energy efficiency of production processes and the handling and transportation of goods
- Minimize Hilti's impact on the environment by reducing waste volumes and emissions to air, soil and water (implementation via energy efficiency program in plants, international car policy with regional CO₂ limit values, waste reduction project for focused materials and water consumption reduction project)



Guidance for Cases of Uncertainty

Key questions

In cases of uncertainty, Hilti employees should ask themselves the following questions:

1. Would I feel comfortable if information about my actions were investigated by the law enforcement authorities, competition authorities or other third parties?
2. Would I feel comfortable if I saw my actions online or on TV or if I read about them in the newspaper?
3. Would I feel comfortable if I had to explain my actions to my Team Leader?
4. Would my Team Leader or colleague be following the compliance rules if they acted the way I do?
5. Would I feel comfortable if I told one of my family members about my actions?

If the answer to any of these questions is “no,” you may not engage in the planned action!

Behavior when Aware or Suspicious of Violations

Employees are encouraged to immediately report information about violations of this Code of Conduct or any applicable laws and regulations, as long as it is done in good faith. This means that the employee should have objective reason to believe that the information disclosed and any related allegations are substantially true.

Employees who in good faith report known or presumed violations will be protected from reprisals. Any kind of reprisal against employees who report violations in accordance with these principles is a clear and severe breach of this Code of Conduct and will be sanctioned accordingly.

Disclosures whose purpose is to falsely accuse colleagues or Team Leaders will not be tolerated. Such behavior also represents a clear and severe breach of this Code of Conduct and will be sanctioned accordingly.

Contact persons

To report known or presumed violations and obtain support and answers on compliance issues, employees can reach out to the following contact persons:

1. Team Leaders,
2. HR Business Partners,
3. Local Compliance Officers (see compliance sections on intranet of Hilti Corp. and local Hilti entities) and
4. Chief Compliance Officer (see compliance section on intranet of Hilti Corp.), cco@hilti.com.

In the case of especially severe violations (e.g., criminal acts or violations of antitrust laws), Hilti employees can also make use of the external compliance helplines. The contact data for these can be found in the compliance sections on the intranet of Hilti Corp. and the local Hilti entities.

The external compliance helplines and the chief compliance officer will treat the identity of employees who disclose the known or presumed violations as strictly confidential, to the extent legally possible. Exceptions may be necessary for legal reasons after the results of internal investigations or with regard to the personality rights of other employees.

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