

1. Foreword

Integrity, courage to go beyond the circle of habits, teamwork and commitment to personal and company growth are the foundations of the corporate culture of Hilti. For Hilti, there is an inseparable connection between business success and corporate responsibility to its employees, business partners, society and the environment. This is why, Hilti expects all business partners to act in accordance with the Hilti Code of Conduct and stand up for these values.

2. Expectations

Suppliers can expect Hilti to abide by and actively live by the core values set out in its Code of Conduct, without exception. The code of conduct is published on www.hilti.group.

In equal measures, Hilti expects suppliers to abide by all applicable national and international laws and regulations as well as by the minimum requirements of this Code of Conduct for Suppliers. This includes abiding by all export or re-export restrictions applicable to products, data, software and information technology supplied by suppliers.

Hilti will not terminate the business relationship immediately for any individual violation of this Code of Conduct, provided that there is a plan in place expressing the supplier's desire and will to improve the situation. If there is not sufficient improvement after repeated violations, Hilti will discontinue the business relationship.

2.1 Anti-corruption obligation

Hilti has signed the World Economic Forum's Partnering Against Corruption Initiative (PACI) and the anti-corruption principals of the UN Global Compact. All forms of corruption are strictly prohibited.

Corruption is the offering, giving or receiving of benefits, directly or indirectly, with the intention or effect to influence a business or public authority decision process.

What Hilti expects of suppliers:

- Zero tolerance towards corruption
- Correct behaviour in competition and in business conduct

What suppliers may not do:

- Give or accept bribes
- Offer, give or receive inappropriate benefits
- Engage in money laundering

2.2 Social responsibility

Hilti actively participates in international efforts aimed at improving ethical and social standards in business life. As a partner of the UN Global Compact, Hilti expects suppliers to likewise adhere to international requirements, including the UN Universal Declaration of Human Rights and the Conventions of the International Labour Organization (ILO).

What Hilti expects of suppliers:

- To ensure healthy and safe working conditions
- To effectively prevent and control hazards and to ensure product safety
- To pay at least the legal minimum wage and to provide the overtime compensation specified under applicable laws and regulations

What suppliers may not do:

- Make use of child or forced labour (according to ILO Conventions 138 and 182 as well as 29 and 105)
- Discriminate on the basis of ethnicity, nationality, sex, cultural background, race, age, disability, religious beliefs or sexual orientation
- Exceed the maximum legal working hours excessively and for long periods (according to ILO Conventions 1 and 30)
- Obstruct their workers' rights to assembly, association and collective bargaining
- make use of any type of mental and/or physical forms of disciplinary action and engage in systematic harassment

2.3 Environmental responsibility

As a partner of the UN Caring for Climate Initiative, Hilti has incorporated protection of the environment and climate into its everyday business processes.

What Hilti expects of suppliers:

- To strive to minimize waste and air, soil and water emissions
- To contribute to the recycling and reuse of materials and products
- To continuously improve energy efficiency in production processes and in the handling and transportation of goods
- To meet the requirements stated in the Hilti Chemical Checklist

What suppliers may not do:

- Disregard applicable international and national laws and regulations on the handling, storage and disposal of hazardous waste
- Handle chemicals in a way that harms the environment

3. Monitoring

Hilti reserves the right to monitor existing and new suppliers for compliance with this Code of Conduct. Alternatively, the monitoring may be carried out by a specialized, independent organization. Hilti and the supplier shall mutually agree on a suitable organization within a reasonable time frame. Hilti will inform the supplier of the results of the monitoring.