Geberit Group

Sustainability

Sustainability

Introduction sustainability report (Report on non-financial matters)

The sustainability report constitutes the report on non-financial matters, pursuant to Art. 964a ff. of the Swiss Code of Obligations (CO). The sustainability report of Geberit AG is published as part of the online Annual Report on a shared platform. The company's systematic and transparent communication on the subject of sustainability is addressed to a range of target groups, including customers, partner companies, investors, the general public and company employees.

Since 2006, a sustainability performance report has been presented annually in accordance with the guidelines of the Global Reporting Initiative (GRI). In recent decades, GRI was the leading, international standard for sustainability reporting. As part of the reporting in compliance with GRI (first in accordance with the GRI G3 and G4 guidelines, then in compliance with the GRI Standards), Geberit endeavoured to provide comprehensive reporting on all material topics and deployed the "comprehensive" option until the revision of the standard. This approach is also followed in the present report.

The sustainability report now also meets the requirements regarding non-financial reporting in the revised Swiss Code of Obligations. The necessary reporting on climate, social and employee matters, adherence to human rights and fighting corruption has been integrated into existing reporting, which has been developed according to the GRI Standards over the course of many years. Information on risks, concepts (including the due diligence review), measures and performance indicators were, where necessary, supplemented and are integrated in existing management approaches in accordance with the GRI Standards in the material topics (matters), see also → Content Index on non-financial reporting according to the Swiss Code of Obligations (Art. 964a ff. CO). Necessary information on the business model and the value chain has also been summarised in a separate chapter.

The Geberit sustainability report (report on non-financial matters) comprises not only the Sustainability Performance Report compiled in compliance with the GRI Standards, but also further information at different levels:

- → Business model and value chain
- → Materiality analysis
- → Sustainability strategy
- → Sustainability Performance Report
- → Key figures sustainability
- → GRI Content Index
- → Art. 964a ff. CO Content Index
- → SASB Content Index
- → SDG Reporting
- → Communication on Progress UNGC
- → TCFD Reporting
- → Audit Report Greenhouse Gas Balance

Sustainability

Business model and value chain

With its innovative solutions for sanitary products, Geberit aims to achieve sustained improvement in people's standard of living. The economy benefits from Geberit's leading role in the change towards a sustainable sanitary industry. Geberit contributes to this change in the industry through better sanitary and hygiene standards, a durable, resource-efficient sanitary infrastructure, through know-how transfer in the sanitary industry, via impetus for the economy in regional economic areas, and through strong and long-term relationships with suppliers.

"Go-to-market" model (business model)

Geberit offers customers high-quality, durable sanitary products and solutions for applications in buildings. The products are used in both renovation projects and new buildings. The product area Installation and Flushing Systems comprises all sanitary installation technology plus a broad range of flushing systems for toilets including cisterns and fittings. The product area Piping Systems includes building drainage and supply systems and comprises all piping technology found in buildings for drinking water, heating, gas and other media. The Bathroom Systems product area comprises all relevant furnishings in a bathroom such as bathroom ceramics, furniture, showers, bathtubs, taps and controls and shower toilets. For further information on the product range, see → www.geberit.com > Products > Product portfolio.

In terms of market cultivation, Geberit relies on a three-stage distribution channel, see also → Business Report > Business and financial review > Financial Year 2023 > Customers. The vast majority of products are distributed via the wholesale trade. Dealerships then sell them to plumbers and present them at exhibitions and other events where end customers can gain information. At the same time, Geberit provides plumbers and sanitary engineers with intensive support through training and advice.

In 2023, net sales amounted to a total of CHF 3,084 million (previous year CHF 3,392 million). For net sales by markets/regions as well as by product areas, see → Business Report > Business and financial review > Financial Year 2023 > Net sales. Significant indicators for the creation and distribution of value can be found in the → financial reporting.

Value chain

Geberit forms part of the value chain in the construction industry. It has significant impacts for the employees, on the customer side at sanitary engineers, plumbers and end users, as well as at suppliers and transport companies. Continuous investment in the production plants in Europe, China, India and the USA, as well as the logistics centre in Germany for installation and flushing systems and piping systems as well as the decentralised network of 13 European distribution sites for ceramic appliances and bathroom furniture will strengthen these individual economic areas. Geberit know-how and Geberit products and system solutions significantly reduce the burden on water and drainage systems, thus reducing the associated costs and consumption of resources.

Geberit is committed to sustainable sanitary systems which, as elements in construction, help to shape the infrastructure as a whole. Geberit lends impetus to the sanitary industry with new products that are sold and installed worldwide by wholesalers, plumbers and sanitary engineers. In the reporting year, some 60,000 professionals were provided with education and further training on Geberit products, tools, software tools and installation skills at 30 Geberit Information Centres in Europe and overseas. In this way, Geberit supports innovation, growth and value added in the sanitary industry.

Furthermore, Geberit is an important employer for the communities around its sites. Added to this is Geberit's contribution as a training company for apprentices. At the end of 2023, Geberit employed 274 apprentices, thus supporting training in different countries, see also → GRI 404.

The economic impact on suppliers and transport companies is also significant. In 2023, Geberit procured goods amounting to CHF 883 million (previous year CHF 1,136 million) and had business relations with a total of 1,603 direct suppliers. Geberit does not have its own transport fleet and therefore generates orders for external transport companies.

For further information on management of the value chain, see → Procurement as well as the chapters → Procurement, → Production and → Logistics in the business and financial review.

Value creation – an overview

The → value creation graphic summarises how Geberit creates value for employees, society, customers, the environment as well as shareholders. The long-term corporate strategy is based on four pillars: Focus on sanitary products, Commitment to innovation and sustainability, Selective geographic expansion and Continuous optimisation of business processes. Values such as integrity, team spirit, enthusiasm, modesty and an ability to embrace change are core factors. This strategy is implemented on the basis of seven growth and earnings drivers. These are as follows: "go-to-market" model, technology penetration, value strategy, innovation leadership, sustainability leadership in the sanitary industry, selective technology penetration, and continuous process and cost optimisation. The sustainability strategy supplements the corporate strategy with twelve modules. These modules strengthen the "go-to-market" model (business model) and generate added value for various stakeholders in the areas People (employees and society), Planet (environment) and Profit (value chain including compliance and governance) in a targeted manner. The results of these activities show the diverse added value in the three dimensions of sustainability. At the same time, the results contribute to the UN Sustainable Development Goals (SDGs) set out in the 2030 Agenda for Sustainable Development, see → SDG Reporting.

Sustainability

Materiality analysis

Process of determining material topics (GRI 3-1)

Since 2006, Geberit has been reporting in accordance with the guidelines of the Global Reporting Initiative (GRI). In the present report, Geberit implements the current GRI Standards from 2021. The starting point is a materiality analysis that has been developed further over the years, which is based on the procedure described in the GRI Standards.

Material topics are determined in a gradual process. Twenty topics were chosen from a range of economic, social and environmental issues relating to common sustainability standards, industry-specific information as well as the corporate strategy and sustainability strategy of Geberit. These were evaluated according to their relevance for the success of the business in an internal process involving different managers. The stakeholder panel convened by Geberit on a regular basis was used to evaluate the relevance of issues in terms of their impact on the business activities of Geberit. The results were consolidated in a list of economic, social and environmental issues and were validated and approved by the Board of Directors and the Group Executive Board. The materiality analysis has been updated on a regular basis since the first analysis in 2014.

Material topics and related measures are presented in compact form within the → Sustainability strategy. Also of a material nature are the principles of the UN Global Compact that Geberit has committed itself to uphold and that are presented in the → Communication on Progress UN Global Compact.

For further information on sustainability topics that were of particular relevance in the reporting year, see Business and financial review with the following chapters: → Employees, → Customers, → Innovation, → Procurement, → Production, → Logistics, → Sustainability, → Social responsibility and → Compliance.

List of material topics (GRI 3-2)

In accordance with the principle of double materiality, Geberit classifies topics as material if they are significant for the business success of Geberit or if the business activities of Geberit have significant economic, environmental or social effects. A differentiated assessment according to these two dimensions is not shown. The plan for 2024 is to adapt the materiality analysis to correspond to the new guidelines of the Corporate Sustainability Reporting Directive (CSRD) of the European Union.

The topics that Geberit identified as material in the economic, environmental and social dimensions are shown in the graphic below.

People		Planet		Profit	
Employee attraction & retention	Diversity & equal opportunity	Resources & circular economy	Energy & CO$_2$	Products & innovation	Operations
Health & safety	Social responsibility	Water	Eco-design & sustainable products	Customer relations	Compliance & governance

The following topics will not be processed further or shown in more detail by Geberit:

- Taxes: As part of its reporting, Geberit provides information on income taxes, see → Note 25 in the consolidated financial statements.
- Biodiversity: Geberit production sites do not endanger biodiversity in protected areas. Biodiversity plays a role when procuring mineral raw materials for ceramic production. This subject was addressed and examined as part of supplier audits. During these audits, it was found that the suppliers in this sector actively address the topic of biodiversity and take appropriate measures within the context of their licence to operate.
- Politics: No support is given to political parties or politicians. Participation in the political process is confined to membership in certain associations and is therefore limited.

Sustainability

Sustainability strategy

For Geberit, sustainability means being oriented towards the future as well as operating and being successful over the long term. To do this, a balance has to be struck between economic, environmental and social aspects in all decision-making processes. In addition to sustained high profitability, value is simultaneously created for many other stakeholders: innovative, design-oriented and durable products; training and education of plumbers, sanitary engineers and architects; the smallest possible environmental footprint along the entire value chain; production sites with prospects for employees in numerous regions; a cooperation with suppliers and business partners that is based on fairness; and leadership for sustainable development in the sanitary industry.

Sustained improvement in quality of life

For more information on the "go-to-market" model (business model) at Geberit and how Geberit implements integrated sustainability along the entire value chain and thus creates value, see → Business model and value chain. The vision of achieving sustained improvement in the quality of people's lives with innovative sanitary products represents the starting point. To bring this vision to fruition, Geberit continuously refines its products, systems and services and sets new standards as a market leader in the area of sanitary products. Values such as integrity, team spirit, enthusiasm, modesty and an ability to embrace change are core factors.

People, Planet and Profit in harmony

The long-term corporate strategy is based on four pillars: Focus on sanitary products, Commitment to innovation and sustainability, Selective geographic expansion and Continuous optimisation of business processes. This strategy is implemented on the basis of seven growth and earnings drivers. The sustainability strategy supplements the corporate strategy and the growth and earnings drivers with twelve modules. These modules strengthen the "go-to-market" model (business model) and generate added value for various stakeholders in the areas People (employees and society), Planet (environment) and Profit (value chain including compliance and governance) in a targeted manner. The results of these activities show the diverse added value in the three dimensions of sustainability.

Contribution to sustainable development

At the same time, the results contribute to the UN Sustainable Development Goals (SDGs) set out in the 2030 Agenda for Sustainable Development, see → SDG Reporting. Goal 4 ("Quality Education"), Goal 6 ("Clean Water and Sanitation"), Goal 11 ("Sustainable Cities and Communities") and Goal 13 ("Climate Action") are a key focus for Geberit. Compared with the previous year, Goal 8 ("Decent Work and Economic Growth") and Goal 9 ("Industry, Innovation and Infrastructure") have been replaced in order to define in even more concrete terms the areas where Geberit achieves added value for society.

The modules of the sustainability strategy bundle current and future projects, initiatives and activities. Each module contains clear responsibilities with measurable objectives, derived measures and quantifiable key figures for effective monitoring.

People		Planet		Profit	
Employee attraction & retention	Diversity & equal opportunity	Resources & circular economy	Energy & CO_2	Sustainable supply chain	Green production
Health & safety	Social responsibility	Water	Eco-design & sustainable products	Green logistics	Compliance & governance

The following pages contain an overview of the sustainability modules with important facts and achievements from 2023, plus an outlook for the years 2024 to 2026. This sustainability strategy covers the entire Geberit Group and indicates how Geberit wants to be a leader in the sanitary industry when it comes to sustainability.

Employee attraction & retention

Geberit is an attractive employer and strives to offer jobs of the highest quality.

Important facts and achievements 2023

- Completion of the implementation of a new performance management process ("valYOU") for performance assessment, defining objectives and succession planning at all sites worldwide.
- Development programmes (GROW and LEAD) for young professionals within the company. Establishment and development of management, methodological and social skills in preparing for the next career step.
- Operations Development Programme (ODP) for talented internal and external prospects in Operations.
- Promotion of decentralised collaborations with universities, plus active participation in the international UNITECH network.
- Development programme for over 100 regional sales managers from European sales companies based on standardised management principles and instruments.
- Selective roll-out of active sourcing activities for recruiting new employees (in selected countries for selected functions).
- Regular exchange of best practices in the area of employee attraction and retention.
- Employment of 274 apprentices with a transfer rate to a permanent employment relationship of 65%.

Outlook for 2024 to 2026

- Revision and roll-out of the Geberit Compass and Geberit Code of Conduct for Employees in 2024.
- Introduction of the Operations Development Programme (ODP) for internal and external managerial staff in Sales and Marketing.
- Continuation of the development programme for managerial staff at the sales companies.
- Group-wide employee survey in 2025.
- Short surveys on specific topics in individual areas and companies.
- Redesign of employer branding for selected target groups.
- Targeted support for transfer of apprentices to a permanent position. Target rate is 75%.

Diversity & equal opportunity

Geberit is committed to equal opportunities for all employees. The company promotes mixed teams, offers working conditions for good reconciliation of family and working life, and is committed to inclusive workplaces.

Important facts and achievements 2023

- Approval of strategy for promoting inclusive workplaces and derivation of suitable measures.
- Development of a Group-wide directive on diversity and equal opportunity.
- Workshops for disabled persons were commissioned with assembly and packaging work totalling CHF 9.2 million.

Outlook for 2024 to 2026

- Medium-term goal of 5% share of inclusive workplaces (internal and external).
- More intensive collaboration with third-party institutions.
- Communication of the directive on diversity and equal opportunity and derivation of suitable measures.
- Annual reporting on diversity and inclusive workplaces as part of personnel reporting.

Health & safety

Geberit operates safe production plants and logistics sites, and promotes a health and safety culture at a high level.

Important facts and achievements 2023

- Initial certification of the plant in Stryków (PL) according to ISO 45001. Global certification of all production plants and central logistics in accordance with ISO 45001 (occupational health and safety).
- Implementation of the new Group-wide safety standards for the targeted increase of the level of safety in the production plants and in logistics.
- Exchange of best practices and accident analyses encouraged, plus implementation of cross-site audits based on the new safety standards.
- Roll-out of the eLearning programme on occupational safety at a further four production plants.
- Decrease in the accident frequency rate (AFR) by 11% to 7.3 (accidents per million working hours) and in the accident severity rate (ASR) by 24% to 119.7 (days lost per million working hours). The absenteeism rate due to accidents and illness improved to 5.2%.
- Increased occupational health and safety and ergonomics as part of the continuous optimisation and modernisation of processes and systems, by replacement of hazardous substances, by reduction of noise emissions and by the use of robots and lifting aids.
- The comprehensive "Geberit Vital" healthcare programme is offered at six locations and is available to around 40% of the entire workforce.
- Continuation of the action plan for reducing quartz dust, including measurements and monitoring of targets in the ceramics plants.

Outlook for 2024 to 2026

- Halving of the accident frequency rate and accident severity rate between 2015 and 2025; AFR target: 5.5; ASR target: 90.
- Further development of the existing safety standards.
- Conduction of further cross-site audits and integration in the internal audit tool.
- Roll-out of the eLearning programme on occupational safety at further production plants.
- Revision of the methods used for accident analysis and safety inspections.
- Further improvement in ergonomics, particularly in the ceramics plants and in logistics.
- Continuation of the action plan for reducing quartz dust.

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Social responsibility

Geberit fulfils social responsibilities in society within the scope of the UN Sustainable Development Goals.

Important facts and achievements 2023

- Geberit employees contributed 2,790 hours of charitable work as part of social projects.
- Implementation of a social project in India with eleven Geberit apprentices. Construction of a new sanitary wing and renovation of the water supply at a primary school.
- Support of the "Youth Water Challenge" for students focusing on water and hygiene, carried out by the Swiss Water Partnership network.
- Continuation of the training programme for plumbers in Ukraine with the local sales company in collaboration with the Swiss Agency for Development and Cooperation (SDC).
- Approval of the strategy for social commitment at Geberit. Development of a training programme for plumbers in Kenya in collaboration with the Hilti Foundation.

Outlook for 2024 to 2026

- Implementation of a social project in Cambodia with apprentices.
- Start of the training programme for plumbers in Kenya in collaboration with the Hilti Foundation.
- Review of the effectiveness of social projects with apprentices two to three years after their implementation.

Resources & circular economy

Geberit conserves natural resources and practises the circular economy along the value chain.

Important facts and achievements 2023

- The absolute environmental impact decreased by 17.6%, while the environmental impact in relation to currency-adjusted net sales (eco-efficiency) was reduced by 13.4%. This figure is clearly above the target of 5% per year.
- Global certification of all production plants and central logistics in accordance with ISO 14001 (environment). Group certificate valid until 2024.
- The quantity of hazardous substances used in the production plants was reduced by 11%. This figure is clearly above the target of 5% per year.
- Internal recycling of around 7,200 tonnes of plastic waste from production, with high-quality post-consumer regranulate used: 792 tonnes ABS, 49 tonnes LDPE and 2 tonnes PP.
- Active participation in Operation Clean Sweep to prevent the pollution of the environment with plastic pellets.
- Resource efficiency in ceramic production reduced by 2.2% to 0.42 kg waste/kg ceramic.

Outlook for 2024 to 2026

- Improvement of eco-efficiency by 5% per year.
- Reduction of hazardous substances in production plants by 5% per year.
- Renewal of the ISO Group certificate with validity until 2027.
- Search for further high-quality plastic regranulates and subsequent implementation.
- Identification of ways in which to close internal material cycles and make production waste useful as secondary materials.
- Reduction of scrap rate and improvement of resource efficiency in ceramic production by 10% from 2021 to 2024 to 0.4 kg waste/kg ceramic.

Energy & CO_2

Geberit actively contributes to climate change mitigation and consequently reduces its energy consumption and CO_2 emissions along the value chain.

Important facts and achievements 2023

- Comprehensive CO_2 strategy with internal CO_2 reference price, bonus-related component and external validation of CO_2 emissions.
- Decrease of absolute CO_2 emissions (Scopes 1 and 2) by 19.6% to 121,014 tonnes, and reduction of CO_2 emissions in relation to currency-adjusted net sales (CO_2 intensity) by 15.6%.
- Improvement in CO_2 intensity of 63.2% since the acquisition of the ceramics business, or 11.8% per year on average.
- The volume of purchased green electricity increased by 16.5 GWh to 128.3 GWh. Renewable energy sources accounted for 78.9% of electricity and 5.2% of combustibles.
- 3.0 GWh of green electricity was produced in Givisiez (CH) and Pfullendorf (DE).
- Five German production plants received ISO 50001 certification (energy).
- New function in the area of energy focusing on ceramics plants. Detailed review, establishment of a network, exchange of best practices and further development of the energy master plan.
- Replacement of three old, inefficient kilns with a new, modern tunnel kiln in Carregado (PT).
- Refinement of the calculation of CO_2 emissions for processed materials (Scope 3).

Outlook for 2024 to 2026

- Same medium-term improvement in CO_2 intensity (Scopes 1 and 2) as for eco-efficiency by 5% per year on average.
- Reduction of relative CO_2 emissions (Scopes 1 and 2) by 80% between 2015 and 2035, corresponding to 121,000 tonnes of CO_2.
- Further refinement of the calculation of CO_2 emissions for processed materials (Scope 3).
- Evaluation of technologies and alternative fuels for achieving carbon-neutral ceramic production.
- Commissioning of the new, modern tunnel kiln in Carregado (PT).
- Certification of further production plants in Poland according to ISO 50001 (energy).

Water

Geberit supports the economical and careful use of water along the value chain.

Important facts and achievements 2023

- Almost 100% of the water consumed by Geberit can be attributed to the product usage phase.
- Since 1998, some 34,940 million m^3 of water have been saved to date through the use of water-saving flushing systems (according to a model calculation, compared to 9-litre full flush volume). In 2023 alone, the water saved amounted to 2,940 million m^3.
- Water consumption in relation to the amount of ceramic produced increased by 11.7% to 7.1 l/kg ceramic.

Outlook for 2024 to 2026

- Registration of additional water-saving products in accordance with the European water label.
- Reduction of water consumption in relation to the amount of ceramic produced by 5% to 5.6 l/kg ceramic by 2024 compared to 2021.

Eco-design & sustainable products

In the development process, Geberit products are optimised with regard to their environmental friendliness, resource consumption, CO_2 emissions and recyclability. Geberit is the leading partner for sustainable sanitary solutions in green building.

Important facts and achievements 2023

- Over 185 eco-design workshops have been held in product development since 2007.
- Various new products with a reduced ecological footprint:
    - Acanto WC with TurboFlush – allows for improved flushing-out performance thanks to optimised hydraulics, with minimal water consumption.
    - Dual-flush units type 208 and type 212 for cisterns – backwards-compatible, flexible setting and allows for good flushing out of the WC pan with minimal water consumption.
    - CleanLine50 shower channel – slim design, integrated slope, and 50% less material used.
- Guaranteed spare parts availability of 50 years for concealed cisterns, and lifetime guarantee for ceramic products.
- 97% of bathroom furniture of the Geberit brand and 75% of the remaining bathroom furniture is FSC™ certified (FSC-C134279).
- Creation of a new environmental product declaration according to EN 15804 +A2 for the actuator plate Sigma 01/10/20/30. Products with an EPD now account for around 34% of Group sales.
- Purchase of high-quality CO_2 certificates for ceramic appliances in selected series as part of a forest conservation project run by the Swiss myclimate foundation in Tanzania.
- Interdisciplinary project for developing expertise in the field of green building.

Outlook for 2024 to 2026

- Eco-design workshops to be carried out in product development and basic projects.
- Exchanges with recycling companies and integration of "Design for Recycling" principles in product development.
- Further expansion of the portfolio of sustainable products: fill valve type 383 (backwards-compatible, efficient and quiet), use of ABS regranulate and Silent-Pro SuperTube (saves space and resources).
- 100% of bathroom furniture of the Geberit brand and over 80% of the remaining bathroom furniture is FSC™ certified (FSC-C134279).
- Update of existing environmental product declarations in accordance with EN 15804 +A2 and creation of further new EPDs.
- More systematic recording of environmentally relevant product data, i.e. for BIM.
- Further training and development of expertise in the field of green building at the sales companies.

Sustainable supply chain

Suppliers demonstrably comply with Geberit's high standards for environmentally friendly and socially responsible production, and support Geberit in reducing CO_2 emissions (Scope 3).

Important facts and achievements 2023

- The Code of Conduct was signed by 3,745 suppliers. This equates to over 90% of the total procurement value. No incidents were reported via the Integrity Line for suppliers.
- EHS (Environment, Health and Safety) audits were conducted and tracked, particularly in the highest sustainability risk category. This comprises 168 suppliers (some 6% of the procurement value).
- Update of the supplier sustainability risk matrix, which contains human rights and other aspects. Five external EHS audits were carried out at suppliers in China, India, Slovenia and Turkey.
- Regular training on procurement and sustainability at the sales organisation. Exchanges on sustainability at two Supplier Days with the top 100 suppliers, who constituted around 75% of CO_2 emissions.
- Derivation and implementation of measures resulting from new legal requirements, including clarifications on conflict minerals.
- New function for sustainability and compliance in the area of Corporate Purchasing. Detailed analyses on alternatives in the area of plastics and metal, plus clarifications on the availability of data on CO_2 emissions. Exchange of best practices with other large companies.
- With 76 out of 100 points (same as previous year) EcoVadis gold rating.

Outlook for 2024 to 2026

- All new suppliers have to sign the Code of Conduct, with the introduction of a customised process for large companies with a global structure.
- Expansion of the supplier sustainability risk matrix (including human rights) with the addition of indirect spend (including calculation of CO_2 emissions).
- Further EHS audits of suppliers are to be carried out by Geberit and external partners, with the corrective measures being checked.
- Integration of EHS audits in the internal audit tool.
- Development of a concept for more intensive collaboration with suppliers in the areas of compliance and the reduction of CO_2 emissions (Scope 3), including the definition of goals.

Green production

Geberit procures, builds and operates durable, high-quality, efficient and resource-saving infrastructures such as buildings, equipment and tools.

Important facts and achievements 2023

- Completion of the expansion of logistics in Pune (IN) to create a central distribution centre for India, and further construction of a production hall in Lichtenstein and Pfullendorf (both DE).
- 242 injection moulding machines (69%) with energy-efficient drive technology (hybrid, fully electrical, standby) and commissioning of a seventh fully electrical blow-moulding machine.
- Process optimisation in the production of welded Mapress Stainless Steel fittings in order to improve efficiency, quality, waste and ergonomics, while also simultaneously reducing pickling step by step.
- Manufacture of a WC seat and lid using recyclable thermoplastics instead of non-recyclable duroplast plastics in Pfullendorf (DE).
- Replacement of existing systems with the latest generation of WC high-pressure casting cells in Ekenäs (FI) in order to increase efficiency while simultaneously reducing energy consumption.
- Replacement of conventional plaster casting systems with modern high-pressure casting systems in Koło and Włocławek (both PL) in order to increase efficiency, improve ergonomics and reduce raw material consumption and plaster waste.
- Installation of further glazing robots in Carregado (PT) in order to increase efficiency, improve ergonomics and reduce raw material consumption.
- Modernisation of raw material processing, including the installation of silos and conveyor systems and automatic dosing in order to increase efficiency and reduce dust emissions in Koło and Włocławek (both PL).

Outlook for 2024 to 2026

- Further increase in the number of injection moulding machines with energy-efficient drive technology from 242 to 268. Commissioning of an eighth fully electrical blow-moulding machine.
- Continued process optimisation in the production of welded and straight Mapress fittings.
- Further installation of the latest generation of WC high-pressure casting cells in Ekenäs (FI).
- Further replacement of conventional casting systems in Koło and Włocławek (both PL).
- Further automation of the glazing process for ceramic appliances in Carregado (PT).
- Modernisation of raw material processing in Carregado (PT).

Green logistics

Geberit optimises its logistics with regard to energy consumption, emissions and packaging.

Important facts and achievements 2023

- The transport service providers handled 524.7 million tkm, which was down on the previous year (644.5 million tkm) mainly due to the decline in volumes. This resulted in CO_2 emissions of 52,815 tonnes (previous year 65,889 tonnes).
- Increased share of state-of-the-art Euro 6 trucks at 89% (previous year 87%).
- Four trucks powered by natural gas in operation between Jona (CH) and Pfullendorf (DE) and on other routes.
- The optimised calculation, better utilisation of freight capacity, bundling of long-goods deliveries and deployment of super-size trucks in Scandinavia reduced the number of trips required.
- The eco-efficiency of logistics (environmental impact per tkm) has improved by 28% since 2015.
- Development and approval of an applicable Group-wide packaging strategy with the aim of harmonising processes and reducing costs and resources. Improvement of master data and harmonisation of processes, plus the development of an inspection catalogue for reducing transport damage.
- Standardisation and reduction of packaging for Geberit AquaClean Mera and Sela shower toilets by one-third. Identification of alternatives to expanding PUR-foam in transport logistics.

Outlook for 2024 to 2026

- Further optimisation of loading capacity through scheduling and organisational changes as well as the use of larger shipping containers.
- More intensive use of Euro 6 vehicles.
- Identification of suitable alternative drive technologies for trucks as part of a pilot project with a transport service provider.
- Roll-out of the packaging strategy in the plants and logistics, plus integration in the product development process. Implementation of projects with substantial reduction potential.
- Replacement of physical product instructions with digital alternatives wherever possible (QR code).

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Compliance & governance

Geberit complies with all laws, guidelines, norms and standards. Geberit checks the effectiveness of its internal monitoring systems and guidelines and implements appropriate measures in the event of misconduct.

Important facts and achievements 2023

- The review of adherence to the Geberit Code of Conduct in all organisational units and in interviews conducted by the Internal Audit Department with managing directors on topics from the Code of Conduct resulted in the discovery of no significant breaches.
- No relevant incidents were reported via the Geberit Integrity Line for employees, and no incidents were reported via the Integrity Line for suppliers.
- Numerous training courses carried out on antitrust legislation and roll-out of a new eLearning tool for the European markets.
- Processing of enquiries on the permissibility of marketing and sales campaigns under antitrust legislation, plus execution of numerous internal audits in the area of antitrust legislation.
- Processing of enquiries on data protection. Further expansion of the data protection management system, comprehensive training activities and execution of numerous internal audits.
- Geberit Integrity Line for employees adjusted to meet new legal requirements.
- Migration of the EHS compliance tool for the production plants to a new software version.

Outlook for 2024 to 2026

- Regular training activities and execution of audits in the area of antitrust legislation in collaboration with the Internal Audit Department.
- Further development of the data protection management system, regular training activities and execution of audits in collaboration with the Internal Audit Department.
- New eLearning tool for data protection for the European markets.
- Further roll-out of the EHS compliance tool in production plants in Europe.

Sustainability

Sustainability performance report

Organisational profile

GRI 2-1 Organisation

The Geberit Group has its headquarters in Rapperswil-Jona (CH). Geberit AG, the parent company of the Geberit Group, is a stock corporation (AG) under Swiss law, see also → Business Report > Corporate Governance > Group structure and shareholders.

Geberit has its own representatives in over 50 countries. The products are sold in more than 120 countries throughout the world. The Geberit Group operated 26 plants at the end of the reporting year, 22 of which are located in Europe, two in the US, one in China and one in India. Logistics consists of a central logistics centre in Pfullendorf (DE) for installation and flushing systems and piping systems as well as a network of 13 European distribution sites for ceramic appliances and bathroom furniture. For a list of the countries in which Geberit operates, see → Financials > Consolidated financial statements Geberit Group > Notes > Note 32.

GRI 2-2 Basis of consolidation

In general, the report covers the entire Geberit Group. If only part of the company is meant as an example or due to the availability of data, this is clearly indicated. For the reporting limits in the consolidated financial statements, see → Financials > Consolidated financial statements Geberit Group > Notes > Note 32.

GRI 2-3 Reporting period, cycle and contact point for questions regarding the report

The reporting period is the financial year 2023. Geberit reports annually as part of the integrated online reporting for a given financial year. Should you have any questions concerning sustainability at Geberit, please contact:

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Geberit International AG
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Tel: +41 55 221 63 56
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GRI 2-4 Restatements of information

If, in individual cases, a new form of presentation, calculation method or optimised data collection has led to other results for the previous years, then this is noted under the respective statements.

GRI 2-5 External assurance

There is no external review of the sustainability report in its entirety. Instead, individual processes, results and statements are inspected in detail by external parties:

- Financial reporting is audited by an external auditor, see → Financials > Financial statements Geberit AG > Report of the statutory auditor.
- The greenhouse gas balance (Scope 1 and 2) is audited by an external auditor, see → Audit Report Greenhouse Gas Balance.
- Furthermore, reporting on the energy and greenhouse gas balance sheet is submitted as part of the Carbon Disclosure Project (CDP) and assessed. Since 2016, Geberit has also been publishing its detailed water balance as part of the CDP Water Program.
- The Geberit Group has a → Group certificate in accordance with ISO 9001 (quality), ISO 14001 (environment) and ISO 45001 (occupational health and safety) that is valid until 2024. All production plants, central logistics, and the management company incorporating all Group functions at headquarters in Rapperswil-Jona (CH) are certified in accordance with these three standards. In addition, five German plants are certified in accordance with ISO 50001 (energy) and nine sales companies in accordance with ISO 9001 (quality).
- In 2015, all Geberit companies implemented the European Energy Efficiency Directive 2012/27/EU for the first time. A further review was carried out in 2019, with the last review taking place in 2023.
- On-site audits (quality, environment, occupational health and safety) of suppliers are carried out by Geberit as well as certified third-party specialists. In 2023, five external audits were carried out, see → Procurement.

Activities

GRI 2-6 Activities, value chain and business relationships

For activities, value chain and business relationships, see → Business model and value chain.

GRI 2-7, GRI 2-8 Composition of the workforce and further employees

At the end of 2023, the Geberit Group employed 10,947 staff worldwide (previous year 11,514 employees). This represents a decrease of 567 people or 4.9% compared to the previous year. This decrease was due to capacity adjustments in production and logistics to counteract the significant decline in volume, together with the reduction of activities in Russia. In contrast, additional employees were required in several markets outside Europe due to focused sales initiatives. For key figures and further information on the workforce by country, area (production, marketing and sales, administration, research and development, apprentices), employment relationship (permanent, temporary), degree of employment (full-time, part-time), executive level (management, employees) as well as gender and age structure, see → Key figures sustainability > Employees and society.

For further information on apprentices and interns, see → GRI 404 and on the commissioning of workshops for people with disabilities, see → Social responsibility.

Governance

GRI 2-9 Governance structure

The Board of Directors determines the strategic objectives and the general resources for achieving these, and decides on major business transactions. For details about the internal organisation of the Board of Directors and its committees, see → Business Report > Corporate Governance > Board of Directors> Internal organisational structure.

The operating management structure of Geberit is broken down into seven Group Executive Areas:

- CEO Division
- Sales Europe
- Sales International
- Marketing & Brands
- Products
- Operations
- Finance

The assignment of clearly distinguished responsibilities minimises the number of interfaces. For more details about the organisational structure, see → Business Report > Management structure.

At the end of 2023, the Board of Directors was composed of six non-executive, independent members. Albert M. Baehny is Chairman of the Board of Directors. The composition of the Board of Directors should reflect strategic requirements, the company's targets, geographical presence and corporate culture. The Board of Directors should be diverse in every respect, i.e. in terms of gender, nationality, geographical/regional experience and business experience. The members of the Board of Directors have in-depth knowledge in their respective areas of expertise. Together, they ensure that the Board of Directors has all the necessary competencies. All of the committees formed by the Board of Directors are comprised exclusively of independent members. For further details, see → Business Report > Corporate Governance > Board of Directors.

GRI 2-10 Nomination and selection process of the Board of Directors

The term of office for a member of the Board of Directors is one year and ends at the closing of the following ordinary General Meeting. Members of the Board of Directors are elected on an individual basis. Re-election is possible. For further details, see → Business Report > Corporate Governance > Board of Directors > Elections and terms of office.

GRI 2-11 Separation of Chair of Board of Directors and Executive Management

Christian Buhl is Chief Executive Officer (CEO) and Albert M. Baehny is Chairman of the Board of Directors. For further details, see → Business Report > Corporate Governance > Board of Directors.

GRI 2-12 Role of top management and Board of Directors in monitoring the impacts of Geberit's business activities

Geberit's long-standing success is based on the fact that the Board of Directors and the Group Executive Board pursue a long-term perspective. The Board of Directors and Group Executive Board have defined and adopted key mission statements and principles such as the → Geberit Compass and the → Geberit Code of Conduct, see → GRI 2-23. The Board of Directors determines the corporate strategy and sustainability strategy together with the Group Executive Board. The Group Executive Board is responsible for the implementation (including the CO_2 strategy as part of the sustainability strategy). The Geberit Compass is reviewed as part of the annual strategy process of the Group Executive Board and updated, when required. The publication of a comprehensive, new version of the Compass is planned for 2024.

The impacts, risks and opportunities in terms of sustainability are discussed and reviewed by the Board of Directors and the Group Executive Board annually in connection with the sustainability report and the sustainability strategy. Results and the achievement of objectives are submitted to the Board of Directors and to the Group Executive Board for verification at least once annually. This also comprises the → TCFD Reporting, the → SDG Reporting and the internal Geberit Compliance Report, including the audit results with respect to adherence to the Code of Conduct.

Key figures on energy and CO_2 are presented monthly and key figures on occupational safety quarterly to the Group Executive Board. They are presented on a regular basis to the Board of Directors.

In 2022, Geberit consulted a → Stakeholder Panel for the sixth time. Their mandate was to give feedback on the sustainability performance, materiality analysis, CO_2 strategy, strategic approaches on the topics of diversity and inclusion, and ESG governance. This input is used for the strategic review and continued development of the company.

The → participatory rights of shareholders are based on the → Articles of Incorporation of Geberit AG. The employee representatives of the European sites meet regularly with a member of the Group Executive Board and the Head Corporate Human Resources. Concerns can be addressed to the Board of Directors through this channel. There is no employee representative on the Board of Directors.

The Geberit Group has a risk management system that is approved by the Board of Directors. The risk policy defines a structured process according to which the business risks, including sustainability and climate risks, are systematically addressed. In this process, the risks are identified, analysed and assessed in terms of their probability of occurrence and extent, and measures are then defined to control the risks. Operationally, the Group Executive Board is responsible for controlling risk management. In addition, responsible persons are designated in the company for significant individual risks; in the case of sustainability and climate risks, this is the Head Corporate Sustainability and Process Management. These responsible parties decide on specific actions for risk management and monitor their implementation. The Internal Audit Department coordinates the risk management process and issues a risk report for the attention of the Board of Directors every other year. Significant risks are also constantly discussed in the meetings of the Group Executive Board and Board of Directors, which take place on a regular basis.

The risk management process involves the following steps:

1. Risk identification and classification: Correct identification and assessment of the significant risks. These are discussed in depth every other year by the Group Executive Board and the Board of Directors.
2. Risk analysis: Assessment of specific business risks and analysis of the changes since the last survey. The probability of occurrence is assessed on a scale of improbable (1) to frequent (5). To scale the effects of a risk that has been identified, the scale of the Impact of Risk Event is used. The scale ranges from insignificant (1) to very critical (5). The risks are classified on the basis of the combined scores.
3. Risk management: Instruments, measures and responsibilities are defined for each risk. These are checked at regular intervals.
4. Risk monitoring and reporting: Risk monitoring is part of regular reporting to the Group Executive Board and the Board of Directors, and is also part of the risk assessment that takes place every two years.

Risks associated with climate change are an integral part of the overall risks of the company and are therefore also taken into account in risk assessment. For further information on risk management by Geberit, see → Business Report > Business and financial review > Strategy and goals > Risk management. For further information on climate-related risks and opportunities, see → TCFD Reporting. For an overview of the Geberit compliance topics, see → Business Report > Business and financial review > Financial Year 2023 > Compliance.

GRI 2-13 Delegation of authority on economic, environmental and social matters

The responsible and future-oriented corporate governance strengthens the resilience of the Geberit "go-to-market" model (business model) and thus the long-term value creation of the company. All positions involved in the sustainability strategy and its implementation, with the corresponding tasks and responsibilities, are listed in the → TCFD Reporting, which includes a chart on ESG governance.

The Board of Directors determines the corporate strategy, see → Business Report > Business and financial review > Strategy and goals > Strategy and the → Sustainability strategy. To the extent legally permissible and in accordance with the Organisational Regulations, the Board of Directors has assigned the operational management and the implementation of the strategy to the Chief Executive Officer. Within the operational management structure, responsibility is delegated further for specific economic, environmental and social issues, see → GRI 2-9.

At every meeting, the members of the Group Executive Board inform the Board of Directors of current business developments and major business transactions of the Group or Group companies. Between meetings, the Board of Directors is comprehensively informed in writing about current business developments and the company's financial situation on a monthly basis.

The Board of Directors determines the strategic objectives and the general resources for achieving these, and decides on major business transactions. Within the operational management structure, responsibility is determined for specific economic, environmental and social issues. The responsible individuals report either directly to the CEO (including Corporate Human Resources, Corporate Communications and Investor Relations, Strategic Planning), or to other members of the Group Executive Board.

Sustainability has been addressed actively for over 30 years and has had a dedicated function at the company since 1992, starting with a focus on environmental topics and then successively with added topics and responsibilities. The central environment and sustainability department has reported directly to the CEO for over 20 years. Since 2020, this department has

also been responsible for Group-wide process management and → ISO certification and was renamed Sustainability and Process Management. Among other aspects, it coordinates the further development of the sustainability strategy and CO_2 strategy, plus the associated activities. 2023 saw the addition of the functions "sustainability and compliance" in purchasing and "energy management" in ceramic production.

Either the individual business units or – centrally – Sustainability and Process Management are responsible for planning and implementing the measures detailed in the twelve modules included in the sustainability strategy. In terms of direct responsibility, the production plants are responsible for the green production module, Group logistics for the green logistics module, and Group purchasing for the sustainable supply chain module. A network of EHS managers at the production plants implement the targets and measures laid down in the sustainability strategy worldwide. Additionally, a global meeting takes place once a year, where managers discuss best practice and further develop Group-wide standards and processes, see → Business Report > Business and financial review > Financial Year 2023 > Sustainability.

GRI 2-14 Review and approval of sustainability reporting

The sustainability report (report on non-financial matters pursuant to Art. 964a ff. CO) is examined and approved by the Board of Directors and Group Executive Board as part of the integrated annual report.

GRI 2-15 Processes in place for the Board of Directors to avoid conflicts of interest

Conflicts of interest are avoided via the → Regulations in the Articles of Incorporation concerning the number of permissible activities. The → Organisational Regulations of the Board of Directors stipulate how conflicts of interest of members of the Board of Directors are avoided. The members of the Board of Directors are obliged to refrain from involvement in the handling of matters affecting either their personal interests or those of a company with which they have an affiliation. This obligation to refrain from involvement has no influence on the requirements for a quorum when passing resolutions. Business dealings between the company and governing bodies or related parties are subject to the principle of conclusion at conditions as with independent third parties.

GRI 2-16 Procedures for communicating critical concerns

The Board of Directors is available to address the concerns of stakeholders and shareholders. Matters brought forward by shareholders within the context of the General Meeting are dealt with in accordance with the Articles of Incorporation. No matters were submitted directly to the Board of Directors outside the General Meeting in 2023.

GRI 2-17 Enhancement of top management's and Board of Directors' related know-how on economic, environmental and social issues

Internal business processes are designed to ensure continuous improvement and innovation. These values are closely associated with the Geberit brand. At the same time, stakeholder concerns are taken seriously, and the Group Executive Board and Board of Directors receive feedback and input for the continued development of the sustainability strategy from the external stakeholder panel, for example.

The members of the Board of Directors have in-depth knowledge in their respective areas of expertise. Together, they ensure that the Board of Directors has all the necessary competencies. This also includes the subject of sustainability, see → Business Report > Corporate Governance > Board of Directors.

In compliance with the → Organisational Regulations, the Board of Directors undertakes at least one assessment of the way in which it works together every year. This includes an assessment of how well-informed the members of the Board of Directors are about the Group and its business performance and the expertise contributed by the Board of Directors.

GRI 2-18 Processes for evaluation of the sustainability performance of the Board of Directors

Geberit's long-standing success is based on the fact that the Board of Directors and the Group Executive Board pursue a long-term perspective, thus enabling the company to demonstrate its performance clearly in areas including sustainability. There is no formal procedure for assessing the performance of the Board of Directors from an integrated sustainability perspective. As part of the annual review of the sustainability strategy, findings are discussed and areas where action is needed are determined, see → GRI 2-12.

GRI 2-19 Remuneration policies for the governance bodies

Geberit publishes a detailed annual Remuneration Report, which discloses the precise points of its remuneration policy. Geberit's remuneration policy states that remuneration programmes must be balanced between the reward of short-term success and long-term value creation. For information about the remuneration of the management bodies, see → Business Report > Remuneration Report.

Since 2022, the achievement of objectives regarding the reduction of the relative CO_2 emissions (CO_2 intensity) has been integrated as an additional, equal fifth criterion in the bonus matrix for members of Group management as well as employees in Switzerland. This means the annual objectives for emissions are now relevant to bonuses for some 220 managers and a total of around 1,500 employees.

GRI 2-20 Processes for determining remuneration

Geberit publishes a detailed annual → Business Report > Remuneration Report, which discloses the precise points of remuneration paid to the Board of Directors and Group Executive Board while taking the concerns of all stakeholders into consideration.

GRI 2-21 Ratio of annual remuneration paid

The ratio of the annual remuneration paid to the highest-paid employee to the average annual remuneration of all employees (excluding the highest-paid employee) based on the average full-time equivalents (FTEs) was 51.4.

The ratio of the percentage increase in annual remuneration paid to the highest-paid employee to the level of the percentage increase in annual remuneration for all employees (excluding the highest-paid employee) based on the average full-time equivalents (FTEs) was 0.1.

Strategy, policies and practices

GRI 2-22 Statement of the Chairman of the Board of Directors and the CEO on sustainability

The Chairman of the Board of Directors and the CEO comment on sustainability in the → Editorial.

GRI 2-23 Values, standards and codes of conduct

For Geberit, sustainability means bringing about an improvement in people's standard of living through innovative sanitary products and thereby generating long-term added value for customers, society and investors. This means striking a balance in decision-making processes between economic, environmental and social aspects. One focal point of Geberit involves identifying important technological and social trends in good time in dialogue with stakeholders and developing suitable products and services for customers that also generate added value for other stakeholders. The long-term orientation minimises risks for business development not only of a financial nature but also with regard to social developments and environmental challenges, such as climate change and water scarcity, for example.

Since 1990, Geberit has followed a long-term environmental and sustainability strategy that includes both ongoing and future projects, initiatives and activities. All strategy modules contain clear responsibilities with measurable objectives, measures and quantifiable key figures for effective monitoring. The → sustainability strategy is based on the → materiality analysis. This was drawn up on the basis of the GRI Standards and highlights how Geberit prioritises the key topics and the areas in which added value for stakeholders is created. The material topics are:

- durable products with exceptional quality and design, which can be cleaned and repaired easily,
- resource-optimised, water-saving and sustainable sanitary systems for water management in buildings,
- environmentally friendly and resource-efficient production,
- comprehensive, measurable climate change mitigation that is geared towards implementation,
- a supply chain and logistics which satisfy high environmental and ethical standards,
- good and safe working conditions for all employees.

Social responsibility is realised among other things within the scope of diverse, local activities for inclusive jobs and global social projects relating to the core competencies of water and sanitary facilities.

The Sustainable Development Goals (SDGs) of the United Nations define concrete targets for 17 different themes, which the states are required to implement by 2030. Integration of the economy plays a pivotal role in implementing these targets and indicators. As a result, major opportunities with growth potential are also arising for companies geared towards sustainable products and services – such as Geberit. Geberit sees its contribution above all in four UN Sustainable Development Goals. The contributions to Goal 4 "Quality Education", Goal 6 "Clean Water and Sanitation", Goal 11 "Sustainable Cities and Communities" and Goal 13 "Climate Action" are included in the → SDG Reporting. The major economic, environmental and social effects of Geberit's operations also lie in these four areas.

Compliance and the adherence to applicable laws and regulations in the relevant areas comprises several guidelines for social, economic and environmental responsibility. These define ethical and social standards and Geberit commits to sustainability and integrity. Central elements for compliance in the company are the → Geberit Compass, which describes the cornerstones of the corporate culture, namely the joint mission, the shared values, the operational principles and the success factors, the → Geberit Code of Conduct for Employees introduced in 2007 as well as the → Code of Conduct for Suppliers. The Compass is reviewed as part of the annual strategy process of the Group Executive Board and updated, when required. The publication of a new version of the Compass is planned for 2024. The Code of Conduct for Employees, which was last updated in 2015, is currently being revised and will also be relaunched in 2024.

When reporting on its commitment to sustainability, Geberit also relies on the requirements of established rating agencies. In this way, Geberit serves the growing needs of customers, suppliers, investors and other stakeholders for transparency and comparability, with the rapidly increasing number of reporting standards and ratings making a focus increasingly necessary. Various awards and rankings also serve to confirm Geberit's perceived role as a leader in sustainability in sanitary technology.

GRI 2-24 Implementation of standards and codes of conduct

Geberit's compliance organisation is decentralised and a consistently implemented compliance programme in all relevant risk areas forms the basis of the high-quality compliance standards. The main compliance activities for Geberit encompass the areas antitrust legislation (→ GRI 206), corruption (→ GRI 205), data protection (→ GRI 418), product liability (→ GRI 416, → GRI 417), fundamental employee rights (→ Communication on Progress UNGC, sections on human rights and labour) as well as environment, health and safety (→ GRI 2-27, → GRI 403). For further information, see → Business Report > Business and financial review > Financial Year 2023 > Compliance.

All new employees at Geberit are trained on the Code of Conduct as part of the Welcome events. Among other things, specific training films on the topics of corruption, IT misuse, workplace bullying and sexual harassment are deployed especially for this. The Geberit Intranet (GIN), which since 2020 has also been available to all employees via mobile app, also serves as an important basis for this. The compliance organisation and Code of Conduct are presented and explained here.

In terms of the environment, the precautionary approach plays an important role for Geberit as a production company. This approach is described in the → Geberit Code of Conduct. The Geberit Group has a → Group certificate in accordance with ISO 9001 (quality), ISO 14001 (environment) and ISO 45001 (occupational health and safety) that is valid until 2024. The renewal of the group certificate for another three years until 2027 is planned for 2024. All production plants, central logistics, and the management company incorporating all Group functions at headquarters in Rapperswil-Jona (CH) are certified in accordance with these three standards. In addition, five German plants are certified in accordance with ISO 50001 (energy) and nine sales companies in accordance with ISO 9001 (quality). The audit tool developed in 2020 and implemented in 2021 was further developed. It enables the digital management of internal and external audits and provides an overview of the measures and their implementation as part of the process improvement. Furthermore, the Group-wide availability of the tool makes it easier to share best practices.

In terms of employee protection and human rights, the UN Guiding Principles on Business and Human Rights apply to the business activities of Geberit. Geberit is active across the world, including in regions posing a certain degree of risk with regard to the upholding of fundamental employee and human rights. The upholding of human rights at all Geberit Group companies is subject to a survey each year as part of the verification of the Code of Conduct. With regard to the implementation of due diligence in procurement, see → Procurement.

In addition, internal audits with compliance reviews took place at 20 companies of the Geberit Group in the reporting year. For further information, see → GRI 2-26, → GRI 2-27.

Geberit also discloses the efforts it makes to minimise social and environmental risks through ratings. In this context, the EcoVadis rating is particularly relevant, with Geberit awarded the gold rating for its sustainability management; see also → Customer relations.

GRI 2-25 Handling negative effects

An extensive system for the control and management of all risks involved in business activities is in place throughout the Group. For further information, see → Business Report > Corporate Governance > Board of Directors > Information and control instruments vis-à-vis the Group Executive Board. For climate risks, see → TCFD Reporting. Geberit has a comprehensive compliance system for the topics of antitrust legislation, corruption, data protection, product liability, fundamental employee rights, and environment, health and safety, see → GRI 2-27. For information on handling non-compliance with standards and guidelines in the fields of employees and supply chain, see → GRI 2-26.

GRI 2-26 Ethical advice and concerns

Geberit has established an effective compliance system to ensure that its conduct is both ethical and legally compliant, see → GRI 2-24 and → GRI 2-27. It is of utmost importance to Geberit that the Geberit Code of Conduct is adhered to by the employees. It forms the basis for daily work in a constantly changing international environment. It is expected that all employees are familiar with and understand this Code of Conduct and act accordingly without exception. A comprehensive review on compliance with the Code of Conduct takes place as part of the annual reporting. All companies receive over 60 questions on the key topics, see → GRI 2-27. In addition, on-site audits are performed by the Internal Audit Department. These also comprise separate interviews with the managing directors of the individual companies on the topics mentioned in the Code of Conduct. The findings from the survey and audits form the basis for the annual Compliance Report submitted to the Board of Directors and Group Executive Board and are published in accordance with the GRI guidelines in this report. Non-compliance with the Code of Conduct will be systematically sanctioned.

Employees who openly address actions and circumstances which represent breaches of applicable law, ethical standards or the Code of Conduct are acting correctly and in accordance with the Geberit Code of Conduct. As a general rule, employees should first seek a personal meeting with their supervisor. Alternatively or additionally, all employees can also report cases of misconduct or violations via the Geberit Integrity Line. This whistleblower hotline makes it possible for employees to report compliance-relevant misconduct and/or legal violations anonymously, and is available around the clock seven days a week, in all relevant languages. The Integrity Line is operated by an external company with experience in this area and meets the requirements set by the EU Whistleblower Directive. In addition to the existing Group-wide reporting point, national reporting channels have also been set up in several European countries (PT, SE, SI, IT, NL, BE) for implementing the national laws adopted based on the EU Whistleblower Directive. No relevant cases were recorded by the Integrity Line for employees in the reporting year.

Geberit expects the business activity of its partners along the value chain to be correct in every respect. Geberit has defined the mandatory central requirements for its suppliers and business partners in a Code of Conduct for Suppliers and a Code of Conduct for Business Partners. Among other aspects, these documents focus on the areas of human rights (including child and forced labour), occupational health and safety, pay, environmental protection as well as integrity (including bribery and

corruption). Since 2017, an Integrity Line has also been available to suppliers for anonymously reporting irregularities in the procurement process or non-compliance with the Code of Conduct for Suppliers. There were no reports from suppliers in the reporting year.

GRI 2-27 Compliance with laws and regulations

In order to guarantee compliance with the requirements of the Code of Conduct, Geberit has established an effective compliance system that focuses on the following key topics (the respective department responsible is then detailed in brackets): antitrust legislation, corruption, data protection (Corporate Legal Services), product liability (Corporate Product Quality), fundamental employee rights (Corporate Human Resources), environment, health and safety in production and logistics (Corporate Sustainability and Process Management) as well as supply chain laws and implementation of due diligence obligations in the supply chain (Corporate Purchasing). In practice, the system comprises various elements such as guidelines, continuous training, job orientation for new employees, eLearning campaigns, compliance-related audits, annual reporting on the Code of Conduct and the Geberit Integrity Line – a whistleblower hotline for employees and suppliers. The training concepts and tools were also developed further and training sessions further intensified in the reporting year. The focus remained unchanged on the topics of antitrust legislation and data protection.

As only very few sales companies work with agents, there is no significant risk exposure in this area. Nevertheless, a → Code of Conduct for Business Partners was drawn up in 2016 based on the Geberit Code of Conduct and communicated to the agents by the managing directors of the local sales companies.

For further information on the topic of compliance, see → Business Report > Business and financial review > Financial Year 2023 > Compliance.

As part of the annual reporting on the Code of Conduct for Employees, compliance with the requirements set out there is subject to controls. All companies receive over 60 questions on the above-mentioned key topics. In addition, on-site audits are performed by the Internal Audit Department and corrective measures taken in the event of misconduct. The audits also comprise special interviews with the managing directors of the individual companies on the topics mentioned in the Code of Conduct. The respective information is verified. The findings from the survey and audits form the basis for the annual Compliance Report submitted to the Board of Directors and the Group Executive Board, and are published in the annual report.

With regard to the implementation of compliance in procurement, see → Procurement.

In 2021, KPMG carried out a comprehensive external audit of the compliance organisation, focusing on antitrust legislation, corruption, sustainability, employee rights and product liability, with good results achieved overall.

There were no violations or non-monetary sanctions with regard to occupational health and safety or environmental regulations in the reporting year.

GRI 2-28 Membership of associations

Geberit is involved in various associations and organisations that make a contribution toward sustainable development. In addition, various Geberit companies are members of national associations on topics such as sustainable building, environmentally friendly production, energy, waste management and employee protection:

- Since June 2000, a member of the Transparency International organisation, supporting its objectives for combating corruption.
- Since 2000, an active member of TEPPFA, the European organisation for plastic pipes and fittings, where the topics of sustainability and circular economy are central.
- Since October 2008, a formal member of the UN Global Compact – the company was also a founding member of the local Swiss network in 2011.
- Since 2012, a member of the non-profit organisation Swiss Water Partnership. This platform seeks to bring together all those involved in the topic of water supply (from academic, economic as well as public and private spheres) to collectively address future challenges and promote international dialogue on water.
- Member of Cerame-Unie, the European Ceramic Industry Association, since the acquisition of the ceramics business in 2015. As is the case with TEPPFA, the subject of sustainability is also a central element in this association.

Stakeholder engagement

GRI 2-29 Identification and selection of stakeholders, plus stakeholder engagement

Significant stakeholder groups for Geberit are customers, shareholders, analysts, the media, employees and trade unions, neighbours, municipalities and authorities, research institutes, suppliers, transport companies, associations, non-government organisations and the general public.

A systematic guided dialogue with stakeholders helps Geberit to identify possible conflict issues and opportunities for further development and to respond to these in good time. On national and international levels, the Geberit Group and its local companies maintain relations with organisations and institutions in the respective countries that direct requests and suggestions to the company. The stakeholders have been identified as important for systematic stakeholder dialogue as they fulfil at least one of two criteria: either the stakeholder group exerts a strong influence on the economic, environmental or social performance of Geberit and/or the stakeholder group is strongly affected by the economic, environmental or social performance of Geberit. An external stakeholder panel helps Geberit to review its assessment of important stakeholder groups and their concerns.

In 2022, Geberit consulted an external → Stakeholder Panel for the sixth time. Their mandate was to give feedback on the sustainability performance, materiality analysis, CO_2 strategy, strategic approaches on the topics of diversity and inclusion, and ESG governance. The results are presented in the Panel Statement. The external review and the recommendations contained therein are dealt with in detail in the response from Geberit to the Panel Statement.

Based on the stakeholder analysis, Geberit identifies both potential for conflict and opportunities, and pursues a cooperative approach when it comes to discussing and further developing possible measures with the stakeholders concerned. Feedback from stakeholder dialogues is incorporated into the → Materiality analysis and into the → Sustainability strategy.

Engagement of stakeholders according to stakeholder group:

Customers
- Technical advisors working in the field who are in daily contact with plumbers, sanitary engineers and architects.
- In the reporting year, some 60,000 professionals were provided with education and further training on Geberit products, tools, software tools and installation skills at 30 Geberit Information Centres in Europe and overseas. Furthermore, some 18,000 people took part in a wide range of webinars and alternative training formats.
- The further expanded trade fair concept first presented in 2022 with its open, modular booths was used again in the reporting year. Geberit was present with a large booth at the leading global trade fair ISH in Frankfurt (DE). In addition to this, other important presentations were made at VVS in Odense (DK), the Energiesparmesse trade fair in Wels (AT) and at BouwBeurs in Utrecht (NL).
- Further expansion and intensification of social media presence and the sending of newsletters.

For further information, see → Business Report > Business and financial review > Financial Year 2023 > Customers.

Shareholders and analysts
- Shareholders have statutory → participatory rights.
- Regular telephone conferences, bilateral meetings, conferences and roadshows with the CEO, CFO and Head Corporate Communications and Investor Relations.

Media
- Regular conference calls, bilateral meetings and interviews with the relevant media for Geberit.
- Sustainability topics and in particular Geberit's performance in this area play an important role in the media activities of Geberit.

Employees and trade unions
- Geberit Europe Forum with employee representatives from most European countries, during which a member of the Group Executive Board and the Head Corporate Human Resources meet with the delegates.
- Training and feedback opportunities on topics regarding the Code of Conduct.
- Group-wide Geberit Integrity Line to enable all employees across the world to report irregularities anonymously in the corresponding language.
- Regular employee survey of all employees of the Geberit Group, most recently in 2021. The next survey is planned for 2025. Furthermore, short surveys on specific topics in individual areas and companies are due to take place in the meantime.

For further information, see → Business Report > Business and financial review > Financial Year 2023 > Employees.

Neighbours, municipalities and authorities
- Consultation with and inclusion of the neighbours of production plants in larger construction projects.

Research institutes

- Partner of the → research platform NEST (Next Evolution in Sustainable Building Technologies) at EAWAG (aquatic research institute of the ETH Domain) and Empa (Swiss Federal Laboratories for Materials Science and Technology) in Dübendorf (CH). In the Water Hub, systems are tested that use water and waste water as efficiently and diversely as possible.
- Cooperation on technological trends and developments directly related to sanitary technology with Empa Dübendorf, University of Applied Sciences OST Rapperswil, University of Zurich, University of Applied Sciences and Arts Northwestern Switzerland Brugg-Windisch, Lucerne University of Applied Sciences and Arts (all CH), as well as the Rosenheim Technical University of Applied Sciences and the Westphalian University of Applied Sciences (both DE) and others.

Suppliers

- Initial contact within the scope of the assessment procedure and implementation of the Code of Conduct for Suppliers.
- Regular discussions with suppliers on site.
- On-site audits (quality, environment, occupational health and safety) carried out by Geberit and external partners.
- Integrity Line for suppliers for anonymously reporting irregularities in the procurement process or non-compliance with the Code of Conduct for Suppliers.
- Increased exchange on product data during the creation of environmental product declarations (EPDs), on sustainable product solutions and on possibilities of reducing CO_2 emissions in the supply chain.

For further information, see → Procurement or → Business Report > Business and financial review > Financial Year 2023 > Procurement.

Transport companies

- Discussions with transport service providers based on the results of environmental monitoring.

For further information, see → Logistics or → Business Report > Business and financial review > Financial Year 2023 > Logistics.

Associations

- Involvement in various associations and organisations with participation in corresponding management bodies and programmes, see → GRI 2-28.

Non-government organisations and the general public

- Membership of the charitable organisation Swiss Water Partnership, which brings together members from academia, civil society, and the public and private sector to address challenges in the area of water.

GRI 2-30 Collective bargaining agreements

There are currently 9,041 employees (corresponding to around 80% of the workforce) who are covered by collective agreements (e.g. collective labour agreements, wage agreements). In Germany, Austria, Switzerland, France, Italy, Finland, Sweden, Poland and Ukraine, around 90% of employees are subject to a collective labour or wage agreement. There are no collective agreements with Geberit employees in place in the USA. The employment conditions of employees who are not covered by collective agreements are also in line with market standards.

Employees

Introduction

Geberit positions itself as an attractive employer and strives to offer jobs of the highest quality. The corporate culture at Geberit is characterised by a simple, functional organisation as well as a high degree of personal responsibility. In this way, Geberit motivates every employee to exploit their potential to the full and contribute to the success of the company.

Geberit's most important ambassadors are its employees. They represent Geberit in their day-to-day contact with customers and many other stakeholders. As the employees embody the company and its values, Geberit has defined its central corporate and brand values in the → Geberit Compass. Geberit aims to act as a role model for ethically unimpeachable, environmentally friendly and socially responsible operations. The → Geberit Code of Conduct fills this objective with tangible content and offers an important orientation guide. The revision of the Compass and Code of Conduct is planned for 2024. In addition, Geberit continues to develop its internal communication with employees.

Committed, well-trained employees with comprehensive know-how are decisive to the company's future success. Geberit positions itself on the job market as an employer with an open corporate culture and international development opportunities at the interface between craft, engineering and sales. Potential employees are increasingly being addressed via digital channels. Whilst classic job advertisements and direct contact are still used, employee portraits and success stories are also utilised, see → www.geberit.com > Insights.

The responsibility for all material aspects of the GRI Standards with respect to labour practices at the Geberit Group lies with the Head Corporate Human Resources, who reports directly to the CEO.

Employment (GRI 401)

Management approach employment

For Geberit, it is imperative to acquire and retain the right employees for the company. Geberit sees itself as an attractive employer with an open corporate culture that offers international development opportunities at the interface between the craft, engineering and marketing and sales sectors, see→ www.geberit.com > Career > What we offer.

The working conditions at Geberit considerably influence employee motivation and performance. Poor working conditions result in risks such as lower productivity and low levels of employee satisfaction and loyalty, additional costs due to high fluctuation rates and difficulties in recruiting qualified personnel. This is why Geberit focuses on offering good working conditions to achieve benefits such as high employee satisfaction and productivity, low absence rates, considerable innovation capability and a high level of employee loyalty.

Working conditions, such as the maximum number of working hours, are governed in accordance with legal requirements on a country-specific basis. Employees enjoy attractive employment conditions, which was confirmed by the employee survey conducted in 2021. The results show that the employees demonstrate an above-average level of both motivation and loyalty. The next Group-wide survey is planned for 2025. Furthermore, short surveys on specific topics in individual areas and companies are due to take place in the meantime. For further information, see → Business Report > Business and financial review > Financial Year 2023 > Employees.

In 2023, salaries and social benefits amounted to CHF 750 million (previous year CHF 776 million). The employees can also take part in share participation plans at attractive conditions, see → Financials > Consolidated financial statements Geberit Group > Notes > Note 17 and the → Remuneration Report.

Employee fluctuation (GRI 401-1)

The average fluctuation rate (in terms of employees with permanent contracts, without natural departures and long-term leaves of absence) was 7.2% (previous year 7.9%). Including natural departures, it was 9.4% (previous year 9.6%). For key figures on fluctuation by age group, gender and region, see → Key figures sustainability > Employees and society.

Benefits provided to full-time employees (GRI 401-2)

Geberit essentially grants the same benefits to full-time and part-time employees. However, employees with temporary contracts are not always entitled to the same benefits as permanent employees. For example, employees in Switzerland with temporary employment contracts of less than three months are not insured in the pension fund. Geberit bases its employee benefits on country-specific standards.

Parental leave (GRI 401-3)

Geberit implements the currently applicable legal framework conditions. It also attempts in individual cases to find solutions that are as suitable as possible for the affected person and their team.

100% of all permanently employed women are entitled to paid maternity leave, and 136 or 5.8% permanently employed women made use of paid maternity leave in 2023. Of these, around 58% or 79 women returned to Geberit following their parental leave.

98% of all permanently employed men are entitled to paid paternity leave. In India, employment law does not provide for paternity leave. 264 or 3.7% permanently employed men made use of paid paternity leave in 2023. Of these, around 96% or 252 men returned to Geberit following their parental leave.

Training and education (GRI 404)

Management approach training and education

Education and further training play a central role at Geberit in encouraging further qualifications and the innovative performance of the employees. As a technology-oriented company, Geberit is reliant on the innovative strength of its employees. Their know-how makes a significant contribution to the development of the company and the entire value chain. With an insufficiently qualified workforce, risks such as unsatisfactory product and process quality as well as reduced innovation and competitiveness increase. Geberit aims to minimise risks such as the departure of highly qualified personnel. The company invests in the promotion of education and further training and thus in the innovation capability of the employees. This both strengthens their adaptability to market changes and increases employee satisfaction and loyalty.

New employees are introduced to the company and its products through various job orientation programmes on joining the company. The programmes range from individually designed introduction talks in various departments to the one-week Welcome to Geberit course that provides practical knowledge in small groups.

A standard Performance assessment, Development and Compensation process has been in place since 2012. At the end of 2020, a new performance management process ("valYOU") was successively launched for performance assessment, professional development, succession planning and compensation management. In the reporting year, "valYOU" was implemented at all sites. The managers at the sites take part in one- to two-day management training sessions carried out across the Group. The core element of these sessions was the combination of theory and practice. The new appraisal process now serves as the standard for all employees at the Geberit Group.

Training apprentices is of great significance at Geberit. Young people can start their careers at Geberit with a commercial, industrial or technical apprenticeship. The aim is to impart all the skills that are required for apprentices to pursue their chosen careers in a professional, independent and responsible manner. In Rapperswil-Jona (CH) there are currently 76 apprentices (21 new apprentices in 2023) being trained in eleven trades. State-of-the-art and in particular digital learning methods are used here.

The apprentices are already given the opportunity to get practical insights at other sites during their training. During a six-month assignment at a Geberit site abroad, they work on various projects or support day-to-day business there. Geberit is convinced that experience abroad and the transfer of know-how are an advantage for both young employees and the company alike.

Partnerships with universities and institutes were continued in order to counteract the increasing skills shortage. Locally, the Geberit companies are in contact with institutes of technology and universities regarding project-related collaborations to supervise Bachelor and Master theses and to gain students for internships. Geberit is also part of international engineer networks such as UNITECH, which unites renowned European universities, corporate partners and engineering students.

Scope of training and education (GRI 404-1)

In the reporting year, employees across the Group attended on average 14.5 hours of internal and external education and further training (previous year 17 hours). Unlike the previous year, apprentice hours at vocational school are no longer included. For key figures by gender and executive level, see → Key figures sustainability > Employees and society.

Programmes for skills management and lifelong learning (GRI 404-2)

As part of the leadership development programme developed with an external training provider in the previous year, other local initiatives focussing on leadership and development topics were launched at three companies in 2023 with the goal of further strengthening leadership skills and establishing a consistent management culture.

The internal development programmes GROW and LEAD aim to identify talents in the company and support them along their path to middle or senior management. The programme includes topics such as strategy, digitalisation and the management of change processes. Issues investigated as part of project work are geared towards strategic tasks of relevance to Geberit and provide the decision-makers involved with concrete bases for action. In the reporting year, around 100 employees took part in these programmes. The internal development programmes are intended to help fill at least half of all vacant managerial positions with internal candidates. In 2023, this was achieved for 89% of all Group management vacancies (previous year 57%).

Geberit has been conducting the Operations Development Programme (ODP) since 2020. It is aimed at talented external and internal junior managers in the area of operations (production, logistics and purchasing). The aim is to recruit internationally mobile people with a technical background or who have studied engineering and who, in the medium term, should take up a managerial position at Geberit.

In 2023, 274 apprentices (previous year 283) were employed. The transfer rate to a permanent employment relationship was 65% (previous year 83%). Furthermore, 124 internships were made available and 24 Bachelor and Master theses supervised.

For information, see → Business Report > Business and financial review > Financial Year 2023 > Employees.

Performance evaluation and career planning (GRI 404-3)

In everyday working life, the personal and professional development of each individual employee is encouraged in a variety of ways. This covers all areas of work, functions and age groups. 94% of all employees took part in appraisal interviews in 2023 at which development opportunities were also identified and discussed. As part of the standard global "valYOU" process on Performance assessment, Development and Compensation, supervisors and employees discuss performance and agree objectives at least once a year.

Diversity and equal opportunity (GRI 405)

Management approach diversity and equal opportunity

Through diversity and equal opportunity, Geberit can increase its attractiveness as an employer and also make a contribution to the cohesion of society. Little diversity and a lack of equal opportunity in the company harbours risks and can lead to lower levels of employee satisfaction and loyalty as well as impair the reputation of the company. It can also exacerbate the increasing skills shortage in the company and diminish its innovative strength, as the requirements of different target groups are not sufficiently taken into consideration in the development of products. Conversely, diversity and equal opportunity in the company can increase its appeal for both existing and future employees. Cooperation between different population groups also strengthens mutual understanding for their respective needs and purchase behaviour, and gives impetus for innovations in product development and marketing. Geberit has the goal of reinforcing its position as a responsible and attractive employer with specific measures with regard to a heterogeneous workforce.

Geberit offers all employees the same opportunities and strives towards finding the best candidate for every position. Geberit supports diversity and promotes equal opportunities irrespective of gender, ethnic origin, skin colour, age, religion and nationality. In its Code of Conduct, Geberit emphasises the importance of promoting diversity and creating a culture that enables all employees to develop their full potential in the company.

Geberit pursues a fair and non-discriminatory employment practice in accordance with prevailing national and international law. Recruitment, training courses and promotions depend solely on individual performance, as well as skills and potential regarding the requirements of the position in question.

Protection of the principles of equality is anchored in the → Geberit Code of Conduct. This includes the prohibition of discrimination against any employee on the basis of gender. Fair and equal pay for women and men is guaranteed as follows:

- Job assessment by function in accordance with the proven Korn Ferry Hay method on the basis of know-how, thinking ability and accountability. All jobs are pooled in a Group-wide grading system. The resulting grade is the basis for determining an employee's pay. This guarantees gender-neutral, fair salary structures.
- Binding wage agreements with set pay grades at many Geberit sites.

Based on a strategic review carried out on the topic of diversity and equal opportunity, a Group-wide directive is currently being drawn up that reinforces the company's commitment towards an inclusive working environment and establishes guidelines for equal opportunity and the reconciliation of working, family and private life. The Group directive should be supplemented by local standards.

Geberit has an inclusive corporate culture and creates jobs for people with disabilities. The share of inclusive jobs (internal jobs plus assembly and packaging jobs consciously outsourced to external workshops) amounted to around 3.5% of all full-time jobs in the last survey in 2021, see → Social responsibility. This share should be further increased in the medium term.

Diversity of governance bodies and employees (GRI 405-1)

The proportion of female employees at the end of 2023 was 24% (previous year 24%), and for management this figure was 11% (previous year 11%). The six-member Board of Directors has two female members, which represents a share of around 30%.

Geberit would welcome more women in managerial positions. However, as is typical for the industry, the number of women in management is only increasing slowly at present. The proportion of females in Geberit's most important customer target group – plumbers – is also extremely low. For example, in Switzerland the proportion of female plumbers is lower than 3%.

People of all ages work together hand in hand at the company. Senior employees pass on their knowledge to the next generation, and in turn benefit from the new perspectives offered by the young talents. 13% of the workforce is under 30 years of age, 41% between 30 and 45, and 46% over 45. Around 35% of employees have worked at the company for over 15 years. The goal is to have a good mixture of ages.

For key figures on diversity in terms of gender and age structure, see → Key figures sustainability > Employees and society.

Ratio of remuneration between women and men (GRI 405-2)

According to the annual survey of all Geberit Group companies, no differences between the basic salaries of women and men exist anywhere within the Group.

An equal pay analysis carried out in 2021 at all Geberit companies in Switzerland confirmed that equal pay between female and male employees is upheld. The results were audited and confirmed by the certified auditors PwC.

Non-discrimination (GRI 406)

Management approach non-discrimination

Due to its market position and size, Geberit is an important company in the Swiss industrial landscape and in its own sector. This is why Geberit feels compelled to play a pioneering role when it comes to ethical and social matters, such as non-discrimination in matters of gender. While this is a legal requirement in some countries, it has not yet been achieved in most of them. With a non-discrimination approach that extends beyond the prevention and sanctioning of discrimination, Geberit can make a contribution to the elimination of social and systemic inequalities. The company also strengthens its reputation, its employer brand and its corporate culture with a consistently implemented non-discrimination policy.

The Geberit Code of Conduct forbids discrimination as defined in the International Labour Organization (ILO) core labour standards. Geberit does not tolerate either discrimination or workplace bullying on the basis of skin colour, gender, religion, creed, nationality, age, sexual orientation, physical or mental handicap, marital status, political views or other characteristics protected by law. The company aims to offer a safe working environment for its employees. All forms of workplace violence, including threats, threatening gestures, intimidation, attacks and similar forms of behaviour are forbidden. Compliance with the Code is verified annually as part of a Group-wide survey in order to minimise risks due to violations of the principles of non-discrimination.

According to the → Geberit Code of Conduct, employees who openly address irregularities which represent breaches of applicable law, ethical standards or the Code of Conduct are acting correctly. In doing so, Geberit employees are contributing to their own protection, that of their colleagues and the protection of Geberit's rights and interests.

If issues should occur, employees should seek a personal meeting with their supervisor. The Geberit Integrity Line is available to all employees as a whistleblower hotline in the corresponding language. The service is intended to enable employees to anonymously report cases that represent breaches of applicable law, ethical standards or the Code of Conduct. The Integrity Line is operated by an external company with experience in this area, and is available seven days a week around the clock.

Cases of discrimination (GRI 406-1)

According to the annual Group-wide survey of the Code of Conduct, there were four cases of sexual harassment in the workplace in the reporting year. Three of the accused people were given a warning and referred to the company social counselling office and one accused person has left the company; the cases are now closed. There were also two reports of bullying which are still being clarified. No incidents of discrimination were reported.

Freedom of association (GRI 407)

Management approach freedom of association

The right to join forces for common aims and purposes – particularly in the form of unions – is a human right. It is therefore one of the fundamental rights of the employees at Geberit – regardless of the respective national circumstances. Not all countries in which Geberit is present have legal regulations governing freedom of association. Nonetheless, Geberit gives this personal right of the employees a higher priority than the economic risk of a strike. Rather, it forms the basis of fairness and respect for the employees.

Employees are completely free to join trade unions, associations and similar organisations. No rights with respect to exercising freedom of association or collective bargaining as defined in the ILO core labour standards and the UN Global Compact are subject to restriction at the Geberit Group. Measures such as regular meetings as part of the Geberit Europe Forum support exchanges between our employee representatives.

Non-compliance with the right to freedom of association and collective bargaining (GRI 407-1)

According to the annual Group-wide survey of the Code of Conduct, no infringements of the guarantee of freedom of association and collective bargaining were identified in the reporting year.

Occupational health and safety (GRI 403)

Management approach occupational health and safety

The occupational health and safety of employees at Geberit are of major importance. Geberit wants to gradually get nearer to the target of having healthy employees within an accident-free company and has therefore established a high level of health and safety for its employees. Occupational accidents not only impair the professional career of those affected, but also affect their personal and private lives. In a company, a high accident rate can lead to considerable disruptions in the production processes and adversely affect overall productivity. Furthermore, absenteeism due to accidents and illness leads to considerable costs for the company and can have a negative impact on the company's reputation and the employer brand. The manufacture of sanitary products can generally be said to have a low level of risks at the workplace. Nevertheless, there are still

some individual activities which entail an increased risk of accidents. Typical workplace risks are the lifting and carrying of heavy loads, working at heights and in noisy environments, as well as handling hot surfaces and hazardous substances. As part of the Geberit Safety System, the workplace risks are assessed systematically and appropriate measures implemented to protect the employees. There is an increased risk of work-related illnesses (such as silicosis, also known as dust disease) in ceramic production in particular. Geberit has specified a standard threshold for dust emissions, which is lower than the legally prescribed levels at various sites. Dust measurements are taken in the ceramics plants on a regular basis with a uniform measurement and evaluation procedure. The results of the site-specific measurements are used as the basis for local corrective measures. The topic is also systematically addressed as part of the Geberit Safety System and certification in accordance with ISO 45001 (occupational health and safety). Furthermore, Geberit participates in the NEPSI programme (The European Network on Silica) as a member of FECS, a suborganisation of Cerame-Unie (European Ceramic Industry Association). This includes monitoring exposure to quartz dust and the implementation of best practices.

Geberit cooperates with authorities, trade unions and employers' liability insurance associations on a country-specific basis. Most companies have written agreements with the trade unions. These cover topics such as personal protective equipment, complaints procedures, regular inspections, education and further training and the right to refuse unsafe work.

Using 2015 as the reference year, the company aims to halve the frequency and severity of accidents by 2025. The AFR (Accident Frequency Rate) is to be reduced to a rate of 5.5 occupational accidents (with absences of one day or more) per million working hours. The ASR (Accident Severity Rate) is to be reduced to below 90 days lost per million working hours. These key figures are reviewed regularly at the plant cockpits and are part of the annual appraisal of plant managers. The Group Executive Board is also provided with a compact report on a quarterly basis and a comprehensive report is created for management annually.

For objectives and measures concerning occupational health and safety, see also → Sustainability strategy.

Occupational health and safety management system (GRI 403-1) and its degree of coverage (GRI 403-8)

The topic of occupational health and safety falls under the remit of Sustainability and Process Management, which reports directly to the CEO. The responsibility for implementation lies with each company. All production plants and central logistics have trained safety specialists. The sites Rapperswil-Jona (CH) and Pfullendorf (DE) also have an appointed health manager. The Group-wide Geberit Safety Team also plays an active role in developing occupational health and safety systematically throughout the entire organisation. It does so by defining key topics and exchanging best practices between plants. In the reporting year, the new Group-wide safety standards were implemented in the production plants and in logistics. Furthermore, a concept for cross-site safety audits was introduced and five audits carried out.

The Geberit Safety System – which is valid in all production plants and logistics sites as well as in the management company incorporating all Group functions at headquarters in Rapperswil-Jona (CH) – defines processes that are applicable throughout the Group for promoting the continuous improvement of work processes and workplaces. Special attention is also paid to elements of changes in behaviour, as the majority of occupational accidents and time lost are still attributable to carelessness. Generally valid principles on occupational health and safety as well as prevention are part of the Geberit Code of Conduct and apply to all employees.

All production plants and the central logistics centre in Pfullendorf (DE) are certified in accordance with the occupational health and safety standard ISO 45001.

For further details, see → Business Report > Business and financial review > Financial Year 2023 > Employees.

Risk assessment and investigation of accidents (GRI 403-2)

The risk assessment of workplaces and the systematic investigation of occupational accidents are a central part of the Geberit Safety System and are standardised across the Group. The execution of the risk assessment takes place systematically for all relevant workplaces and is based on a standard method and evaluation matrix.

Every accident is reported, regardless of the employment relationship and accident severity. Furthermore, a standardised accident investigation takes place for all occupational accidents which result in the employee being absent for one working day and more. Based on these reports, effective measures are derived to eliminate deficits permanently and to avoid similar accidents happening again within the company. The insights gained will be shared with other companies to prevent similar accidents in the Group. Launched in 2017, the software-based solution for capturing and systematically analysing accident data is a comprehensive process that is integrated in the SAP environment and has been rolled out at 24 production plants.

Occupational health services (GRI 403-3)

Geberit takes various steps in order to avoid health risks at the workplace. At several production sites, legal requirements require a company physician to be on hand or to be called out if needed. Depending on the risk classification of the particular activity, various measures are implemented for health provision. For example, occupational medical examinations (including auscultation of the lung, lung checks and X-rays) are regularly carried out in the ceramics plants because of quartz dust. Noise pollution and ergonomics are further focal points of the company physicians and external specialists.

Employee participation and communication on occupational health and safety (GRI 403-4)

95.5% of all employees worldwide are represented through an occupational health and safety panel or safety committee at their site, in which employer and employee representatives can discuss occupational health and safety issues. The

occupational health and safety panels are created on behalf of the management and involve all levels of the organisation as well as various specialist roles (including physicians, works council, occupational safety specialists). In addition, employees are involved in relevant processes of the Geberit Safety System, such as the risk assessment of workplaces, the accident investigation or as part of behavioural inspections. The Group-wide Geberit Safety Team – a team of experts from all production areas – also plays an active role in developing occupational health and safety.

Training on occupational health and safety (GRI 403-5)

Training sessions on occupational health and safety are held on a regular basis. At Welcome events, new employees are given information about the valid, local health and safety regulations and internal directives. At production and logistics sites, supervisors also hold workplace-specific training sessions on work-related hazards.

Geberit continues to use an eLearning programme for employees in production and logistics, which should help to correctly identify danger areas in the workplace and rectify them consistently. This was translated into further languages in the reporting year and rolled out at four more production plants.

Promotion of employee health (GRI 403-6)

Across the Group, Geberit carries out a wide range of activities and sets up programmes to promote employees' health and well-being, and also offers its employees precautionary healthcare opportunities through various offers. These include, for example, sports facilities, anti-smoking seminars, health check-ups, massage services, dietary and health tips, presentations on health-related issues and workshops on targeted and correct relaxation. A diverse vitality programme is offered at 18 production and sales sites in the fields of exercise, mental fitness, nutrition and the working environment. The most comprehensive programme "Geberit Vital" is available at six sites and can be accessed by around 40% of the workforce.

Among others, there is a focus on the ergonomic organisation of the workplace, particularly in the ceramics plants. In the reporting year, conventional plaster casting systems were replaced with modern high-pressure casting systems in Koło and Włocławek (both PL) and further glazing robots were installed in Carregado (PT). This improves the ergonomics at the respective workplaces.

Further focal points are training courses for managerial staff in health-conscious management as well as reintegration counselling, with the aim of getting people back to work as soon as possible after a long-term absence due to illness. Examples of individual support include external counselling in Rapperswil-Jona (CH) to assist with problems ranging from on-the-job pressure, partnership and family problems to debt issues, and the telephone helpline created in the USA to discuss problems at work in complete confidentiality. Geberit also promotes fitness in the community with its support of the Geberit sports club, for example. This club features 13 different sports sections and has around 630 members in Rapperswil-Jona (CH) who regularly meet up and exercise together.

Avoiding and minimising danger for business partners (GRI 403-7)

Geberit sets great store by the occupational health and safety of business partners. For example, contractors who carry out work on the factory premises receive a safety briefing and are obliged to observe these rules. Suppliers also commit to ensuring occupational safety and health-promoting working conditions in their operations and supply chain through a Code of Conduct. This is systematically examined as part of supplier audits, see also → Procurement.

In terms of customers, Geberit takes great care – including as part of the eco-design workshops – to ensure that all products are ergonomic and safe during installation and their final use. The assembly of Geberit products is easy and often tool-free. If special tools are needed, these have been optimised in terms of their ergonomics and safety, and their correct handling is trained accordingly.

Accidents and days lost (GRI 403-9)

Geberit is consistently pursuing the creation of safe and clean workstations at the production plants. This is carried out, for example, by optimising and modernising the systems and processes (e.g. an appliance for deburring sharp sheet edges when manufacturing installation modules), replacing hazardous substances (e.g. training on the handling and substitution of substances containing diisocyanates) and the reduction of dust and noise emissions (e.g. by implementing technical noise-reduction measures in the Shanghai plant). Workstations are also being further optimised from an ergonomic point of view through the increasing use of robots and lifting aids.

Thanks to standardised reporting on occupational health and safety, it is ensured that the measures will achieve their desired effect and that corrective measures can be initiated at an early stage. In the reporting year, a total of 132 accidents were recorded (previous year 157 accidents), equivalent to 2,177 lost working days due to occupational accidents (previous year 3,034 lost working days). The statistics show only those occupational accidents that occurred during working hours or business travel and led to lost working time of one working day or more. The most frequent injuries were bruising to the body and cuts and stab wounds on hands. In the reporting year, the accident frequency fell to a value of 7.3 (previous year 8.2), which corresponds to a reduction of 11%. Accident severity decreased by 24% to a value of 119.7 (previous year 157.5) in the same period. Since 2015, the AFR has fallen by 36% and the ASR by 42%. In the reporting year, there was one severe accident and no fatal accidents. Furthermore, the Group-wide absenteeism rate due to accidents and absences due to illness based on regular working hours was 5.2% (previous year 5.5%). Illness-related absences accounted for 98.4% of this rate (previous year 98.2%).

Further key figures can be found under → Key figures sustainability > Employees and society.

Work-related illness (GRI 403-10)

Around 50% of employees in ceramic production are regularly exposed to increased levels of quartz dust. Technical, organisational and personal protection measures are implemented for the protection of these employees. In the area of personal protective equipment, as well as in hygiene and cleaning, minimum standards were defined and implemented. Geberit makes substantial efforts towards either avoiding the exposure of employees to these risks (e.g. through the installation of glazing robots) or minimising this exposure (e.g. through the use of special extraction devices and filters, dust masks or the provision of training in correct behaviour at the workplace). Furthermore, the employees regularly undergo occupational medical examinations (including auscultation of the lung, lung checks and X-rays).

Society

Anti-corruption (GRI 205)

Management approach anti-corruption

As a member of Transparency International Switzerland and the UN Global Compact, Geberit is committed to high standards in combating corruption. Corruption is categorically rejected. By preventing corruption and encouraging fairness, transparency and accountability, Geberit is able to protect the interests of various stakeholders such as employees, customers, suppliers, owners and communities. Incidents of corruption can have negative consequences, such as obstructing fair market structures, distorting competition, as well as a loss of trust and negative social impacts on society. In addition, violations can harbour legal risks for Geberit that can lead to fines and even harm the reputation of the company in the event of a high media presence. Geberit minimises risks and assumes responsibility as a trustworthy and reliable partner for customers, suppliers and other stakeholders.

For prevention there are clear, internal donation guidelines, and employees receive training in this area. Compliance with the guidelines is monitored as part of an annual survey at all Group companies. In addition, the Internal Audit Department conducts on-site audits. In the event of misconduct, corrective measures are taken. For further information about the compliance system, see → GRI 2-24.

Operations subjected to reviews on the risk of corruption (GRI 205-1)

The annual survey at all Group companies contains a range of questions aiming to identify incidents of corruption. The topic of corruption is also a component of the audit programme for the periodic inspections of the production plants, sales, logistics and management companies by the Internal Audit Department. The annual audit planning of the Internal Audit Department is risk-oriented. Each company is audited at least every five years, or considerably more frequently if it has a high-risk profile. In 2023, the Internal Audit Department audited a total of 20 companies.

Communication and training on anti-corruption (GRI 205-2)

All new employees at Geberit are trained on the Code of Conduct as part of the Welcome events. Among other things, specific training films on the topics of corruption, IT misuse, workplace bullying and sexual harassment are deployed especially for this.

All employees also receive information via the intranet about what is permitted and what is not. The guidelines on the correct handling of donations (i.e. anti-corruption guidelines) are updated regularly and made accessible to the affected employees in Purchasing and Sales via the various communication channels.

Incidents of corruption (GRI 205-3)

According to the annual survey carried out at all Group companies and the audits conducted by the Internal Audit Department, there were no cases of corruption in 2023.

Anti-competitive behaviour (GRI 206)

The prevention of anti-competitive behaviour is a matter of top priority for Geberit. Anti-competitive behaviour of any kind is categorically rejected. Anti-competitive behaviour has a significant impact on the market and on relationships with customers, suppliers and competitors. Negative consequences resulting from violations include obstructing the development of fair market structures, distorting competition, as well as a loss of trust and negative impacts on the fabric of society. Violations give rise to fundamental reputation risks that can cause lasting harm to the company's public image, as well as to legal risks that can lead to heavy fines. Geberit focusses on being a trustworthy partner for customers, suppliers and stakeholders, and maintaining fair relationships with competitors.

Following on from the training courses already carried out last year, extensive additional general and topic-related courses for the in-depth teaching of knowledge relating to antitrust legislation were held in the reporting year in nine sales companies. The existing basic eLearning course was revised and modified according to the current legal situation. In addition, a new interactive, particularly practice-oriented eLearning course on antitrust legislation was developed and introduced.

An internal antitrust audit was carried out at four sales companies in 2023 to verify and further improve compliance in this area.

As part of numerous enquiries from the Geberit markets, Corporate Legal Services once again dealt with the permissibility of a wide range of marketing and sales activities under antitrust and competition law in the reporting year. The enquiries once again demonstrated a marked sensibility among the employees in the area of antitrust legislation.

Legal proceedings due to anti-competitive behaviour (GRI 206-1)

In the reporting year, there were no allegations, court action or fines arising from non-compliance with antitrust legislation.

Child labour (GRI 408)

Management approach child labour

Preventing child labour serves to uphold basic human rights. Child labour is categorically rejected. Violations give rise to fundamental reputation risks that can cause lasting harm to the company's public image, as well as to legal risks. Preventing child labour is, therefore, not only an ethical obligation, but also crucial in terms of avoiding legal, reputation and financial losses.

Geberit commits itself to the protection of human rights in its → Code of Conduct, including the categorical rejection of child labour. Geberit's exposure with respect to child labour within the company is considered very low because of its industry, business model, high level of vertical integration and high quality requirements.

The basic principles set out in the → Code of Conduct for Suppliers explicitly include compliance with the ILO core labour standards for the exclusion of child labour. The raw materials and semi-finished products procured by Geberit primarily come from suppliers in Western Europe (84.2% of procurement value). Owing to the high level of vertical integration as well as the very high share of Western European suppliers, the general risk profile of the supply chain in terms of social risks is relatively low. Regarding the implementation of Geberit's due diligence in preventing child labour in the supply chain, see → Procurement.

Cases of child labour (GRI 408-1)

According to the annual Group-wide survey of the Code of Conduct, there were no cases of child labour revealed in 2023. There were likewise no such cases uncovered during the audits carried out at suppliers. Regarding the reporting of results on due diligence in the supply chain, see → Procurement.

Forced or compulsory labour (GRI 409)

Management approach forced or compulsory labour

Preventing forced or compulsory labour serves to uphold basic human rights. Forced and compulsory labour are categorically rejected. Violations give rise to fundamental reputation risks that can cause lasting harm to the company's public image, as well as to legal risks. Preventing forced and compulsory labour is, therefore, not only an ethical obligation, but also crucial in terms of avoiding legal, reputation and financial losses.

Geberit commits itself to the protection of human rights in its → Code of Conduct, including a categorical rejection of forced and compulsory labour. Geberit's exposure with respect to forced and compulsory labour within the company is considered very low because of its industry, business model, high level of vertical integration and high-quality requirements.

The basic principles set out in the → Code of Conduct for Suppliers explicitly include compliance with the ILO core labour standards for the exclusion of forced or compulsory labour. The raw materials and semi-finished products procured by Geberit primarily come from suppliers in Western Europe (84.2% of procurement value). Owing to the high level of vertical integration as well as the very high share of Western European suppliers, the general risk profile of the supply chain in terms of social risks is relatively low. Regarding Geberit's risk management and the avoidance of social risks in the supply chain, see → Procurement.

Cases of forced or compulsory labour (GRI 409-1)

According to the annual Group-wide survey of the Code of Conduct, there were no cases of forced or compulsory labour revealed in 2023. There were likewise no such cases uncovered during the audits carried out at suppliers, see → Procurement.

Social responsibility

Management approach social responsibility

Taking on social responsibility through partnerships in social projects and the application of in-house know-how in these projects makes a positive contribution to social development in disadvantaged regions. However, if this commitment is not taken seriously, this can give rise to reputation risks that could impair public perception of the company. Therefore, social responsibility at Geberit is exercised within the scope of long-term partnerships with social institutions. In addition, Geberit has been carrying out social projects with its own apprentices annually since 2008. These projects exhibit a relationship to the topic of water and sanitary facilities, as well as to Geberit's core competencies and corporate culture. Equally important is the aspect of personal and professional education. By getting actively involved in the social projects in developing regions, apprentices become familiar with other cultures and acquire new social, linguistic and professional competencies. Furthermore, these social projects make a tangible contribution to the Sustainable Development Goals (SDGs) of the United Nations, which include giving all humans access to clean drinking water and basic sanitation by 2030. A review of what has been achieved is carried out on a regular basis.

Infrastructure investments and promoted services (GRI 203-1)

Donations and financial contributions, including product donations, totalling CHF 3.7 million (previous year CHF 4.4 million) were made during the reporting year. Geberit employees also carried out charitable work totalling around 2,790 hours in the reporting year (previous year 1,890 hours).

The focus was on the following projects and partnerships in the reporting year:

- Eleven apprentices from Germany, Austria and Switzerland travelled to India as part of the social project. In collaboration with the Swiss NGO Stiftung Usthi, the apprentices constructed a new sanitary wing in the Ananda School. They also installed water supply pipes in the school kitchen. The new sanitary installations and improved access to running drinking water benefit the 246 schoolchildren and their teachers.
- Despite the war in Ukraine, the local Geberit sales company continued its long-standing project for supporting the professional training of plumbers in the country. Geberit Ukraine is carrying out this project in collaboration with the Swiss Agency for Development and Cooperation (SDC), the Swiss foundation Swisscontact and the Ukrainian Ministry of Education. By the end of June 2023 (end of the three-year project phase), around 2,730 young people – including 48 women – had taken part in dual studies as plumbers. Around 230 teaching staff were also trained as part of this project. Geberit also provided additional support to 25 vocational schools in Ukraine with material and equipment.
- As a long-standing member of the Swiss Water Partnership network, Geberit supported a newly launched competition for students and young professionals. As part of the "Youth Water Challenge", participants drew up suggestions for projects that improve access to water, drinking water quality or hygiene. Seven of these projects were awarded and put into action.
- Geberit also provided sanitary equipment to the "L'Unique Foundation". Established by a Swiss sanitary enterprise and based in Basel (CH), this foundation finances the construction and renovation of sanitary facilities at schools and children's homes in Nepal.

The Geberit Group's social commitment is rounded off by a multitude of other initiatives at a local level. At various Geberit sites in Europe, such as Germany, Austria, Poland, France and Switzerland, for example, assembly and packaging work is regularly awarded to workshops for people with disabilities. In the reporting year, this work amounted to CHF 9.2 million.

As a basic principle, all social projects carried out by Geberit are regularly checked by company employees in the respective country or in partnership with non-governmental organisations – even after the completion of the corresponding projects. All donations are neutral from a party-political point of view. No donations were made to parties or politicians. This is ensured globally as part of the annual audit of the → Code of Conduct. For further information, see also → Business Report > Business and financial review > Financial Year 2023 > Social responsibility.

Environment

Introduction

Geberit had already drawn up its first environmental strategy and implemented specific measures in 1990. Over the years, this strategy was gradually developed into a comprehensive → Sustainability strategy, is now an integral part of the corporate culture, and makes a significant contribution to the UN Sustainable Development Goals, see → SDG Reporting.

Geberit stands for a high level of environmental awareness and is committed to environmentally friendly, resource-saving production as well as the development of innovative, water-saving and sustainable products. Systematic, Group-wide environmental management takes centre stage here. This is the remit of Sustainability and Process Management. Guidelines and measures pertaining to all significant environmental issues are coordinated here. A network of environmental managers practises active environmental protection at the production plants, thus ensuring that the targets and measures derived from the sustainability strategy are implemented worldwide. The environmental and occupational safety managers from all production plants meet once a year to discuss best practice and further develop Group-wide standards.

Eco-design has been an integral part of the product development process since 2007, with the aim of making each product more environmentally friendly than its predecessor throughout the entire product life cycle, see → Product management and innovation. The goal here is for products to be manufactured locally, where possible, using durable, sustainable raw materials from carefully selected, predominantly regional suppliers in order to keep transport routes as short as possible. The developed products are optimised both in terms of the amount of materials used and in resource and energy consumption during usage. Returning products to an appropriate material cycle after removal is becoming increasingly important here.

Environmental criteria are considered in all decision-making processes. These processes are continuously being examined so that a proven high standard is achieved which often greatly exceeds legal requirements. Geberit's environmental principles are defined in the → Code of Conduct. The Geberit Group has a → Group certificate in accordance with ISO 9001 (quality), ISO 14001 (environment) and ISO 45001 (occupational health and safety) that is valid until 2024. All production plants, central logistics, and the management company incorporating all Group functions at headquarters in Rapperswil-Jona (CH) are certified in accordance with these three standards. In addition, five German plants are certified in accordance with ISO 50001 (energy) and nine sales companies in accordance with ISO 9001 (quality).

The annual preparation of a corporate life cycle assessment has been an established part of Geberit's environmental management since 1991. It covers all production plants worldwide, the logistics centre in Pfullendorf (DE), other smaller logistics units and the larger sales and management companies. The applied Swiss Ecological Scarcity Method takes into consideration a wide range of environmental impact factors (emissions, resources, waste) and summarises them as a key figure known as eco-points (version 2021). In the case of electricity, the effectively purchased local electricity mix (market-based) of the respective supplier is considered.

The environmental impact decreased substantially by 17.6%, and CO_2 emissions (Scopes 1 and 2) by 19.6% in the reporting year. The environmental impact in relation to currency-adjusted net sales (eco-efficiency) dropped by 13.4%, and sales-related CO_2 emissions by 15.6%. These figures are well above the long-term target of 5% per year. This progress is founded largely on measures implemented in the new CO_2 strategy, including improvements in efficiency at the energy-intensive ceramics plants and the targeted purchasing of green electricity with proof of origin. Since the acquisition of the ceramics business in 2015, the absolute environmental impact has been reduced by 49.1% and CO_2 emissions by 50.0%. Eco-efficiency improved by 62.6% in the same period, while sales-related CO_2 emissions (CO_2 intensity) fell by 63.2%. For other measures in the CO_2 strategy, see also → GRI 305.

For a compact overview of all the relevant developments in the reporting year, see → Business Report > Business and financial review > Financial Year 2023 > Sustainability. Detailed key figures on the environmental impact are provided at → Key figures sustainability > Environment. Geberit's contributions to the UN Sustainable Development Goals can be found in the separate → SDG Reporting.

Resources and circular economy (GRI 301)

Management approach resources and circular economy

The use of raw materials, semi-finished products and finished products with a global procurement value of CHF 883 million is a significant production factor for Geberit. CO_2 emissions associated with purchased materials amount to 555,619 tonnes of CO_2 (Scope 3) and are responsible for 55.0% of Geberit's entire CO_2 emissions. These values emphasise the importance of treating raw materials with care.

Geberit considers the resource-efficient use of raw materials as early as the product development process. This has been implemented systematically since 2007 as part of eco-design workshops and is thus a central element of Geberit's CO_2 strategy, see → GRI 305 and → Product management and innovation.

Resource efficiency in plastics processing is already very high. Thanks to internal recycling, almost 100% of all processed plastics can be reused in production. The processes involved in ceramic production result in large quantities of waste (in

particular fired ceramic scrap, used plaster moulds and mineral sludge from waste water). Resource efficiency in ceramic production fell by 2.2% to 0.42 kg waste/kg ceramic in the reporting year. An improvement of 10% to 0.4 kg waste/kg ceramic is envisaged for the period 2021 to 2024.

Risks associated with the unsatisfactory implementation of the strategic approaches primarily consist of rising costs for procurement and processing in production, as well as reputation risks, which can be significant to tenders for green building projects. As part of a resource-saving circular economy, Geberit is looking to identify options for implementing closed material cycles. The aim is to minimise resource and energy usage, lengthen the service life of products as far as possible, close internal and external material cycles to the greatest extent possible, and constantly increase the use of internal and external recycled materials. Of key importance here is that Geberit products must have a very long service life, as many of them will be installed in buildings for decades. This is guaranteed through the use of high-quality materials and the application of strict quality requirements. An important factor here is the availability of spare parts for up to 25 years for a significant proportion of the product range. In 2023, the spare parts availability for concealed cisterns and their mechanical components was increased from 25 to 50 years. A lifetime guarantee was also introduced for ceramic products (excluding seat and lid). Furthermore, Geberit products are usually backwards-compatible and can be cleaned and repaired easily. Attention is also paid to using as little packaging material as possible. All these features combine sustainability aspects and support the circular economy, both in production as well as the use of the products in buildings.

As part of the eco-design workshops, efforts continue towards constantly increasing the share of purchased plastic regranulate used in products (post-consumer waste). Alongside recycled ABS and LDPE, a suitable recycled material was also evaluated for applications involving polypropylene (PP). This will be used increasingly, for example as transport protection for Mepla pipes.

Since 2020, Geberit has also been supporting the Operation Clean Sweep initiative, which is committed to ensuring that plastic granules do not pollute the environment. A review was carried out at all plastic-processing plants worldwide, and measures for improvement defined and implemented. These include raising staff awareness and regularly verifying the implementation of measures as part of the internal and external ISO audits.

Plastic also plays a key role as a material in piping systems, which is why Geberit participated in a TEPPFA study on the overall consideration of environmental aspects in the plastic pipe industry. In the study, the costs and benefits of different measures aimed at reducing CO_2 emissions and improving recyclability were assessed, in particular with regard to the use of plastic regranulate in piping systems.

Materials used (GRI 301-1)

The use of materials depends on the various manufacturing processes: ten plants for manufacturing sanitary ceramics, eleven plants for processing plastic and metal, four plants in the area of metal composites and metal, and one plant for manufacturing bathroom furniture. The range of production processes used thus includes the areas of ceramic production, plastic injection moulding, plastic blow moulding, plastic extrusion, metal- and thermoforming, woodworking and assembly.

The most important materials in the production of sanitary products are plastic and metal raw materials, mineral raw materials and various semi-finished products and finished products. A total of 381,524 tonnes of materials were used in 2023 (previous year 468,344 tonnes). Detailed key figures on the use of materials can be found at → Key figures sustainability > Environment.

In 2017, the implementation of a software-based solution for managing hazardous substances began and has since been rolled out in 24 production plants. This means that a standardised, efficient process now exists for managing hazardous operating and auxiliary materials. In 2023, the volume of hazardous substances used was reduced by 11%. For example, process optimisation in the production of welded, bent Mapress Stainless Steel fittings not only helped improve efficiency, quality, ergonomics and waste, but also reduced pickling step by step.

Percentage of recycled material (GRI 301-2)

When determining the share of recycled material in production, a distinction is made between internal and external sources.

Internal sources:

Thanks to internal recycling, almost 100% of all processed plastics can be reused in production. The internally generated recycled material is ground either on site or via a decentralised mill and fed back into the process. The proportion fluctuates depending on the manufacturing process. For blow moulding it is around 35%, for injection moulding around 15%, depending on product class, and for pipe extrusion around 3%. This corresponds to around 7,200 tonnes in total (previous year 9,100 tonnes).

Raw materials are also recycled internally and fed back into the process in ceramic production. The recycling rate for the ceramic slip is 5 to 10% and 20 to 40% for the glaze, corresponding to around 22,900 tonnes in total.

External sources:

With plastics, virgin material is primarily used. The search for suitable, high-quality regranulate from external plastic waste (post-consumer waste) is, however, an integral part of Geberit's procurement strategy. In terms of the material Acrylonitrile Butadiene Styrene (ABS), a suitable alternative made of 100% recycled material was found. This alternative is based on high-quality plastic waste from the electronics industry (e.g. used computer cases). According to the supplier, the manufacture of this regranulate

consumes over 80% less energy compared to the manufacture of a tonne of new petrochemical-based plastic, while releasing around four tonnes less CO_2 per tonne of regranulate into the atmosphere. In 2023, 792 tonnes of ABS regranulate (previous year 934 tonnes) were used for various components in exposed and concealed cisterns, the mounting frame for actuator plates, and in the plastic flush guide of WC ceramic appliances. Thanks to an intelligent redesign, around half of the material used for the fill and flush valves launched in 2021 for the range of floor-standing WCs in the Nordic countries is made of high-quality ABS regranulate, for example. The new fill valve type 383 will also contain ABS regranulate. The use of plastic regranulate is generally to be increased further and applied to other product areas. Other high-quality recycled plastics (post-consumer waste) used include polyethylene (LDPE) and polypropylene (PP), with annual volumes of 49 tonnes and 2 tonnes, respectively.

The share of recycled material in purchased metals is relatively high. This data originates from the Wuppertal Institute for Climate, Environment and Energy. Extrapolated, the raw material metal purchased contains around 30,000 tonnes of recycled material.

Reuse of products and packaging materials (GRI 301-3)

Due to their long service life and the way in which they are installed, Geberit products can be reused or recycled only to a very limited extent. Recyclability can be improved by using recyclable thermoplastics instead of non-recyclable duroplast plastics, as is the case with the manufacture of WC seats and lids at the plant in Pfullendorf (DE).

In the reporting year, a Group-wide packaging strategy was developed with the aim of harmonising processes and reducing costs and resource consumption. In the first step, the quality and availability of master data will be improved and processes harmonised. In addition, an inspection catalogue has been drawn up with the aim of reducing transport damage (especially to ceramics). In the case of packaging materials, Geberit's goal – also as part of eco-design workshops – is to keep amounts as low as possible, to continuously increase the share of recycled material, and to simplify the recycling and return processes for packaging materials. Efforts to reduce packaging amounts are already starting to bear fruit. For example, certain packaging levels are being omitted, bags reduced in size or thinner foils used, while instructions are printed directly on the packaging or replaced by a QR code, thus saving paper. The use of polystyrene (EPS) and expanding foam are avoided wherever possible and, where necessary, replaced with recyclable cardboard. The first results from this strategy can be seen on the shower toilet. The packaging has been standardised and simplified, allowing the amount of packaging used to be reduced by a third. The next step will see the new packaging strategy rolled out in production and logistics and integrated more effectively into the product development process. In addition, further pilot projects with substantial reduction potential are to be evaluated and implemented. In 2023, around 29,300 tonnes of packaging material were used (previous year 35,400 tonnes).

Energy (GRI 302)

Management approach energy

The consumption of energy plays an important role at Geberit, particularly in production, and has both a direct (burning of fuels) and indirect (purchase of electricity and heat) impact on the environment. In addition, the increased purchase of renewable energy sources has an impact on regional energy systems. Excessive energy consumption harbours various risks, such as high energy costs, difficulties in procurement and reputation risks with regard to the use of environmentally harmful energy sources and the associated emissions. Opportunities arise from the careful use of energy, not only in terms of quantity, but also quality and origin. Above all, this includes the reduction of energy costs, CO_2 and other emissions, as well as greater autonomy from the fossil-fuel market.

Representing a 97.3% share of the corporate life cycle assessment, the consumption of energy in the form of electricity, combustibles and fuels represents Geberit's greatest environmental impact. Software introduced in 2012 permits monthly monitoring of energy and water consumption, as well as the Group-wide calculation of environmental impact and CO_2 emissions. Furthermore, systematic energy and CO_2 monitoring and an energy master plan are being implemented in the most energy-intensive plants to manage and plan energy consumption.

Pivotal in energy management and the CO_2 strategy are measures for saving energy, increasing efficiency and procuring energy in the plants. The proportion of renewable energies is being further increased throughout the company, always taking the internal CO_2 reference price and the economic efficiency of the planned projects into consideration. There are various ways of doing this: purchasing green electricity with proof of origin, long-term Power Purchase Agreements (PPA) with selected operators, or the installation of photovoltaic systems on the roofs of the production plants to generate electricity to be used within the company. A special guideline on planning and building such installations was prepared in 2022. In the reporting year, the purchase of green electricity was centralised and the planning process simplified.

The five German plants in Lichtenstein, Pfullendorf, Langenfeld, Wesel and Haldensleben are certified in accordance with the ISO 50001 standard for energy management. In 2015, all Geberit companies implemented the European Energy Efficiency Directive 2012/27/EU and this was reviewed in 2019 and 2023.

For the development of energy-efficient products, see → Product management and innovation.

Energy consumption within the organisation (GRI 302-1)

Geberit generally uses energy purchased externally. The direct energy carriers (Scope 1) include the combustibles natural gas, biogas, liquefied petroleum gas (LPG), diesel for power generation, heating oil extra light, as well as the fuels diesel, gasoline,

liquefied petroleum gas (LPG) and natural gas (CNG). The indirect energy carriers (Scope 2) include electricity and district heating.

Energy consumption decreased by 11.1% in the reporting year – primarily due to the decline in volume, a mild winter and targeted energy efficiency measures – and is now 633.4 GWh (previous year 712.6 GWh). Since the acquisition of the energy intensive ceramics business in 2015, it has been possible to reduce energy consumption by 30.5%, making a significant contribution to reductions in the environmental impact and CO_2 emissions.

Combustibles (primarily for ceramic production), including district heating, still account for the greatest share of energy consumption at 64.6% (previous year 65.8%), followed by electricity with 31.4% (previous year 30.7%) and fuels with 4.0% (previous year 3.5%).

Since 2012, a block heating station has been in use in Pfullendorf (DE). In 2023, this plant was fed by 6.1 GWh of regionally produced biogas. The electricity generated by the plant (2.5 GWh) is fed into the transmission grid, whereas the resulting heat (3.1 GWh) can be used in production.

Since 2013, the roof area at the plant in Givisiez (CH) has been made available to an energy services provider for a 3,050 m^2 photovoltaic installation. It generated 0.5 GWh of electricity in 2023. However, this contribution is not included in the energy balance as the energy produced is managed by the regional energy supplier. Overall, the volume of purchased green electricity with proof of origin was increased by 16.5 GWh to 128.3 GWh in 2023, which corresponds to around 65% of the entire volume of purchased electricity.

For detailed key figures on the consumption of combustibles and fuels (Scope 1), as well as electricity and district heating (Scope 2) and the electricity mix, see → Key figures sustainability.

Energy consumption outside the organisation (GRI 302-2)

Where the energy balance outside the organisation is concerned, Geberit concentrates on purchased materials, business flights, intercompany and distribution logistics, and the use of products sold.

In 2023, purchased materials resulted in grey energy consumption of around 11,600 TJ (previous year 13,600 TJ).

Business flights have been recorded and included in the assessment since 2012. The flight distances are calculated according to the respective departure and arrival airports. Energy consumption arising from business flights amounted to 9.9 TJ in the reporting year (previous year 10.5 TJ).

Intercompany and distribution logistics are provided by external transport service providers. Since 2010, a logistics calculator developed by Geberit has been used for monitoring purposes. In the reporting year, the transport service providers handled 524.7 million tkm (tonne-kilometres), previous year 644.5 million tkm. This gave rise to energy consumption of 973 TJ (previous year 1,187 TJ). The reduction in transport services and energy consumption was mainly due to the decline in volume. For further information, see → Logistics.

Energy consumption arising from use of the products sold is due to the electricity consumed by the products themselves (especially shower toilets) and the heating of water in the washbasin taps. This indicator is based on the average annual consumption of the product in question multiplied by the sales figures in the reporting year and its expected useful life, and amounted to around 352 TJ in the reporting year.

Energy intensity (GRI 302-3)

Energy intensity is an important performance indicator at the production plants. It refers to the quantities produced in unit equivalents and, in the ceramics plants, also to the quantity produced in terms of weight. Energy intensity is recorded monthly. Those plants which are certified to ISO 50001 (energy) have also introduced a more refined system of monitoring. At Group level, net sales constitute a key indicator alongside environmental impact and CO_2 emissions. In 2023, energy consumption in relation to currency-adjusted net sales improved by 6.6% compared to the previous year.

Energy saved (GRI 302-4)

Important ongoing energy-saving measures in production include:

- The optimisation of production processes in terms of efficiency, utilisation level, stability, scrap, energy and resource consumption.
- The continuous modernisation of the machinery and the purchase of energy-efficient equipment, and the systematic switchover of lighting to LED technology.
- The optimisation of cooling systems through the use of natural ambient cold (free cooling or ground water).
- The improved use of waste heat available internally (heat recovery, e.g. for the pre-heating of plastic granules or the drying of plaster moulds and ceramic blanks).
- The careful use of compressed air and use of waste heat generated.
- Improved insulation of buildings.

Concrete examples that show the reduction in energy consumption in production:

- Increase in the number and share of injection moulding machines with energy-efficient drive technology (hybrid, fully electrical, standby) to 242 machines (69%), and commissioning of a seventh fully electrical blow-moulding machine.
- Process optimisation in the production of Mapress Stainless Steel fittings in Langenfeld (DE) leading to a reduction in consumption of electricity, natural gas and chemicals.
- Replacement of conventional plaster casting systems with modern high-pressure casting systems in Koło and Włocławek (both PL) in order to increase efficiency, improve ergonomics and reduce raw material consumption and plaster waste.
- Commissioning of further glazing robots in Carregado (PT) in order to increase efficiency, improve ergonomics and reduce raw material consumption.
- Replacement of three old, inefficient kilns with a new, modern tunnel kiln in Carregado (PT).

Measures to reduce energy consumption in intercompany and distribution logistics:

- Product deliveries from the logistics centre in Pfullendorf (DE): More efficient utilisation of the capacity of the loading vessels thanks to the optimised calculation of loading space and implementation of organisational measures.
- Efficient utilisation of freight capacity: Use of high cube swap bodies (around 10% more capacity), double-decker systems, and the double stacking of cisterns for major customer deliveries, and deployment of super-size trucks in Scandinavia with a length of up to 34 metres and a total weight of up to 76 tonnes (up to twice the load volume of a standard truck).
- Use of state-of-the-art truck technology: The share of transport services handled by state-of-the-art Euro 6 trucks was 89% (previous year 87%). In addition, four trucks powered by natural gas are in operation between Rapperswil-Jona (CH) and Pfullendorf (DE) and on other routes.
- Shifting of truck traffic to rail: From Pfullendorf, almost 100% of ocean freight shipments to Hamburg (DE), 80% of shipments to Italy, and 15% of shipments to Switzerland are conducted by rail. The percentage of rail consignments from Italy to Pfullendorf is 59% and to Switzerland 86%.

Reductions in energy requirements of products and services (GRI 302-5)

The biggest environmental contribution by Geberit products lies in the conservation of water, which indirectly also saves on energy. According to the Ecoinvent database (version 3.8), some 9.9 MJ of energy are required and 0.6 kg of CO_2 emissions released per cubic metre for the conveyance, processing and distribution of water and the subsequent processing of the unpolluted waste water in a treatment plant. The water footprint calculated for Geberit shows that nearly 100% of water consumption is attributable to the product use phase, and it is here where the potential for saving water is greatest: according to a model calculation, all Geberit dual-flush and stop-and-go cisterns installed in place of traditional flushing systems (with 9-litre full flush volume) since 1998 have so far saved around 34,940 million m^3 of water. These water savings indirectly result in substantial energy savings and reductions in CO_2 emissions.

Specific examples of energy-saving products include:

- The → Geberit DuoFresh module removes unpleasant odours by extracting the air directly from the WC ceramic appliance and purifying it using a ceramic honeycomb filter. This can save around 50 litres of heating oil per year compared to opening the window for ventilation.
- The → Geberit energy retaining valve ERV uses a magnetic diaphragm system to cap the ventilation pipe for waste water above the roof. This opens only when required and ensures pressure compensation only when this is necessary. This helps avoid unnecessary heat loss and can save around 50 litres of heating oil a year.
- The → Geberit AquaClean Sela Comfort shower toilet uses innovative WhirlSpray and heating-on-demand technology to reduce energy consumption.
- The → Geberit urinal system comprises urinals with electronic flush controls but also with completely waterless operation. The central elements are the two rimless urinal ceramics Preda and Selva, which were developed by Geberit. Thanks to low energy and water consumption and the option of a control system supplied with electricity by an autonomous energy source, the urinals satisfy the most stringent requirements for sustainable building and economic operation. For this purpose, a proprietary environmental and cost calculator was developed for various sales companies, see → www.international.geberit.com.
- The modular → Geberit tap system combines optimal user-friendliness and ease of installation with minimal water and energy consumption.
- The → Geberit Control App enables product configuration via smartphone, meaning appliances can be operated simply and also constantly optimised in terms of energy management and water consumption, among other aspects.

CO$_2$ and other emissions (GRI 305)

Management approach CO$_2$ and other emissions

Geberit sets out its approach to climate change and, in particular, the associated risks and opportunities in reports drawn up in accordance with TCFD recommendations, see → TCFD Reporting.

Geberit has been calculating its carbon footprint along the value chain (Scopes 1 to 3) since 2012. Within this context, the following activities are relevant: the purchase of (production) materials and the provision of combustibles and fuels (both Scope 3), the manufacture of products (Scopes 1 and 2), logistics, and the use and disposal of products (all Scope 3). An analysis revealed that the purchase of (production) materials (55.0%) is by far the largest source of CO$_2$ emissions. Manufacturing (12.0%) and the disposal of sold products (21.7%) also play a major role. Intercompany and distribution logistics (5.2%), the provision of combustibles and fuels (2.3%), business flights (<0.1%), and the use of products sold (3.8%, direct emissions resulting from electricity consumption) result in only few emissions. For further information, see → Key figures sustainability > Environment.

The calculation of greenhouse gas emissions is based on the internationally recognised Ecoinvent database (version 3.8) and the IPCC (Intergovernmental Panel on Climate Change) factors from 2013. Production-related process emissions are also taken into consideration and, where possible, the effectively purchased local electricity mix (market-based). Greenhouse gas emissions were calculated according to IPCC and are shown as a sum parameter (CO$_2$ equivalents or simply CO$_2$).

Production emissions are recorded, calculated and analysed in detail as part of the corporate life cycle assessment. CO$_2$ emissions are particularly important to Geberit. Other → Air emissions (NO$_x$, SO$_2$, hydrocarbons, etc.) are also recorded and calculated, but have a comparatively minor impact on the environment. The reduction of these emissions is directly related to the reduction targets of the CO$_2$ strategy.

The Geberit Group stands for an ambitious and implementation-oriented approach in its activities. This also applies to the CO$_2$ strategy, which was revised in 2022. This stipulates that the CO$_2$ intensity (Scopes 1 and 2) should fall by an average of 5% per year. As such, Geberit is looking to achieve a long-term reduction in absolute CO$_2$ emissions from 183,886 tonnes in 2021 to 121,000 tonnes by 2035. In comparison with the reference year 2015, relative CO$_2$ emissions are to be reduced by 70% by 2030 and by 80% by 2035, while absolute CO$_2$ emissions are to fall by 47% and 50% by 2030 and 2035 respectively. The targeted reduction in emissions (Scopes 1 and 2) corresponds to a contribution to a reduction path that limits CO$_2$ emissions to "well below 2°C" above pre-industrial levels.

A central element of the CO$_2$ strategy is its integration in all relevant and existing business processes as well as the handling of CO$_2$ emissions as external costs by means of internal CO$_2$ pricing. In this way, Geberit wants to ensure that the procedure of reducing the company's carbon footprint is widely supported within the company, incorporated in daily business activities, and that the measures taken have a long-term, sustainable effect. The CO$_2$ strategy consists of six elements: transparency, accountability, CO$_2$ pricing, energy, structural reduction, and offsetting or removal.

Transparency

The annual preparation of a comprehensive corporate life cycle assessment is an established part of environmental management. It covers all production plants worldwide, central logistics in Pfullendorf (DE), other smaller logistics units and the larger sales companies. Geberit has been calculating its carbon footprint along the value chain (Scopes 1 to 3) since 2012, see → Key figures sustainability > Environment.

As part of the revised CO$_2$ strategy, internal CO$_2$ reporting was further expanded: key figures on CO$_2$ emissions were included in the regular monthly reporting and forecasting processes. Additionally, the calculation of CO$_2$ emissions (Scopes 1 and 2) was audited externally as part of a limited assurance engagement, see → Audit Report Greenhouse Gas Balance.

In addition to focusing on Scope 1 and 2 emissions, work also continued on the transparency of Scope 3 emissions. This took place on a product level as part of environmental product declarations (EPDs) and also for Scope 3 emissions of the (production) materials from the supply chain.

Accountability

Since 2022, the annual achievement of targets in reducing CO$_2$ has been integrated as one of five equally weighted criteria in the calculation of the Group bonus. The annual reduction goals are thus bonus-related with a weighting of 20% for the entire Group management (around 220 managers) as well as for the employees in Switzerland (a total of around 1,500 employees).

CO$_2$ pricing

The internal CO$_2$ pricing is of central importance. Once a year, the Group Executive Board proposes a CO$_2$ reference price as part of the budget, which is then approved by the Board of Directors – this was EUR 80 per tonne of CO$_2$ for 2023. This figure is based on the price of the European Emissions Trading System (ETS) for CO$_2$. The internal CO$_2$ reference price embodies the reference costs for saving one tonne of CO$_2$. An implicit CO$_2$ project price is calculated for each project using an economic efficiency calculation. This serves as a basis for deciding on investments in measures to reduce energy or CO$_2$. The lower the CO$_2$ project price, the more attractive the project, whereby the price for implementing a project has to be under the CO$_2$ reference price.

Energy

Pivotal in the CO_2 strategy are measures for saving energy, increasing efficiency, heat recovery and procuring energy in the plants. The corresponding measures are drawn up and implemented as part of an energy master plan and a rolling CO_2 forecasting of the significant plants. The proportion of renewable energies is being further increased throughout the company, always taking the internal CO_2 reference price and the economic efficiency of the planned projects into consideration. There are various ways of doing this: purchasing green electricity with proof of origin, long-term Power Purchase Agreements (PPA) with selected operators, or the installation of photovoltaic systems on the roofs of the production plants to generate electricity to be used within the company (→ GRI 302, → GRI 305-5).

Structural reduction

The area of ceramics, which accounts for around two-thirds of all Geberit's CO_2 emissions (Scopes 1 and 2), has the largest savings potential. This includes a special focus on the reduction of scrap rates and refiring rates. The firing process and the use of the resulting waste heat will be continually optimised. This can be used for other process steps, such as drying the cast plaster moulds or ceramic blanks. Furthermore, projects were launched to investigate the possibilities of switching to renewable energy sources – for example, biogas or green hydrogen – in the long term, as well as the systematic reuse of ceramic waste, see → GRI 301.

Geberit contributes to reducing Scope 3 emissions as part of purchasing and product development. Since 2007, all new products have been optimised in terms of sustainability as part of eco-design workshops, see → Eco-design. With regard to the individual areas in the upstream and downstream value chain, the planned measures are aiming for the following improvements:

- Ensuring high quality, durability and repairability
- Reduction of water and energy consumption when the products are used
- Reduction of the quantities of material used and prevention of hazardous substances
- Increasing the share of recycled and sustainable, CO_2-reduced materials
- Simplification of dismantling and recycling products and their components
- Reduction of packaging material
- Optimisation of transport routes and maximising shipping container utilisation

The sustainable design of products has a major impact on Scope 3 emissions at Geberit. Through the continuous development of products, the company can secure competitive advantages at customers with an increased awareness of sustainability and reduce potential risks resulting from future regulations.

A sustainable supply chain also contributes to reducing Scope 3 emissions. The selection of suitable raw materials with minimal CO_2 emissions plays an increasingly important role, and is addressed in discussions with suppliers and included in decision-making processes, see → Procurement.

Offsetting or removal

Geberit has the goal of significantly reducing CO_2 emissions on its own, wherever possible. There is an increasing demand for CO_2-reduced or carbon-neutral products among customers. As part of the CO_2 strategy, Geberit is testing out the approach of compensating for currently unavoidable CO_2 emissions from ceramic production with the purchase of high-quality CO_2 certificates as part of a pilot project run by the Swiss myclimate foundation. The environmental product declaration (EPD) of sanitary ceramic forms the basis for calculation here.

Direct greenhouse gas emissions (Scope 1) (GRI 305-1) and indirect, energy-related greenhouse gas emissions (Scope 2) (GRI 305-2)

In 2023, CO_2 emissions (Scopes 1 and 2) amounted to 121,014 tonnes (previous year 150,591 tonnes), corresponding to a reduction of 19.6%. This includes 3,468 tonnes of CO_2 emissions (2.9% of Scope 1 and 2 emissions) from rented or leased buildings and vehicles. At 69.8% (previous year 64.3%), combustibles are the largest source of CO_2, followed by electricity at 23.9% (previous year 30.9%) and fuels at 5.7% (previous year 4.4%), as well as process emissions and district heating at 0.6% in total (previous year 0.4%).

Key figures concerning greenhouse gas emissions can be found at → Key figures sustainability > Environment.

Other indirect greenhouse gas emissions (Scope 3) (GRI 305-3)

Where other indirect greenhouse gas emissions (Scope 3) are concerned, Geberit concentrates on the following categories:

- The calculation of CO_2 emissions from purchased (production) materials was further refined and optimised in the reporting year. The resulting CO_2 emissions amounted to 555,619 tonnes (previous year 706,192 tonnes).
- CO_2 emissions from the provision of combustibles and fuels, which in 2023 accounted for 19,114 tonnes from combustibles (previous year 21,683 tonnes) and 4,539 tonnes from fuels (previous year 4,590 tonnes). CO_2 emissions of electricity generation from the upstream chain are included in → GRI 305-2.
- Business flights, at 695 tonnes of CO_2 emissions (previous year 732 tonnes). These CO_2 emissions comprise direct and indirect emissions and are based on the Ecoinvent database (version 3.8) and the IPCC factors from 2013.
- Intercompany and distribution logistics (see → GRI 302-2), which gave rise to a total of 52,815 tonnes of CO_2 in 2023 (previous year 65,889 tonnes). The reduction in CO_2 emissions was mainly due to the decline in volume. Since 2015, Geberit has managed to improve the eco-efficiency of its logistics operations (environmental impact per tkm) by 28%.
- Use of the products (shower toilets and washbasin taps): Consumption of electricity required to operate the products or provide hot water, and the resulting CO_2 emissions at 38,152 tonnes (previous year 44,668 tonnes).
- Disposal of products: Rough estimate of CO_2 emissions resulting from the disposal of products. CO_2 emissions amounted to 219,151 tonnes (previous year 265,750 tonnes) in the reporting year. The calculation is based on the assumption that plastic parts are incinerated at a waste incineration plant, mineral products are sent to landfill, and metals, cardboard and paper are recycled.

Intensity of greenhouse gas emissions (GRI 305-4)

CO_2 emissions (Scopes 1 and 2) in relation to currency-adjusted net sales (CO_2 intensity) decreased by 15.6% in 2023. Since the acquisition of the ceramics business in 2015, CO_2 intensity has been reduced by 63.2%, or 11.8% per year on average. This figure is clearly above the target of 5% per year.

Reduction of greenhouse gas emissions (GRI 305-5)

The measures for implementing the CO_2 strategy (Scopes 1 and 2) are based on the three pillars energy saving, heat recovery, and the replacement of fossil fuels with renewable energy sources, see also → GRI 302.

In the reporting year, the purchase of green electricity with proof of origin increased by 16.5 GWh to 128.3 GWh (previous year 111.8 GWh). Overall, renewable energy sources thus accounted for 78.9% of electricity (previous year 71.3%). As a result, CO_2 emissions were reduced by around 57,500 tonnes (previous year 51,400 tonnes).

The share of renewable energies for district heating and combustibles was 5.2% in total in 2023 (previous year 4.9%). The block heating station in Pfullendorf (DE), which was commissioned in 2012 and which was fed by 6.1 GWh of regionally generated biogas in 2023, makes a key contribution. Additionally, 14.9 GWh of district heating was sourced from a paper factory and a block heating station powered by wood.

A wide range of measures for saving energy and increasing efficiency is planned at the plants. Accordingly, the area of ceramics, which accounts for around two-thirds of all Geberit's CO_2 emissions, has the largest structural savings potential. This includes a special focus on the reduction of scrap rates. The firing process and the use of the resulting waste heat will be further optimised. This can be used for other process steps, such as drying the cast plaster moulds or ceramic blanks. Furthermore, projects were launched to investigate the possibilities of switching to renewable energy sources – for example, biogas or hydrogen – in the long term, as well as the systematic reuse of ceramic waste.

Fuel consumption is determined primarily by the company's own and leased fleet of cars and delivery vans. Since early 2008, binding guidelines have also applied to the purchase of new vehicles and in 2019, these rules were adjusted to take into account the new Worldwide Harmonised Light Vehicles Test Procedure (WLTP).

Geberit also encourages awareness among all employees for the promotion of environmentally friendly behaviour. New employees receive training on the subject of sustainability at Geberit as part of their job orientation programme. In the largest plants, this is also tailored to the target group of production employees.

The consistent application of → eco-design in product development is paramount in terms of reducing CO_2 emissions in Scope 3. Specific examples of sustainable, CO_2-reducing products can be found at → Product management and innovation.

All targets and measures for improving the carbon footprint are disclosed in detail as part of the company's participation in the Carbon Disclosure Project (CDP) and in the → TCFD Reporting on climate-related risks and opportunities.

Emissions of ozone-depleting substances (GRI 305-6)

Emissions of ozone-depleting substances, measured in CFC-11 equivalents (chlorofluorocarbons), can be calculated based on the corporate life cycle assessment using the basic data from the Ecoinvent database (version 3.8). The calculation includes both direct emissions (Scope 1) from the burning of combustibles and fuels and process emissions (solvents), as well as indirect emissions (Scope 2) resulting from electricity consumption and the provision of district heating. Key figures concerning ozone-depleting substances can be found at → Key figures sustainability > Environment.

Nitrogen oxides (NO$_X$), sulphur oxides (SO$_X$) and other air emissions (GRI 305-7)

Emissions of NO$_x$, SO$_2$, NMVOC (non-methane VOC) and dust (PM 10) can be calculated based on the corporate life cycle assessment using the basic data from the Ecoinvent database (version 3.8). The calculation includes both direct emissions (Scope 1) from the burning of combustibles and fuels and process emissions (solvents), as well as indirect emissions (Scope 2) resulting from electricity consumption and the provision of district heating. Key figures concerning emissions can be found at → Key figures sustainability > Environment.

Water and waste water (GRI 303)

Management approach water and waste water

Water is of key importance to Geberit. The biggest environmental contribution made by Geberit products lies in the conservation of water. This is the most pivotal aspect in the company's contribution towards sustainable development, increasing the resilience of water systems, and indirectly reducing energy consumption and CO$_2$ emissions. The risks for Geberit connected to water are low, as its own water consumption is minimal compared to the water consumption and water saved by the products. Opportunities for Geberit can be found in the limited local availability of water in many places as the result of climate change. In the risk analyses conducted periodically by the World Economic Forum (WEF) and published in its Global Risk Report 2024, water scarcity (a central topic in the context of crises in natural resources) was classified as one of the ten highest global risks in terms of impact over the next ten years. This trend has an influence on the development of sanitary technology. Water-saving, resource-efficient products will become increasingly important. Geberit is taking advantage of the opportunity to meet the growing worldwide demand for water-saving products and to contribute towards a more diligent handling of water.

According to one model calculation, all Geberit dual-flush and stop-and-go cisterns installed in place of traditional flushing systems (with 9-litre full flush volume) since 1998 have so far saved around 34,940 million m^3 of water. In 2023 alone, the water saved amounted to 2,940 million m^3. Since 2016, Geberit has been publishing its detailed water balance as part of the CDP Water Program. For further information, see → Product management and innovation.

Handling and use of water (GRI 303-3, GRI 303-5)

The water footprint calculated along Geberit's value chain shows that nearly 100% of water consumption is attributable to the use of the products, while the manufacture of the products by Geberit accounts for less than 0.1% of water consumption.

The corporate life cycle assessment shows a similar picture. Here, the environmental impact caused by water consumption and subsequent waste water treatment also accounts for only a minor share of the company's overall impact (0.5%). Nonetheless, Geberit also strives to optimise its own water consumption. This includes measures such as reusing water in laboratories and production processes. Ceramic production accounts for the biggest share of water consumption. Water consumption in relation to the amount of ceramic produced (l water/kg ceramic) increased by 11.7% compared to the previous year and amounted to 7.1 l/kg. Compared to 2015, it has been possible to reduce this key figure by 0.5%.

Overall it has been possible to further reduce water consumption in production to 850,178 m^3 in the reporting year (previous year 908,407 m^3). This is categorised into drinking water (31.4%), well water (44.4%), lake and river water (23.4%) and rain water (0.8%). Geberit's risk management includes monitoring the extent to which certain sites are exposed to a water risk. According to the Water Risk Atlas from the World Resources Institute (WRI), the production sites in Gaeta (IT), Koło (PL), Ozorków (PL), Michigan City (USA), Shanghai (CN) and Pune (IN), which together account for 19% of Geberit's total water consumption in production, are located in areas with high or very high water stress. Key figures concerning water consumption by source can be found at → Key figures sustainability > Environment.

Water withdrawal and water consumption (GRI 303-1)

The manufacture of ceramic sanitary appliances accounts for around 80% of water consumption in production, and this is necessary for the preparation of the ceramic slip and glaze, and for cleaning the moulds and systems. On average, 7.1 litres of water are needed for every kilo of ceramic produced. 5 to 10% of the water used in ceramic production is recycled internally, corresponding to around 68,300 m^3 in 2023.

Another major consumer is the Geberit sanitary laboratory in Rapperswil-Jona (CH), where newly developed products are tested. The tests required 85,026 m^3 of water, of which only around 1.6% was fresh water. The remaining 98.4% was reused in a closed-circuit system.

Other processes that consume water are steam foaming of expandable polystyrene (EPS), cleaning work, powder coating, and water used in staff sanitary facilities.

Waste water of varying quality accounts for around 75% of the water withdrawn, see → GRI 303-4. The remaining 25% evaporates into the atmosphere either during cooling processes or when the plaster moulds and ceramic blanks dry.

Handling of waste water (GRI 303-2)

All resulting process waste water and domestic waste water is treated. Process waste water can contain inorganic substances (e.g. mineral raw materials). This water is cleaned in a two-stage process involving sedimentation and filtration before being fed into the public sewage system or returned to surface waters. Only few Geberit processes (e.g. powder coating, electroplating,

cleaning of metal fittings) produce waste water that is more heavily contaminated. This waste water is treated in a separate stage before being fed into the public sewage system.

Waste water (GRI 303-4)

The 2023 figure for waste water was 645,851 m^3 (previous year 673,330 m^3). At 72.3%, process waste water from the production of sanitary ceramics accounted for the largest share of the total. Another important category is domestic waste water (25.7%), which passes into the communal waste water treatment plant or is pretreated and fed into receiving waters. The remaining waste water (2.0%), which is pretreated and fed into a communal waste water treatment plant, is of lesser importance. Waste water was not reused by external companies. Detailed key figures on waste water can be found at → Key figures sustainability > Environment.

Waste (GRI 306)

Management approach waste

Waste occurs along Geberit's entire value chain: during the manufacture of purchased raw materials and of semi-finished and finished products, during transportation and production, as well as during the installation and utilisation of products right through to their ultimate disposal when a building is renovated or dismantled. While Geberit works to minimise waste in all phases, the greatest leverage for reducing waste can be found in production. However, according to the corporate life cycle assessment, waste disposal in production accounted for just 1.6% of the overall environmental impact. Accordingly, risks such as rising costs attributable to waste management and disposal are also considered to be on the low side. The avoidance, reduction and safe handling of waste is promoted at the plants within the scope of environmental management in compliance with ISO 14001. Accordingly, the potential reputation costs are also considered to be low. Waste is sorted so that as much as possible is recycled, and as little as possible has to be incinerated or sent to landfill sites. As part of a resource-saving circular economy, efforts are being made to generate secondary material for other processes (by-products) from waste.

Waste generation and management of waste-related impacts (GRI 306-1 and GRI 306-2)

Production waste at suppliers can only be influenced by Geberit to a limited extent. By complying with the Code of Conduct for Suppliers, providers undertake – among other things – to reduce the quantity of waste they produce. The matter is also addressed during visits to suppliers and audits. Packaging waste that occurs when raw materials and semi-finished products are delivered to production and logistics can be influenced to a greater extent. For example, agreements with suppliers can stipulate that reusable containers are used instead of disposable ones, or that silo deliveries are made rather than supplying goods in sacks.

Consistent efforts are made to minimise waste in Geberit's production plants, with actions prioritised as follows: avoid and reduce waste, sort the waste and, if possible, recycle it internally or externally; if this is not possible, use the waste for energy recovery by burning it as fuel at an incineration plant or dispose of it in an inert waste landfill. Wherever possible, hazardous waste requiring special disposal and treatment is avoided. The same applies to waste that has to be sent to a mixed waste landfill. As part of a resource-saving circular economy, efforts are being made to generate secondary material for other processes (by-products) from waste. The type and quantity of waste generated depends to a large degree on the relevant production processes. The most important production processes at Geberit are:

1. Plastics processing (injection moulding, blow moulding, extrusion): These processes primarily generate plastic waste, mostly of which can be processed and recycled internally (either directly at the machine or via a decentralised mill). The proportion that can be recycled internally fluctuates according to the manufacturing process, see → GRI 301-2.
2. Metalworking (bending, stamping, drilling, welding, forming): These processes primarily generate metal waste that can be recycled and reused externally. In addition, typical waste from metal processing – such as lubricating oils, machine oils and emulsions – are produced.
3. Manufacture of bathroom furniture: This primarily generates wood waste that can be recycled externally.
4. Ceramic production: This process generates the largest volume of waste in terms of weight. The waste mainly comprises fired ceramic scrap, mineral sludge (from waste water treatment), and plaster (from used ceramic moulds). As well as minimising the volume of waste through efficient, stable process management, ways of recycling waste internally or externally are also being explored. Trials are under way to examine the possibility of grinding fired ceramic scrap externally and then feeding it back into the production process. As far as external recycling is concerned, fired ceramic scrap can be recycled for use in tile production or road building. A further option is to replace conventional plaster casting systems with modern high-pressure casting systems, as is already the case in Koło and Włocławek (PL). This serves to increase efficiency, improve ergonomics and reduce raw material consumption and plaster waste. Moreover, in 2023, 5,200 tonnes of plaster (previous year 7,400 tonnes) were delivered to the cement industry as a by-product for further use, which reduced the amount of waste sent to landfill accordingly.

Geberit also aims to minimise the volume of packaging waste for customers, see → GRI 301-3.

Construction site waste is waste that is generated during the installation and processing of products. Apart from product packaging, this typically includes pipe sections that remain after drinking water and waste water pipes have been assembled, protective caps on fittings and pipes that have to be removed prior to assembly, pressing indicators that fall off when the

fittings are pressed, various protective components that are removed after tiling is completed, and sections of GIS profiles or plaster panels left over after a prewall has been installed. This waste is disposed of either by the plumber or by local waste management at the construction site. Since 2021, as part of the roll-out of the new Geberit FlowFit supply system, Geberit has also been offering the possibility of returning protective caps from drinking water fittings and pipes to a Geberit recycling partner.

Only small quantities of waste are produced during product use. This is because Geberit products have a very long service life, the majority of them require little maintenance, and they can be repaired easily in the event of a problem. They are also easy to clean, which means less cleaning work for end users and reduces the amount of cleaning agents used. Waste includes used active carbon filters, batteries, seals and defective components. Geberit has a very large selection of spare parts offering a high degree of backwards compatibility, with availability of up to 25 years for a significant proportion of the product range. In 2023, spare parts availability for all mechanical components on concealed cisterns was increased from 25 to 50 years, and a lifetime guarantee introduced for ceramic products (excluding seat and lid). This ensures the durability and functionality of the products while simultaneously saving resources.

Waste is also produced when a sanitary installation or bathroom is renovated or dismantled. Since Geberit products can have a service life of up to 50 years, they will often be dirty or blocked with limescale upon removal (e.g. WC ceramic appliances, waste water and drinking water pipes) or may be connected to other parts of a building (e.g. a tiled prewall or waste water systems embedded in concrete). This makes the products more difficult to recycle. The obligation to take back used electrical equipment such as tools, electronic washbasin taps and control systems, shower toilets and other electronic components is regulated by the WEEE Directive (Waste Electrical and Electronic Equipment). As part of the eco-design initiative, Geberit also ensures that its products are easy to sort and recycle, and that product materials are clearly labelled.

Volume of waste (GRI 306-3, GRI 306-4, GRI 306-5)

The total volume of waste amounted to 60,613 tonnes in 2023 (previous year 67,554 tonnes). 24.2% of the waste was disposed of, while 75.8% (previous year 83.6%) was recycled externally. The total amount includes 1,227 tonnes (previous year 1,359 tonnes) of hazardous waste, of which 48.0% (previous year 47.0%) was disposed of by incineration and 52.0% (previous year 53.0%) was able to be recycled.

The reduction and safe handling of waste is promoted at the plants within the scope of environmental management according to ISO 14001. At Geberit, all waste is disposed of and recycled by licensed disposal companies, who are visited and inspected as part of external audits.

Key figures concerning waste by category are provided at → Key figures sustainability > Environment.

Products and innovation

Product management and innovation

Management approach product management and innovation

Sustainable products play a pivotal role for Geberit in generating added value for customers and society and for contributing to sustainable development as set out by the UN Sustainable Development Goals. Product management and innovation at Geberit have a significant impact on the consumption of water, energy and resources in buildings, as well as on the health and well-being of its customers. Its innovations also have an impact on the sanitary industry as a whole.

Geberit's innovative strength, which is above average for the sector, is founded on its own, wide-ranging research and development activities. 25 patents were applied for in the reporting year – and a total of 159 patents over the past five years. In the reporting year, a total of CHF 70 million (previous year CHF 72 million) – or 2.3% of net sales – was invested in the development and improvement of products, processes and technologies, not to mention investments in tools and equipment for the manufacture of newly developed products. The scientists and engineers at Geberit have the very latest technologies and infrastructures at their disposal for their development projects, and these are modernised and expanded on an ongoing basis. Worthy of particular mention here are the possibilities for simulating production processes, the rapid and cost-effective production of prototypes thanks to outstanding 3D printing capacities and the ability to thoroughly inspect prototypes and series parts.

With a wide range of products in front of and behind the wall, Geberit spans the entire flow of water within a building and helps to optimise significant aspects of the system as a whole, such as water and energy consumption or sound insulation. In addition to its quality, durability and high degree of water and resource efficiency, the Geberit product range also impresses with its good environmental compatibility and recyclability. The basis for sustainable products is a systematic innovation process in which the most environmentally friendly materials and functional principles possible are chosen, risks are minimised and a high level of resource efficiency is targeted for the production process as well as the product itself.

For an overview of product development topics, see → Business Report > Business and financial review > Financial Year 2023 > Innovation. For an overview of new products, see → New products.

Geberit regards eco-design as the key to environmentally friendly products. The aim is to develop and optimise products in such a way that each new product adds value in ecological terms, either because material, water or energy have been saved, the products can be recycled more easily, or because less CO_2 is emitted during production. Eco-design has been an integral part of the development process since 2007. Employees from different disciplines take part in eco-design workshops so that each new product outperforms its predecessor in environmental aspects. More than 185 eco-design workshops have already been held as part of the development process for new products. The workshops involve systematic product analysis that covers the entire life cycle, a review of legal requirements and an analysis of competing products. In addition, they ensure that environmentally relevant data is collected and made available for later use, something which is of particular benefit to digital planning using BIM (Building Information Modelling). Based on the findings of these eco-design workshops, new solutions such as "Design for Recycling" are developed and, where fit for purpose, adopted into the specifications for that product.

Specially created product life cycle assessments are important decision-making tools for the development process and provide arguments for the use of resource-efficient products. The environmental product declarations (EPDs) in accordance with the European standard EN 15804 are also important and can also be used directly for certification systems for sustainable building such as LEED (Leadership in Energy and Environmental Design). EPDs present relevant, comparable and verified environmental data on products in a transparent manner. Environmental product declarations have been created for the following products: AquaClean Mera and Sela shower toilets, Piave, Brenta as well as type 185 and type 186 electronic washbasin taps, urinal systems, sanitary ceramics, PE, Silent-db20, Silent-PP and Silent Pro drainage pipes, as well as drinking water pipes and fittings for FlowFit, Mapress Stainless Steel, the Duofix WC element, and, most recently, the Sigma 01/10/20/30 actuator plate. This means that products with an EPD now account for around 34% (previous year 30%) of Group sales. In the reporting year, the EPD creation process was further optimised with the aid of external software and publication on the EPD Hub.

The biggest environmental contribution made by Geberit products lies in the conservation of water, see → GRI 303.

Geberit also advocates the economical use of water beyond processes and products. In 2017, it was involved in the establishment of the Unified Water Label Association (UWLA; formerly European Bathroom Forum). The UWLA water label aims to support customers in the selection of resource-efficient products. Geberit actively endorses assessment criteria that allow for an effective differentiation of water-saving products in an effort to meet EU targets for resource efficiency.

The environmental impacts of Geberit's products are improved continually through the consistent application of eco-design principles in product development. Current examples that make a particular contribution to reducing environmental impact or water consumption and CO_2 emissions are as follows:

- CleanLine50 shower channel – slim design, integrated slope, and 50% less material used. As the production of this high-quality material is energy-intensive, using less of it reduces CO_2 emissions by 60% per shower channel.
- Acanto WC with TurboFlush – allows for improved flushing-out performance thanks to optimised ceramic hydraulics, with minimal water consumption.
- Fill valve type 333 for cisterns – flow-optimised, very quiet, and uses 11% less material in the manufacturing process, with around 20% of the plastic in the valve made up of regranulate.
- Dual-flush units type 208 and type 212 for cisterns – flexible setting of the flush volume, backwards-compatible and allows for optimum flushing-out of the WC pan with minimal water consumption.
- Fill and flush valves for floor-standing WCs in the Nordic markets – with flush volumes of up to 4/2 litres and the share of plastic regranulate used exceeding 50%.
- Constant expansion of the range of rimless WC pans helps to simplify cleaning and cut down on cleaning agents.
- ProTect Silent acoustic insulation panel for the prewall – fewer resources used compared with standard construction, good recyclability, and 60% of the material used comes from recycled PET bottles.
- SuperTube optimised building drainage system – lack of a ventilation pipe helps save materials and space in the building.
- Flow-optimised FlowFit piping system for drinking water and heating applications – ergonomically optimised, made of halogen-free materials, and includes a system for returning used protective caps and pressing indicators.
- Purchase of high-quality CO_2 certificates for ceramic appliances in selected series as part of a forest conservation project run by the Swiss myclimate foundation in Tanzania.
- Guaranteed spare parts availability of 50 years for all mechanical components on concealed cisterns, and lifetime guarantee for ceramic products (excluding seat and lid).

Product quality

Management approach quality

See → GRI 416.

Product compliance

Management approach product compliance

See → GRI 416 and → GRI 417.

Operations

Procurement

Supply chain (GRI 2-6)

Geberit's production processes entail a high in-house production depth, i.e. it largely purchases raw materials and semi-finished products with a high share of raw materials. As such, material costs constitute a relatively low share of Geberit's net sales. A prudent procurement strategy with a strong regional and local orientation, institutionalised purchase processes and a strong focus on cooperative relationships with suppliers help to ensure that raw materials are available. This approach can also help minimise potential acute physical risks arising from climate change, see also → TCFD Reporting.

The raw materials and semi-finished products procured by Geberit primarily come from suppliers in Western Europe (84.2% of procurement value). The share of the procurement volume from Eastern Europe amounts to 6.4%, that from Asia 8.3%, from America 0.9% and from Africa 0.2%. Owing to the high level of vertical integration as well as the very high share of Western European suppliers, the general risk profile of the supply chain in terms of environmental and social risks is relatively low.

In 2023, Geberit procured raw materials (29.4%), semi-finished products (43.6%) and finished products (27.0%) with a procurement value of CHF 882.7 million (previous year CHF 1,136.1 million) from 1,603 suppliers around the globe.

As Geberit neither directly imports nor processes conflict minerals (tin, tantalum, tungsten, gold) in the EU or Switzerland, it is not deemed to be an "importer" within the meaning of EU Regulation 2017/821 or Art. 964j ff. of the Swiss Code of Obligations. If products containing such metals are shipped to the USA, the provisions of the Dodd-Frank Act (Sec. 1502) apply.

Management approach procurement

Through the procurement of goods and services, Geberit is accountable for social, environmental and economic impacts in the upstream value chain. The business activities at suppliers result in indirect environmental impacts (Scope 3 emissions). By effectively managing the requirements for suppliers in terms of environmental and social criteria, Geberit can influence supplier compliance with environmental laws, human rights and suitable working conditions. Risks include a loss of reputation in the event of environmental or human rights violations, potential new regulatory challenges with regard to environmental and social criteria, reduced planning certainty, and the risk of legal consequences and fines. Opportunities exist in terms of enhancing the resilience of the supply chain through close collaboration and in cost savings through optimised resource utilisation that can be achieved through sustainable supply-chain practices.

Corporate Purchasing is responsible for procurement in all production plants worldwide and manages the procurement organisation through a team of lead buyers who are strategically responsible for various material groups. Since the reporting year, a new function has been established in the area of sustainability and compliance. Various changes within Geberit's operating environment mean that demands on procurement are constantly increasing. As a result, Geberit drafted a new procurement strategy in 2021 that aims to holistically assess its suppliers ("total value of ownership") in areas including sustainability. In addition, new laws concerning responsible procurement have been developed – especially in Switzerland and Germany – resulting in binding reporting and due diligence obligations for companies with regard to their supply chains. Geberit closely monitors these developments and, in the reporting year, introduced various measures derived from the analysis of regulatory supply-chain due diligence obligations applicable in Switzerland and the EU carried out in 2022. For example, access to Geberit's Integrity Line for suppliers was made easier. Also, a study of the UNICEF Children's Rights in the Workplace Index revealed that Geberit is served by suppliers from countries with an increased risk. As a result, Geberit analysed whether there were suspicions of cases of child labour at high-risk suppliers. Geberit has been fulfilling its due diligence obligations in the context of risk-based supplier management for many years, regardless of legal requirements. In force since 2007, this risk management system has been constantly expanded in recent years.

Geberit's suppliers are obligated to maintain comprehensive standards. The basis for this cooperation is the → Code of Conduct for Suppliers, which is available in 15 languages and was supplemented by an Integrity Line for suppliers in 2017. The Code is guided, among other things, by the principles of the UN Global Compact, the Universal Declaration of Human Rights, and the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work. The Code of Conduct is binding for all suppliers. These include direct suppliers of raw materials and semi-finished and finished products, as well as indirect suppliers such as those providing services, logistics, maintenance, infrastructure and equipment. The Code comprises specific guidelines on quality and meeting environmental, labour law and social requirements and sets out compliance with human rights. The supplier must prepare appropriate documentation in order to demonstrate – upon request by Geberit – compliance with the provisions of the Code and ensure that these papers are available for inspection at all times. Should the supplier fail to comply with the obligations set out in this Code, measures for improvement are implemented. Failure to comply on the part of the supplier is regarded as a serious obstacle to the continuation of the business relationship. If the supplier does not correct this non-compliance, Geberit can terminate the cooperation. When evaluating suppliers, Geberit strives to achieve the greatest possible degree of transparency. All new and existing partners are thus assessed by means of standardised processes and according to the same criteria: company as a whole, quality, sustainability, price, procurement chain, delivery reliability, production and technology. As a rule, the selection of suppliers is required to include a quality audit covering clarification on environmental and occupational safety issues. Where an audit reveals inconsistencies in these criteria, an additional, in-depth audit is conducted.

Supplier management incorporates a risk management approach on environmental, occupational safety and human rights matters (including child labour) that is based on the assignment of suppliers to a particular risk category depending on production location (country) and material group (type of production process). Suppliers in the highest risk category pose an increased risk both in terms of production location and type of production process. In 2017, suppliers and material groups that had been added due to the acquisition of the ceramics business were systematically assessed and included in risk management. In addition, the classification of existing material groups into certain risk categories was reviewed. Since then, the classification has been updated on an annual basis. In the reporting year, 168 existing suppliers (previous year 167) were identified in the highest risk category, which corresponds to around 6% (previous year 7%) of the procurement value of Geberit. In future, indirect suppliers will also be included in the risk analysis and the recording of CO_2 emissions (Scope 3).

A systematic planning and performance of audits is conducted for suppliers in the highest risk category. To ensure neutrality and the expertise required for the audits, Geberit also works with an external partner. This tried-and-tested procedure has been carried out for years and makes an important contribution to ensuring compliance with due diligence in the supply chain at Geberit. In the coming year, the quality and EHS audits carried out will be included in the audit tool developed in-house, which will make it easier to track the measures and assess their effectiveness.

In addition to this risk-based approach, the aim is to develop a concept for more intensive collaboration with suppliers in the areas of compliance and the reduction of CO_2 emissions (Scope 3), including the definition of goals. In the reporting year, a detailed analysis was conducted on alternatives to raw materials in the area of plastics and metal, and the availability of data on CO_2 emissions was evaluated. In addition, two Supplier Days were held to discuss sustainability matters with key suppliers. The participating suppliers represented around 75% of CO_2 emissions (Scope 3).

In addition, new employees in procurement receive training in the process of sustainable procurement, and sustainability also forms part of an employee's annual appraisal meeting. Regular training of lead buyers on procurement and sustainability also takes place, plus participation in a working group of the UN Global Compact on sustainable supply chains.

For further information, see → Business Report > Business and financial review > Financial Year 2023 > Procurement.

Assessment of new suppliers based on sustainability criteria (GRI 308-1, GRI 414-1)

All new suppliers undertake to comply with the Code of Conduct for Suppliers and hence also to international standards governing environmental protection, labour practices and human rights. The Code is guided, among other things, by the principles of the UN Global Compact, the Universal Declaration of Human Rights, and the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work. As of the end of 2023, a total of 3,745 direct and indirect suppliers had signed the Code of Conduct. This equates to over 90% of the total procurement value. The introduction of a customised process for large companies with a global structure is planned for 2024.

In the Code of Conduct for Suppliers, suppliers undertake – wherever possible and appropriate – to ensure that their own suppliers and second-tier suppliers also adhere to the terms of the Code. Geberit may explicitly demand of a supplier that the Code be extended to selected second-tier suppliers. When auditing suppliers, an analysis of their own most important suppliers and second-tier suppliers is included in the investigations. Geberit aims to foster a collaborative relationship with its suppliers, where sustainability risks in the supply chain are jointly analysed and minimised.

Introduced in 2017, the Supplier Integrity Line allows suppliers to anonymously report any violations of the Code of Conduct by Geberit employees or by competitors. The hotline is free of charge for users and is operated by an independent service company in a total of eleven languages. Violations can also be reported online via the Geberit website. No violations of the guidelines set out in the Code of Conduct for Suppliers were reported in 2023.

Sustainability-related impacts in the supply chain (GRI 308-2, GRI 414-2)

In 2023, five third-party audits were carried out at suppliers with increased risk in China, India, Slovenia and Turkey. The results showed that the majority of obligations set out in the Code of Conduct for Suppliers were complied with. Appropriate corrective measures were agreed in cases of non-compliance.

The analysis of child labour at high-risk suppliers did not give rise to any reasonable suspicions.

Production

Management approach production

See → Business Report > Business and financial review > Financial Year 2023 > Production.

Logistics

Management approach logistics

Group logistics comprises the central logistics centre for installation and flushing systems and piping systems in Pfullendorf (DE) as well as a decentralised network of 13 European distribution sites for ceramic appliances and bathroom furniture.

Geberit attaches great importance to central transport management in order to enable cost- and resource-optimised transport solutions. Customers generally receive orders in a single truck delivery. This not only reduces the number of empty kilometres, it also increases truck capacity utilisation and reduces CO_2 emissions.

Geberit does not have its own transport fleet, having outsourced this to external transport service providers. Intercompany and distribution logistics play a major part in Geberit's environmental impact, amounting to a significant proportion of the total figure. Cooperation with the transport service providers is therefore of key importance. Partners agree to actively support Geberit in its efforts to use energy and packaging material efficiently and to reduce emissions. Furthermore, the partners support Geberit by providing the data needed for the environmental reporting. Developed in 2010 and continuously expanded since then, the logistics calculator facilitates the annual capture of data on the vehicle fleet composition, transportation performance and fuel consumption of all transport service providers, as well as the preparation of the eco-balance.

Geberit constantly improves its logistics processes, optimises quality and productivity, and reduces the impact on the environment, see → Sustainability strategy. Since 2015, Geberit has managed to improve the eco-efficiency of its logistics operations (environmental impact per tkm) by 28%.

The situation in logistics largely stabilised in the reporting year. Group logistics at Geberit was already able to reach the desired availability targets for the entire product range at the start of the year, and also maintained this at all times throughout the year as a whole. It was possible to supply customers with the entire range of products at the high level they have come to expect.

In the reporting year, a new system for optimising and automating how ceramic sets are put together was put into operation in logistics, achieving significant increases in productivity. The desired results were achieved shortly after commissioning, not least in terms of ergonomics and reducing the physical workload on employees.

For further information, see → Business Report > Business and financial review > Financial Year 2023 > Logistics. For information on the eco-balance of logistics, see → GRI 302-2.

Customers

Customer relations

Management approach customer relations

The most important part of the market cultivation activities is carried out by the employees in field service at the various local sales companies. They are in daily contact with wholesalers, plumbers, sanitary engineers, architects, investors and end users. In an extraordinarily difficult market environment with a declining building construction industry, Geberit intensified its customer contacts compared to the previous year. These increasingly used the possibilities offered by hybrid sales, where personal contact is combined with digital resources such as video calls or video conferences.

Geberit provides its customers – notably plumbers and sanitary engineers – with a wide, proven range of training courses. In the reporting year, some 60,000 professionals (previous year 48,000) were provided with education and further training on products, tools, software tools and installation skills at 30 Geberit Information Centres in Europe and overseas. At the same time, counter days and local and digital events were organised in numerous markets – often together with wholesalers – to train craftsmen on new products. More than 61,000 customers (previous year 75,000) took part in such events, of which 1,300 in digital formats. Web-based seminars and training courses now occupy a firm and important place in Geberit's training offer. 18,000 people took part in the past year (previous year 19,000). This figure also includes those who participated in the Geberit Campus, an online training platform that offers eLearning courses on a range of different skills as part of a self-study programme and was launched in the DACH markets last spring.

In Geberit's three-stage "go-to-market" model, wholesalers play a key role. Wholesalers offer sanitary specialists the entire range of products across the various product categories in the field of sanitary technology and heating applications. They ensure product availability through warehousing and a comprehensive network of pick-up points as well as the logistics to plumbing companies and construction sites. Furthermore, in many countries wholesalers have showrooms where they can advise end users on their product selection.

For customers with a focus on sustainability, Geberit can also demonstrate its sustainability performance via its EcoVadis rating. Despite increased requirements, Geberit achieved a very good score of 76 out of 100 points (previous year 76 out of 100 points), ranking in the 98th percentile of all companies assessed and thus being awarded a Gold Medal. Gold is the second-highest possible rating awarded following the annual evaluation. Geberit thus finds itself in the top five percent of rated companies.

EcoVadis is one of the world's largest providers of business sustainability ratings and has created a global network of over 100,000 companies in around 180 countries. The comprehensive analysis takes into account 21 criteria in the areas Environment, Labour & Human Rights, Ethics and Sustainable Procurement, and contributes towards ensuring transparency in sustainability performance of the companies. The top rating again shows both customers and suppliers that Geberit has a comprehensive, systematic sustainability management in place.

Customer health and safety (GRI 416)

Management approach customer health and safety

For Geberit, high-quality standards mean fulfilling customers' requirements in terms of functionality, reliability and application safety to the greatest possible extent. Corporate Product Quality is responsible for ensuring that suitable framework conditions promote a quality culture throughout the company, and that all employees act in a quality-conscious and independent manner.

Products undergo a defined quality assurance process from the first draft. Product Development is responsible for ensuring that the products are safe and user-friendly, and that they comply with all standards and statutory requirements. As an independent department, Product Quality is responsible for defining, arranging and monitoring all necessary inspections to ensure that these requirements are met. A clear organisational distinction is drawn between Product Development and Product Quality. In addition, many products are also examined by external authorisation and certification bodies.

Following market launch, an efficient handling of complaints with integrated error analysis, the initiation of sustained corrective measures and the continuous development of concepts for customer support take place in cooperation with Sales, Production and Development. Geberit has achieved a high standard in the processing of complaints, and reacts directly and in a solution-oriented manner in each individual case.

Product Development and Product Quality are equally responsible for customer health and safety.

Conducted health and safety assessments (GRI 416-1)

Generally speaking, Geberit products and services involve low risks for customers in terms of health and safety. Geberit nevertheless adopts a preventive approach within the scope of its comprehensive quality planning in order to test and ensure the health and safety requirements of all products from development to certification, through manufacture and storage, to

installation, use and disposal. Eco-design workshops are held in the course of product development, see → Eco-design. If products or their use result in an increased risk to health or safety, Geberit's technical editorial staff ensures that this is communicated appropriately to customers, see → GRI 417.

Non-compliance with health and safety requirements (GRI 416-2)

Throughout the Group, there were no court judgements or warnings against Geberit in the reporting period involving contraventions of regulations on the health and safety of products and services or product and service information. Furthermore, no sanctions were imposed in connection with Geberit products and services due to non-compliance with product liability regulations.

Marketing and product labelling (GRI 417)

Management approach marketing and product labelling

A significant share of the varied marketing activities was once again targeted at sanitary specialists in the reporting year. This especially applies to the personalised and frequently project-related support given to plumbing companies and planning offices by technical advisors and other sales representatives. Personal visits to customers and construction sites as well as events for these key target groups were carried out intensively. At the same time, digital visit and meeting formats that had proven useful during the pandemic were retained. Sanitary entrepreneurs, sanitary engineers, trade staff and other groups involved in construction now know that relevant information can be accessed online, regardless of time and place. Geberit took this development into account both in its direct customer service approach and in market cultivation with a number of measures and innovative concepts. Geberit is constantly increasing its activities in the interdisciplinary BIM (Building Information Modelling) planning method, see → Digitalisation/BIM.

Corporate Marketing is responsible for the labelling of products and services. Conveying product and application information in accordance with laws, standards and target groups is one of the main tasks of the Technical Documentation department that forms part of the Group Executive Area Marketing & Brands. A comprehensive portfolio of various document types and publication channels is available for this purpose. In the area of assembly and installation, Geberit focuses on generally understandable images comprising detailed illustrations and guiding symbols. On top of this, more far-reaching information is provided for the plumber, architect and engineer target groups via various handbooks and skills brochures. In addition, product and safety data sheets are available for all products and target groups.

As the actual users of Geberit products, the end user target group is becoming increasingly important in terms of conveying product information. Geberit ensures safe handling and correct labelling by means of detailed operating documentation based on the prevailing standards and laws.

Requirements for product information and labelling (GRI 417-1)

Products involving the use of electricity, gas or dangerous substances – or those containing such substances – need to be appropriately labelled in accordance with the prevailing standards and laws. This includes providing information about the target group and its qualifications as well as the intended use and the existence of substances subject to labelling requirements. The distributor must publish this information in a national language of the target market in accordance with the prevailing laws and regulations. Whenever possible, plastic components must feature material labelling in order to facilitate recycling. In order to meet the increased demand for digitally available data, a medium- to long-term goal is the creation of a "material passport" for each individual product. This contains information on the product materials used and the associated ecological footprint.

Geberit has joined forces with the Unified Water Label Association (UWLA, formerly the European Bathroom Forum) to work on a European label that can be used for a wide range of sanitary products. This is an all-encompassing, voluntary and flexible instrument launched by the sanitary industry to support EU targets on resource efficiency (Green Deal). Furthermore, 97% of bathroom furniture of the Geberit brand and 75% of the remaining bathroom furniture is FSC™ certified (FSC-C134279).

Non-compliance with product information and labelling requirements (GRI 417-2)

Three minor cases of incorrect labelling came to light in the reporting year, and these were corrected.

Non-compliance with marketing communications requirements (GRI 417-3)

There were no violations of marketing and communications requirements in the reporting year.

Digitalisation/BIM

Management approach digitalisation/BIM

Digital tools are playing an increasingly important role in market cultivation. As part of the digitalisation initiative, a dedicated team at Group level and in selected test markets is involved in developing and launching digital tools that are tailored to the different needs of the respective target groups.

Using digital tools, Geberit wants to support professional customers by meeting their needs as far as possible in everyday work. Fourteen applications are now available for assisting professionals in the planning and calculation of sanitary installations

or in the commissioning and maintenance of devices. In the reporting year, the focus was on further enhancing the profile of these applications and launching them in new Geberit markets.

End users can find inspiration for their bathroom design in six applications, such as the Washplace Configurator, 3D bathroom planner or virtual showrooms for actuator plates. In 2023, there were concerted efforts towards making these tools available in additional markets. The different tools are now in use in 38 markets.

Direct communication with end users helps firmly establish the Geberit brand among this target group. The "Better bathrooms, better lives" campaign has been running since 2019. It consists of three digital elements: an advertising campaign on media portals, the websites of the local Geberit sales companies with various configurators and planning tools, and a customer relationship management (CRM) system. Interested end users receive additional advice and support from qualified specialists after they register in the CRM system.

The campaign was continued last year, but with significantly reduced expenditure due to the changed market environment. The campaign generated 2.2 million visits on local websites (previous year 3.6 million visits) and 30,000 end consumer registrations in the CRM system (previous year 34,000). The fact that the number of registrations only decreased minimally under these circumstances compared to the previous year underlines the increased efficiency and effectiveness of the refined focus on target groups in the campaign.

Geberit's → online catalogues have been set up on an extremely high-performance platform. Information relating to products and spare parts is available from a single source and can be displayed on various devices. Information searches are intuitive, also enabling easy navigation on mobile devices at the construction site.

Geberit provides the → Geberit ProPlanner tool to offer even better support to sanitary engineers and plumbers when planning and configuring bathrooms. It is used to assist the specialists in selecting the right products for a customer-specific project, from the installation and sanitary technology all the way through to the various bathroom products. Another tool designed for everyday use is the Geberit Pro app for sanitary professionals. This offers craftsmen support when it comes to the correct installation of Geberit products.

Building Information Modelling (BIM) is an interdisciplinary planning method that aims to optimise the entire planning and building process, while enabling architects, sanitary engineers, building material manufacturers and building owners to share information efficiently. For a number of years now, Geberit has been providing BIM users with support in the form of product data and calculation modules. A special plug-in is available for the Autodesk Revit planning software, which combines all Geberit BIM tools in one central application and enables direct access to 3D models and planning parameters that are always kept up to date. The plug-in is already being used by more than 12,000 planning and engineering companies for project planning work. To be able to support wholesalers to the greatest possible extent in the structured processing and efficient use of product information, efforts are constantly being made to provide data in line with the ETIM-8 standard (Electro-Technical Information Model). Among other aspects, this includes logistics information with details on the weight, dimensions or packaging type of products. In the meantime, complete logistics data of over 30,000 articles has been recorded.

Data protection (GRI 418)

Management approach data protection

In terms of data protection, numerous enquiries from Group companies have been dealt with on a variety of topics, with the prime focus on IT, HR, marketing and communication. The Geberit Group's data protection management system has been further complemented and enhanced by adding, updating and optimising the documentation and processes. Several Group companies were subjected to an internal data protection audit.

A new version of the eLearning module on data protection is planned for 2024. This module was completed by around 4,000 employees in 2023. Furthermore, ongoing training sessions are held for data protection coordinators as well as for employees from various departments. Around 80 people took part in these training sessions during the reporting year, some of which coincided with the coming into force of the new Swiss Federal Act on Data Protection in September 2023. Since this act is founded largely on the European Union's General Data Protection Regulation (GDPR) and the relevant processes are already implemented in the Swiss companies, additional implementation expenses could be minimised.

Complaints concerning violations of customer data privacy (GRI 418-1)

In the reporting year, there were no known complaints concerning violations of customer data privacy.

Sustainability

Key figures sustainability

Key figures environment

Environmental impact

	2023 Million UBP	2022 Million UBP	Deviation %
Electricity	48,372	73,398	-34.1
Combustibles	130,698	149,056	-12.3
Fuels	20,056	19,869	0.9
Disposal	3,325	3,540	-6.1
Solvents	990	1,118	-11.4
Water and waste water	1,153	1,193	-3.4
Total	**204,594**	**248,174**	**-17.6**

Environmental impact measured in eco-points (UBP) according to Swiss ecological scarcity method (version 2021), based on Ecoinvent data (version 3.8) and local electricity mix (market-based)

Material usage

	2023 Tonnes	2022 Tonnes	Deviation %
Raw material plastics	68,976	82,903	-16.8
Raw material metal	55,674	70,174	-20.7
Raw material mineral	149,940	179,036	-16.3
Other raw materials	94	123	-23.6
Semi-finished products	52,694	67,230	-21.6
Finished products	54,146	68,878	-21.4
Total	**381,524**	**468,344**	**-18.5**

Adjusted data basis (also for previous year's figures)

Energy consumption

	2023 GWh	2022 GWh	Deviation %
Electricity	**198.9**	**219.0**	**-9.1**
District heating	**15.6**	**15.9**	**-1.6**
Combustibles	**393.7**	**452.9**	**-13.1**
Natural gas	319.8	372.9	-14.2
Biogas	6.3	8.0	-21.6
Liquified petroleum gas (LPG)	66.8	71.6	-6.6
Diesel for electricity generation	0.3	0.2	24.9
Heating oil extra light	0.50	0.10	338.6
Fuels	**25.2**	**24.9**	**1.0**
Total	**633.4**	**712.6**	**-11.1**

Electricity mix

2023	GWh	Renewable %	Fossil %	Nuclear %	Others %
Europe	57.4	45.3	35.1	17.9	1.7
USA	4.8	7.3	67.1	25.4	0.2
China	5.6	30.1	66.5	3.4	0.0
India	2.8	21.2	76.2	2.6	0.0
Green electricity	128.3	100.0	0.0	0.0	0.0
Total	**198.9**	**78.9**	**14.7**	**5.9**	**0.5**

Calculation based on local electricity mix (market-based)

2022	GWh	Renewable %	Fossil %	Nuclear %	Others %
Europe	93.6	44.4	40.9	14.7	0.0
USA	5.0	7.3	72.9	19.8	0.0
China	6.0	30.1	66.5	3.4	0.0
India	2.6	21.6	75.6	2.8	0.0
Green electricity	111.8	100.0	0.0	0.0	0.0
Total	**219.0**	**71.3**	**21.8**	**6.9**	**0.0**

Calculation based on local electricity mix (market-based)

CO_2 emissions

	2023 Tonnes	2022 Tonnes	Deviation %
Scope 1	**91,724**	**103,782**	**-11.6**
Combustibles	84,543	96,881	-12.7
Fuels	6,864	6,641	3.4
Process emissions	317	260	22.2
Scope 2	**29,290**	**46,809**	**-37.4**
Electricity	28,985	46,497	-37.7
District heating	305	312	-2.3
Scope 1 and 2[1]	**121,014**	**150,591**	**-19.6**
Scope 3			
Purchased materials[2]	555,619	706,192	-21.3
Provision of combustibles and fuels	23,653	26,273	-10.0
Business flights	695	732	-5.1
Intercompany and distribution logistics	52,815	65,889	-19.8
Use of sold products[3]	38,152	44,668	-14.6
Disposal of sold products[2]	219,151	265,750	-17.5

CO_2 emissions calculated according to IPCC 2013, based on Ecoinvent data (version 3.8) and local electricity mix (market-based)

[1] Including 3,468 tonnes of CO_2 emissions from rented or leased buildings and vehicles

[2] Adjusted data basis and update of CO_2 factors (also for previous year's values)

[3] CO_2 emissions from electricity consumption and warm water generation

Air emissions

		2023 kg	2022 kg	Deviation %
NO$_x$	Direct	66,775	76,099	-12.3
	Indirect	76,149	118,526	-35.8
	Total NO$_x$	**142,924**	**194,625**	**-26.6**
SO$_2$	Direct	77,660	85,110	-8.8
	Indirect	86,257	170,898	-49.5
	Total SO$_2$	**163,917**	**256,008**	**-36.0**
NMVOC	Direct	97,537	117,885	-17.3
	Indirect	9,618	11,929	-19.4
	Total NMVOC	**107,155**	**129,814**	**-17.5**
Dust (PM10)	Direct	26,963	27,923	-3.4
	Indirect	58,803	70,128	-16.1
	Total dust	**85,766**	**98,051**	**-12.5**
CFC11 equivalents	Direct	0.0	0.0	0.0
	Indirect	1.5	2.0	-23.9
	Total CFC11 equivalents	**1.5**	**2.0**	**-23.9**

Calculation based on Ecoinvent data (version 3.8), adjusted calculation method for direct and indirect air emissions (also for previous year's figures)

Water

	2023 m^3	2022 m^3	Deviation %
Drinking water	266,841	314,280	-15.1
Well water	377,318	370,506	1.8
River and lake water	199,260	214,710	-7.2
Rain water	6,759	8,911	-24.2
Total	**850,178**	**908,407**	**-6.4**

Waste water

	2023 m^3	2022 m^3	Deviation %
Domestic waste water	166,113	170,113	-2.4
Process water ceramic	466,764	489,961	-4.7
Other waste water	12,974	13,256	-2.1
Total	**645,851**	**673,330**	**-4.1**

Waste

	2023 Tonnes	2022 Tonnes	Deviation %
To incineration	1,232	1,292	-4.7
To inert waste landfill	12,435	8,622	44.2
To mixed waste landfill	437	494	-11.4
To external recycling	45,282	55,787	-18.8
To hazardous waste incineration	589	639	-7.9
To hazardous waste recycling	638	720	-11.4
Total	**60,613**	**67,554**	**-10.3**

Key figures employees and society

Workforce

	2023	Share %	2022	Share %
Germany	3,131	28.6	3,377	29.3
Poland	1,535	14.0	1,685	14.6
Switzerland	1,487	13.6	1,514	13.2
Austria	536	4.9	575	5.0
Italy	493	4.5	529	4.6
Ukraine	462	4.2	491	4.3
China	359	3.3	377	3.3
Others	2,944	26.9	2,966	25.7
Total	**10,947**	**100.0**	**11,514**	**100.0**
Production	6,240	57.0	6,744	58.6
Marketing and sales	3,085	28.2	3,130	27.2
Administration	970	8.9	971	8.4
Research and development	378	3.4	386	3.3
Apprentices	274	2.5	283	2.5
Total	**10,947**	**100.0**	**11,514**	**100.0**
Permanent	9,591	87.6	9,775	84.9
Temporary	1,356	12.4	1,739	15.1
Total	**10,947**	**100.0**	**11,514**	**100.0**
Full-time	10,347	94.5	10,886	94.5
Part-time	600	5.5	628	5.5
Total	**10,947**	**100.0**	**11,514**	**100.0**
Management	216	2.0	212	1.8
Employees	10,731	98.0	11,302	98.2
Total	**10,947**	**100.0**	**11,514**	**100.0**

Information in full-time equivalents

Diversity

As of December 31, 2023		Management %	Employees %	Total %
Proportion of female employees		11	25	24
Age structure of employees	> 45 years	78	45	46
	30 – 45 years	22	41	41
	< 30 years	0	14	13

As of December 31, 2022		Management %	Employees %	Total %
Proportion of female employees		11	25	24
Age structure of employees	> 45 years	79	43	43
	30 – 45 years	21	42	42
	< 30 years	0	15	15

Fluctuation

Excl. natural departures		2023	Rate %	2022	Rate %
Age group	> 45 years	200	4.1	209	4.3
	30 – 45 years	343	8.6	346	8.4
	< 30 years	150	18.5	222	23.8
Gender	Female	224	9.6	251	10.6
	Male	469	6.4	526	7.0
Region	Germany	146	5.3	137	4.9
	Poland	79	6.0	82	6.1
	Switzerland	90	6.6	108	7.9
	Austria	56	10.7	49	8.9
	Italy	25	5.4	31	6.5
	Ukraine	36	8.5	49	9.2
	China	30	14.2	40	18.9
	Others	231	8.8	281	12.5
Total		**693**	**7.2**	**777**	**7.9**

Information in headcounts, natural departures include retirements

Incl. natural departures		2023	Rate %	2022	Rate %
Age group	> 45 years	384	7.9	377	7.8
	30 – 45 years	355	8.9	352	8.5
	< 30 years	171	21.0	224	24.0
Gender	Female	290	12.4	299	12.6
	Male	620	8.5	654	8.7
Region	Germany	247	9.0	221	8.0
	Poland	93	7.0	97	7.2
	Switzerland	111	8.2	128	9.4
	Austria	74	14.2	55	10.0
	Italy	27	5.8	32	6.7
	Ukraine	37	8.7	53	9.9
	China	35	16.6	45	21.3
	Others	286	10.9	322	14.3
Total		**910**	**9.4**	**953**	**9.6**

Information in headcounts, natural departures include retirements

Training and education

Hours per employee	2023	2022	Deviation %
Women	13.1	16.3	-19.3
Men	14.9	17.2	-13.5
Management	10.7	18.2	-41.1
Employees	14.5	17.0	-14.3
Training and education Group	**14.5**	**17.0**	**-14.8**

From 2023 without vocational school hours for apprentices

Personnel expenses

	2023 MCHF	2022 MCHF	Deviation %
Wages and salaries	581.8	582.6	-0.1
Pension contributions	29.5	42.2	-30.1
Other social benefits	104.0	107.6	-3.3
Other personnel expenses	34.5	43.8	-21.2
Total	**749.8**	**776.2**	**-3.4**

Social engagement

	Unit	2023	2022	Deviation %
Donations and contributions [1]	MCHF	3.7	4.4	-15.9
Orders to social institutions	MCHF	9.2	9.5	-3.2
Charitable work	Hours	2,790	1,890	47.6

[1] Reallocation of expenses for donations and contributions

Health and safety

	2023	2022	Deviation %
Number of occupational accidents	132	157	-15.9
Accident frequency rate (AFR) [1]	7.3	8.2	-11.0
Lost days due to occupational accidents	2,177	3,034	-28.2
Accident severity rate (ASR) [2]	119.7	157.5	-24.0

[1] Number of occupational accidents per million working hours performed

[2] Number of lost working days due to accidents per million working hours performed

Absenteeism rate per region

2023	Illness %	Accident %	Total %
Europe	5.37	0.08	5.45
Asia	2.17	0.01	2.19
USA	2.20	0.36	2.56
Others	1.32	0.00	1.32
Absenteeism rate Group	**5.07**	**0.08**	**5.15**

Absenteeism rate based on regular working hours

2022	Illness %	Accident %	Total %
Europe	5.67	0.11	5.78
Asia	2.24	0.02	2.26
USA	1.28	0.00	1.28
Others	1.01	0.01	1.02
Absenteeism rate Group	**5.36**	**0.10**	**5.46**

Absenteeism rate based on regular working hours

Sustainability

Reporting Standards

GRI Content Index

GRI — CONTENT INDEX ESSENTIALS SERVICE — 2024

Geberit Group has reported in accordance with the GRI Standards for the period from 1 January 2023 to 31 December 2023. For the Content Index – Essentials Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders. This service was carried out on the German version of the report.

GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	None
Omission	None

General Disclosures

GRI Standard/ Disclosure	Title
GRI 2:	**General Disclosures 2021**
	The organisation and its reporting practices
2-1	Organisational details
2-2	Entities included in the organisation's sustainability reporting
2-3	Reporting period, frequency and contact point
2-4	Restatements of information
2-5	External assurance
	Activities and workers
2-6	Activities, value chain and business relationships: Activities, value chain and business relationships, Supply chain
2-7	Employees
2-8	Workers who are not employees
	Governance
2-9	Governance structure and composition
2-10	Nomination and selection of the highest governance body
2-11	Chair of the highest governance body
2-12	Role of the highest governance body in overseeing the management of impacts
2-13	Delegation of responsibility for managing impacts
2-14	Role of the highest governance body in sustainability reporting

GRI Standard/ Disclosure	Title
2-15	Conflicts of interest
2-16	Communication of critical concerns
2-17	Collective knowledge of the highest governance body
2-18	Evaluation of the performance of the highest governance body
2-19	Remuneration policies
2-20	Process to determine remuneration
2-21	Annual total compensation ratio
	Strategy, policies and practices
2-22	Statement on sustainable development strategy
2-23	Policy commitments
2-24	Embedding policy commitments
2-25	Processes to remediate negative impacts
2-26	Mechanisms for seeking advice and raising concerns
2-27	Compliance with laws and regulations
2-28	Membership associations
	Stakeholder engagement
2-29	Approach to stakeholder engagement
2-30	Collective bargaining agreements

Material topics

GRI Standard/ Disclosure	Title
GRI 3:	**Material Topics 2021**
3-1	Process of determining material topics
3-2	List of material topics

Employee attraction & retention

GRI Standard/ Disclosure	Title
GRI 3:	**Material Topics 2021**
3-3	Management of material topics: Employment, training and education
GRI 401:	**Employment 2016**
401-1	New employee hires and employee turnover
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees
401-3	Parental leave
GRI 404:	**Training and Education 2016**
404-1	Average hours of training per year per employee
404-2	Programs for upgrading employee skills and transition assistance programs
404-3	Percentage of employees receiving regular performance and career development reviews

Health & safety

GRI Standard/ Disclosure	Title
GRI 3:	**Material Topics 2021**
3-3	Management of material topics: Occupational health and safety
GRI 403:	**Occupational Health and Safety 2018**
403-1	Occupational health and safety management system
403-2	Hazard identification, risk assessment, and incident investigation
403-3	Occupational health services
403-4	Worker participation, consultation, and communication on occupational health and safety
403-5	Worker training on occupational health and safety
403-6	Promotion of worker health
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships
403-8	Workers covered by an occupational health and safety management system
403-9	Work-related injuries
403-10	Work-related ill health

Diversity & equal opportunity

GRI Standard/ Disclosure	Title
GRI 3:	**Material Topics 2021**
3-3	Management of material topics: Diversity and equal opportunity, non-discrimination

GRI Standard/ Disclosure	Title
GRI 405:	**Diversity and Equal Opportunity 2016**
405-1	Diversity of governance bodies and employees
405-2	Ratio of basic salary and remuneration of women to men
GRI 406:	**Non-discrimination 2016**
406-1	Incidents of discrimination and corrective actions taken

Social responsibility

GRI Standard/ Disclosure	Title
GRI 3:	**Material Topics 2021**
3-3	Management of material topics: Social responsibility
GRI 203:	**Indirect Economic Impacts 2016**
203-1	Infrastructure investments and services supported

Resources & circular economy

GRI Standard/ Disclosure	Title
GRI 3:	**Material Topics 2021**
3-3	Management of material topics: Resources and circular economy, waste
GRI 301:	**Materials 2016**
301-1	Materials used by weight or volume
301-2	Recycled input materials used
301-3	Reclaimed products and their packaging materials
GRI 306:	**Waste 2020**
306-1	Waste generation and significant waste-related impacts
306-2	Management of significant waste-related impacts
306-3	Waste generated
306-4	Waste diverted from disposal
306-5	Waste directed to disposal

Water

GRI Standard/ Disclosure	Title
GRI 3:	**Material Topics 2021**
3-3	Management of material topics: Water and waste water
GRI 303:	**Water and Effluents 2018**
303-1	Interactions with water as a shared resource
303-2	Management of water discharge-related impacts
303-3	Water withdrawal
303-4	Water discharge
303-5	Water consumption

Energy & CO$_2$

GRI Standard/ Disclosure	Title
GRI 3:	**Material Topics 2021**
3-3	Management of material topics: Energy, CO$_2$ and other emissions
GRI 201:	**Economic Performance 2016**
201-2	Financial implications and other risks and opportunities due to climate change
GRI 302:	**Energy 2016**
302-1	Energy consumption within the organisation
302-2	Energy consumption outside the organisation
302-3	Energy intensity
302-4	Reduction of energy consumption
302-5	Reductions in energy requirements of products and services
GRI 305:	**Emissions 2016**
305-1	Direct (Scope 1) GHG emissions
305-2	Energy indirect (Scope 2) GHG emissions
305-3	Other indirect (Scope 3) GHG emissions
305-4	GHG emissions intensity
305-5	Reduction of GHG emissions
305-6	Emissions of ozone-depleting substances (ODS)
305-7	Nitrogen oxides (NO$_X$), sulphur oxides (SO$_X$), and other significant air emissions

Eco-design & sustainable products

GRI Standard/ Disclosure	Title
GRI 3:	**Material Topics 2021**
3-3	Management of material topics: Product management and innovation

Products & innovation

GRI Standard/ Disclosure	Title
GRI 3:	**Material Topics 2021**
3-3	Management of material topics: Product management and innovation, quality, product compliance

Customer relations

GRI Standard/ Disclosure	Title
GRI 3:	**Material Topics 2021**
3-3	Management of material topics: Customer relations, customer health and safety, marketing and labelling, digitalisation/BIM, data protection

GRI Standard/ Disclosure	Title
GRI 201:	**Economic Performance 2016**
201-1	Direct economic value generated and distributed: • Direct Economic Value Added: Net sales and operating profit • Economic Values Passed On: Operating expenses excluding personnel expenses, personnel expenses, payments to providers of capital, social engagement • Retained Economic Values: Investments in and divestments of property, share buyback
201-3	Defined benefit plan obligations and other retirement plans: Retirement benefit plans, Participation plans
GRI 203:	**Indirect Economic Impacts 2016**
203-2	Significant indirect economic impacts
GRI 416:	**Customer Health and Safety 2016**
416-1	Assessment of the health and safety impacts of product and service categories
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services
GRI 417:	**Marketing and Labeling 2016**
417-1	Requirements for product and service information and labeling
417-2	Incidents of non-compliance concerning product and service information and labeling
417-3	Incidents of non-compliance concerning marketing communications
GRI 418:	**Customer Privacy 2016**
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data

Operations

GRI Standard/ Disclosure	Title
GRI 3:	**Material Topics 2021**
3-3	Management of material topics: Procurement, production, logistics
GRI 308:	**Supplier Environmental Assessment 2016**
308-1	New suppliers that were screened using environmental criteria
308-2	Negative environmental impacts in the supply chain and actions taken
GRI 414:	**Supplier Social Assessment 2016**
414-1	New suppliers that were screened using social criteria
414-2	Negative social impacts in the supply chain and actions taken

Compliance & governance

GRI Standard/ Disclosure	Title
GRI 3:	**Material Topics 2021**
3-3	Management of material topics: Anti-corruption, anti-competitive behaviour, freedom of association, child labour, forced or compulsory labour
GRI 205:	**Anti-corruption 2016**
205-1	Operations assessed for risks related to corruption
205-2	Communication and training about anti-corruption policies and procedures
205-3	Confirmed incidents of corruption and actions taken
GRI 206:	**Anti-competitive Behavior 2016**
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices
GRI 407:	**Freedom of Association and Collective Bargaining 2016**
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk
GRI 408:	**Child Labour 2016**
408-1	Operations and suppliers at significant risk for incidents of child labor
GRI 409:	**Forced or Compulsory Labor 2016**
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor

GEBERIT ANNUAL REPORT 2023

Sustainability → Reporting Standards → Content index for non-financial reporting in accordance with the Swiss Code of Obligations (Art. 964a ff. CO)

Content index for non-financial reporting in accordance with the Swiss Code of Obligations (Art. 964a ff. CO)

The chapters of the non-financial report referenced in this content index contain the reporting on non-financial matters in accordance with Art. 964a ff. of the Swiss Code of Obligations.

Art. 964a ff. CO requirement	Referenced chapter in the report on non-financial matters
General information	
	→ Introduction sustainability report (Report on non-financial matters)
	→ Business model and value chain
	→ Materiality analysis
	→ Sustainability strategy
	→ Governance
	→ Compliance
Non-financial matters	
Environmental matters	→ Resources and circular economy (GRI 301)
	→ Energy (GRI 302)
	→ CO_2 and other emissions (GRI 305)
	→ Water and waste water (GRI 303)
	→ Waste (GRI 306)
	→ Procurement
Social issues	→ Social responsibility
	→ Procurement
Employee-related issues	→ Employment (GRI 401)
	→ Training and education (GRI 404)
	→ Diversity and equal opportunity (GRI 405)
	→ Non-discrimination (GRI 406)
	→ Freedom of association (GRI 407)
	→ Occupational health and safety (GRI 403)
Respect for human rights	→ Child labour (GRI 408)
	→ Forced or compulsory labour (GRI 409)
	→ Procurement
Combating corruption	→ Anti-corruption (GRI 205)

SASB Content Index

Geberit uses the Sustainability Accounting Standards Board (SASB) Content Index to provide structured information for investors on SASB-relevant topics. In the industry classification system provided by → SASB, Geberit is assigned to the SASB industry standard «Construction Materials». It covers, among others, companies that produce construction materials, such as plastic materials, for sale to construction firms or wholesale distributors, and that purchase raw materials from the mining and petroleum industries. Geberit offers customers high-quality sanitary products and concentrates on installation and flushing systems for sanitary facilities, piping systems for transporting water in buildings, as well as bathroom systems. More detailed information on Geberit's main business activities and product range is provided → online. The SASB Content Index makes reference to the Geberit Sustainability Performance Report which is presented in accordance with the GRI Standards.

SASB Construction Materials

Accounting Metric(s)	Code	Category	Location in GRI/ Sustainability Performance Report or Response
Greenhouse Gas Emissions			
Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	EM-CM-110a.1	Quantitative	→ GRI 305-1, → TCFD Reporting Geberit is currently hardly affected by the regulation of emissions, as no ceramic plant falls under the EU ETS and pays CO_2 taxes. For detailed key figures on the environmental impact, see → Key figures sustainability > Environment
Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	EM-CM-110a.2	Discussion and Analysis	→ GRI 305, → TCFD Reporting
Air Quality			
Air emissions of the following pollutants: (1) NO_X (excluding N_2O), (2) SO_X, (3) Particulate matter (PM10), (4) Dioxins/furans, (5) Volatile organic compounds (VOCs), (6) Polycyclic aromatic hydrocarbons (PAHs), and (7) Heavy metals	EM-CM-120a.1	Quantitative	(1), (2), (3), (5): → GRI 305-7 For detailed key figures on the environmental impact, see → Key figures sustainability > Environment (4), (6), (7): Producing sanitary ceramics is completely different than producing cement from a chemical point of view. E.g. there is no clinkering process with related air emissions. Air emissions at Geberit primarily result from the combustion of natural gas (see positions 1, 2, 3 and 5). Therefore, these sub-disclosures are considered not to be material to our business.
Energy Management			
(1) Total energy consumed, (2) Percentage grid electricity, (3) Percentage alternative, (4) Percentage renewable	EM-CM-130a.1	Quantitative	(1), (2), (4): → GRI 302-1 (3): Geberit does not consume energy from alternative sources other than mentioned under (4). For detailed key figures on the environmental impact, see → Key figures sustainability > Environment
Water Management			
(1) Total fresh water withdrawn, (2) Percentage recycled, (3) Percentage in regions with High or Extremely High Baseline Water Stress	EM-CM-140a.1	Quantitative	(1): → GRI 303-3 (2): → GRI 303-4 (3): → GRI 303-3, → GRI 303-5 For detailed key figures on the environmental impact, see → Key figures sustainability > Environment
Waste Management			
Amount of waste generated, percentage hazardous, percentage recycled	EM-CM-150a.1	Quantitative	→ GRI 301-2, → GRI 301-3, → GRI 306-3, → GRI 306-4, → GRI 306-5 For detailed key figures on the environmental impact, see → Key figures sustainability > Environment

Accounting Metric(s)	Code	Category	Location in GRI/ Sustainability Performance Report or Response
Biodiversity Impacts			
Description of environmental management policies and practices for active sites	EM-CM-160a.1	Discussion and Analysis	→ GRI 2-23, → GRI 2-24 Geberit production sites do not endanger biodiversity in protected areas. Biodiversity plays a role when procuring mineral raw materials for ceramic production. This subject was addressed and examined as part of supplier audits. During these audits, it was found that the suppliers in this sector actively address the topic of biodiversity and take appropriate measures within the context of their licence to operate.
Terrestrial acreage disturbed, percentage of impacted area restored	EM-CM-160a.2	Quantitative	This data is considered not to be material to our business.
Workforce Health & Safety			
(1) Total recordable incident rate (TRIR) and (2) Near miss frequency rate (NMFR) for (a) full-time employees and (b) contract employees	EM-CM-320a.1	Quantitative	(1): → GRI 403-9, → GRI 403-10 (2): This data is currently not being collected but the development of a process for recording near misses is planned, see module → health and safety of the Sustainability strategy
Number of reported cases of silicosis	EM-CM-320a.2	Quantitative	→ GRI 403-10
Product Innovation			
Percentage of products that qualify for credits in sustainable building design and construction certifications	EM-CM-410a.1	Quantitative	Around 34% of Group sales are covered by products with an EPD. Furthermore, 97% of the bathroom furniture of the Geberit brand and 75% of the remaining bathroom furniture is FSC™ certified (FSC-C134279). For detailed information on product innovation, see → Sustainability Performance Report, Product management and innovation
Total addressable market and share of market for products that reduce energy, water, and/or material impacts during usage and/or production	EM-CM-410a.2	Quantitative	Since 2017, Geberit has been working on a European water label that is applicable to a range of sanitary products. Detailed information on product innovation is provided at → Sustainability Performance Report, Product management and innovation
Pricing Integrity & Transparency			
Total amount of monetary losses as a result of legal proceedings associated with cartel activities, price fixing, and anti-trust activities	EM-CM-520a.1	Quantitative	→ GRI 2-27, → GRI 206-1

SDG Reporting

As a driving force in the field of sanitary technology, Geberit provides solutions for the efficient transport and economic use of water in buildings. In this way, the products and systems contribute to the improved sustainability performance of buildings in cities and communities worldwide. With the comprehensive CO_2 strategy, Geberit has increased the effectiveness of measures for climate change mitigation. Moreover, with its varied education and further training offerings for employees and customers, the company is a key player when it comes to quality education in the sanitary industry. Geberit is thus making a contribution to the UN 2030 Agenda for Sustainable Development.

Geberit follows an implementation-oriented strategy focussing on selected SDG goals where the company can generate significant added value for society. The company reviewed and adjusted the SDGs in the reporting year. Four of the goals are particularly important to Geberit. The goal calling for "equitable access to clean drinking water and basic sanitation" (Goal 6) for all people worldwide is key, as is the goal of "sustainable cities and communities" (Goal 11). Additionally, high-quality education and further training of employees, the training of skilled crafts launched back in the 1950s and the newly adopted strategy for social commitment in vocational training in newly industrialised countries all play an important role in "ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all" (Goal 4). Moreover, with the CO_2 strategy, the energy master plan and the eco-design principle as the basis for product development, Geberit also contributes to "taking urgent action to combat climate change and its impacts" (Goal 13).

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

Modules in the Geberit sustainability strategy or chapters in the sustainability report that are relevant to this goal:

→ Employee attraction & retention
→ Social responsibility
→ Training and education (GRI 404)
→ Management approach customer relations

Relevance for Geberit

As a technology-oriented company, Geberit is reliant on the innovative strength of its employees. As a result, encouraging further qualifications and innovative performance plays a key role in the education and further training of employees. By sharing knowledge and building up customer know-how, Geberit makes a significant contribution to the development of the entire value chain and, through its role as a knowledge multiplier, also makes a positive impact on the workforce and the sanitary industry as a whole. Taking on social responsibility through partnerships in social projects and the application of in-house know-how in these projects makes a positive contribution to social development in disadvantaged regions.

Geberit's contribution

- Training apprentices is of great significance at Geberit. Careers at Geberit can start with a commercial, industrial or technical apprenticeship. In 2023, 274 apprentices (previous year 283) were employed. The transfer rate to a permanent employment relationship was 65% (previous year 83%). Furthermore, 124 internships were made available and 24 Bachelor and Master theses supervised.
- The internal development programmes GROW and LEAD aim to identify talents in the company and support them along their path to middle or senior management. In the reporting year, around 100 employees took part in these programmes. The internal development programmes are intended to help fill at least half of all vacant managerial positions with internal candidates.
- In the reporting year, employees across the Group attended on average 14.5 hours of internal and external education and further training.
- Some 60,000 professionals were provided with education and further training on Geberit products, tools, software tools and installation skills at 30 Geberit Information Centres in Europe and overseas. In this way, Geberit supported innovation, growth and value added in the sanitary industry in the reporting year.
- With the social engagement strategy adopted in the reporting year, Geberit decided to enter into partnership with the Hilti Foundation. The goal of the partnership is to establish dual vocational training in the sanitary industry in Kenya. In 2023, around 100 apprentices – 45% of them women – took part in school activities at the Don Bosco School in Karen, near Nairobi. Additionally, they received practical training at the 25 local sanitary companies involved. The programme and cooperation between the Hilti Foundation and Geberit will be significantly expanded from 2024 on.
- Despite the war in Ukraine, the local Geberit sales company continued its long-standing project for supporting the professional training of plumbers in the country. By the end of June 2023 (end of the three-year project phase), around 2,730 young people – including 48 women – had taken part in dual studies as plumbers. Around 230 teaching staff were also trained as part of this project. Geberit also provided additional support to 25 vocational schools in Ukraine with material and equipment.

6 CLEAN WATER AND SANITATION

Ensure availability and sustainable management of water and sanitation for all.

Modules in the Geberit sustainability strategy or chapters in the sustainability report that are relevant to this goal:

→ Social responsibility
→ Water
→ Eco-design & sustainable products

Relevance for Geberit

By developing and selling water-saving sanitary solutions, Geberit makes a valuable contribution to saving increasingly scarce drinking water resources. The biggest environmental contribution by Geberit products lies in the conservation of water, which indirectly also saves on energy and reduces CO_2 emissions. This is the most pivotal aspect of the company's contribution towards sustainable development. Innovative Geberit sanitary products reduce the amount of water consumed and help to systematically optimise the way in which water is used in buildings while maintaining the highest hygiene standards – including in terms of drinking water.

Geberit's contribution

- Geberit has a comprehensive range of products that facilitate sustainable sanitary solutions, and that contribute to increased quality of life with low water, resource and energy consumption and with environmentally friendly materials. Geberit's water footprint shows that nearly 100% of the water consumption is attributable to the use of products by customers. This is where Geberit's product portfolio comes into its own.
- WC cisterns are the central element when it comes to water conservation. According to one model calculation, all Geberit dual-flush and stop-and-go cisterns installed in place of traditional flushing systems (with 9-litre full flush) since 1998 have so far saved around 34,940 million m^3 of water. In 2023 alone, the water saved amounted to 2,940 million m^3. Water conservation is the result of a balanced overall system. Reducing the flush volume in the cistern while at the same time ensuring that the WC pan is optimally flushed out is just as important as correctly dimensioning the drainage system.
- Stagnation and dirt in the drinking water system are among the greatest risks that can adversely affect the quality of the water in domestic installations. Geberit offers various solutions (e.g. hygiene filters, sanitary flush units) for ensuring drinking water hygiene in a reliable and economical manner.
- Thanks to targeted investments in research and development in areas such as hydraulics and virtual engineering, Geberit is working on developing innovations for the future. Here, Geberit regards eco-design as the key to environmentally friendly products. Eco-design has been an integral part of the development process since 2007 and has already been adopted in more than 185 development projects. One current example that particularly helps to reduce the environmental impact and reduce water consumption and CO_2 emissions is the Geberit Acanto WC with TurboFlush. It offers improved flushing-out performance thanks to optimised hydraulics, with minimal water consumption.
- Geberit actively endorses assessment criteria that allow for an effective differentiation of water-saving products in an effort to meet EU targets for resource efficiency. In 2017, it was involved in the establishment of the Unified Water Label Association (UWLA; formerly European Bathroom Forum). The UWLA water label aims to support customers in the selection of resource-efficient products.
- Geberit has been carrying out social projects with its own apprentices since 2008. In 2023, eleven apprentices travelled to India and installed toilets, washbasins and a shower in the new sanitary wing of the Ananda School in collaboration with the Swiss NGO Stiftung Usthi. They also installed water supply pipes in the school kitchen. The new sanitary installations and improved access to running drinking water benefit the 246 schoolchildren and their teachers.

11 SUSTAINABLE CITIES AND COMMUNITIES

Make cities and communities inclusive, safe, resilient and sustainable.

Modules in the Geberit sustainability strategy or chapters in the sustainability report that are relevant to this goal:

→ Resources & circular economy
→ Eco-design & sustainable products

Relevance for Geberit

The sustainable development of cities and areas relies on buildings that are sustainably planned, constructed, operated and dismantled. With a wide range of products, Geberit provides durable, efficient and resource-saving solutions for sanitary systems and water management in buildings. At the same time, Geberit is thus developing a sustainable market segment that is geared towards sustainable building.

Geberit's contribution

- Sanitary technology behind the wall combines reliability and quality with innovation. This allows for easy, quick and reliable planning and installation. Meanwhile, bathroom systems in front of the wall offer convincing design, functionality and sustainability, for example, in terms of saving water. With its wide range of products in front of and behind the wall, Geberit spans the entire flow of water within a building and helps to optimise significant aspects of the system as a whole, such as water and energy consumption or sound insulation. The products also feature good environmental compatibility and recyclability.
- Geberit products have a very long industrial service life, as many of them will be installed in buildings for decades. In addition, Geberit products are in some instances backwards-compatible, can be cleaned and maintained easily, and spare parts are available for up to 25 years for a significant proportion of the product range. In 2023, the spare parts availability for concealed cisterns and their mechanical components was increased from 25 to 50 years. A lifetime guarantee was also introduced for ceramic products (excluding seat and lid). This supports the circular economy approach in buildings.
- Geberit invests in digital tools such as the interdisciplinary planning method BIM (Building Information Modelling), with the aim of optimising the entire planning and building process. BIM facilitates an efficient exchange of information between architects, sanitary engineers and building owners, thus enabling sanitary systems in buildings to be holistically planned, simulated in the respective context and implemented as a complete solution.
- More and more buildings are being constructed and certified in accordance with sustainability standards such as LEED, BREEAM, DGNB and Minergie. Geberit also offers comprehensive expertise and system solutions in the areas of sanitary technology and water management. This combination impresses investors, project developers, owners and tenants alike. In particular, Geberit offers numerous products with environmental product declarations (EPD) in accordance with the European standard EN 15804, which can also be used directly for sustainable building standards. Geberit has a total of 15 EPDs, which account for around 34% of Group sales.

13 CLIMATE ACTION

Take urgent action to combat climate change and its impacts.

Modules in the Geberit sustainability strategy or chapters in the sustainability report that are relevant to this goal:

→ Energy & CO_2
→ Eco-design & sustainable products
→ TCFD Reporting

Relevance for Geberit

Geberit stands for an ambitious and implementation-oriented approach in terms of climate change mitigation. In 2023, CO_2 emissions (Scopes 1 and 2) amounted to 121,014 tonnes. As part of the CO_2 strategy, Geberit's medium-term goal is a CO_2 reduction of 5% per year compared to currency-adjusted net sales. In comparison with the reference year 2015, relative CO_2 emissions are to be reduced by 80% by 2035.

Geberit's contribution

- The CO_2 strategy revised in 2022 builds on the successes of the strategy 2015–2021. The central element is the integration of the CO_2 strategy in all relevant business processes as well as the handling of CO_2 emissions as external costs by means of internal CO_2 pricing. In this way, Geberit wants to ensure that the procedure of reducing the company's carbon footprint is widely supported within the company, incorporated in daily business activities, and that the measures taken have a long-term, sustainable effect.
- Systematic energy and CO_2 monitoring and an energy master plan are being implemented in the most energy-intensive plants to manage and plan energy consumption. Pivotal in energy management and the CO_2 strategy are measures for saving energy, increasing efficiency and procuring energy in the plants. The corresponding measures are drawn up and implemented as part of an energy master plan and a rolling CO_2 forecasting of the significant plants. The proportion of renewable energies is being further increased throughout the company, always taking the internal CO_2 reference price and the economic efficiency of the planned projects into consideration.
- Overall, the volume of purchased green electricity with proof of origin was increased by 16.5 GWh to 128.3 GWh in 2023. Renewable energy sources accounted for 78.9% of electricity and 5.2% of combustibles. Moreover, 3.0 GWh of green electricity was produced in Givisiez (CH) and Pfullendorf (DE).
- In the reporting year, absolute CO_2 emissions (Scopes 1 and 2) decreased by 19.6% to 121,014 tonnes, while CO_2 emissions in relation to currency-adjusted net sales (CO_2 intensity) decreased by 15.6%. Since the acquisition of the ceramics business, the CO_2 intensity has improved by 63.2%, or 11.8% per year on average.
- Geberit also contributes to reducing Scope 3 emissions as part of purchasing and product development. Since 2007, all new products have been optimised in terms of sustainability as part of eco-design workshops. The sustainable design of products makes a significant impact on Scope 3 emissions at Geberit. The selection of suitable product materials with minimal CO_2 emissions plays an increasingly important role, and is addressed in discussions with suppliers and included in decision-making processes.
- Geberit has the goal of significantly reducing CO_2 emissions on its own, wherever possible. There is an increasing demand for CO_2-reduced or carbon-neutral products among customers. As part of the CO_2 strategy, Geberit is testing out the approach of compensating for currently unavoidable CO_2 emissions from ceramic production with the purchase of high-quality CO_2 certificates as part of a pilot project run by the Swiss myclimate foundation.

Communication on Progress UNGC

Geberit has signed the declaration of membership and commitment to the ten principles of the United Nations Global Compact (UNGC) and has been a formal member of the UN Global Compact since October 2008. The company was a founding member of the local Swiss network in 2011. Since then, Geberit has issued transparent reports on progress annually in the UNGC's Communication on Progress as part of its sustainability reporting. Since 2023, the annual Communication on Progress has been published online on the UNGC platform. The current Communication on Progress is available in the → UNGC COP Viewer.

TCFD Reporting

Geberit reports on climate-related risks and opportunities according to TCFD guidelines (Task Force on Climate-related Financial Disclosures). The report on governance, strategy, risk management, key figures and goals indicates how Geberit identifies and deals with physical risks as well as transitional risks and opportunities that are caused by climate change and may have a financial impact on the company.

For Geberit, sustainability means thinking and acting responsibly on a long-term basis and thus being successful over the long term as a result. This means striking a balance between economic, environmental and social aspects in all decision-making processes. Geberit stands for a high level of environmental awareness and is committed to environmentally friendly, resource-saving production as well as the development of innovative, high-quality water-saving and energy-saving products with outstanding design. Climate change mitigation is also managed with this in mind. Geberit has the strategic goal of making an active contribution towards climate change mitigation and consistently reducing energy consumption and CO_2 emissions – both inside and outside the company.
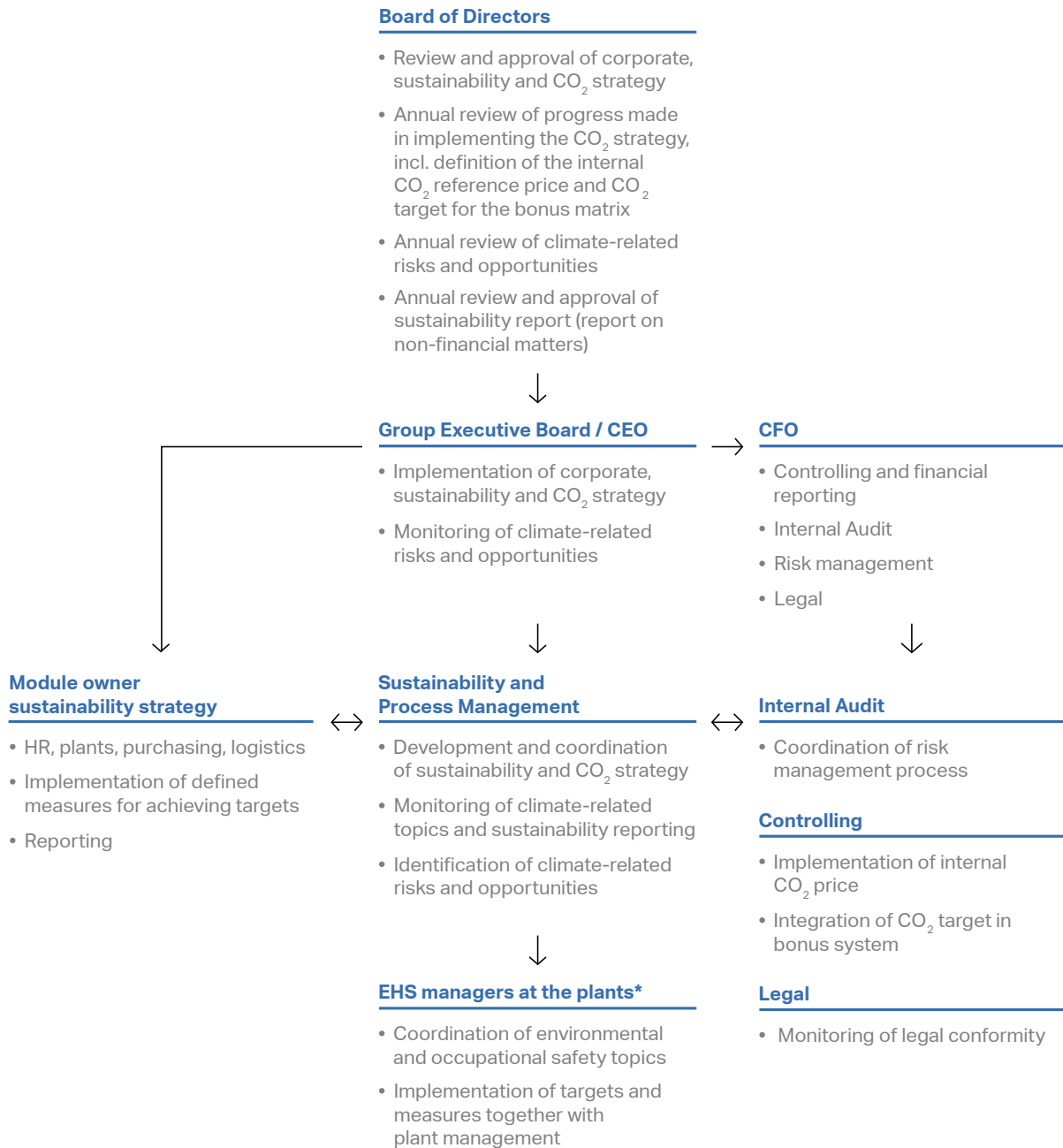
1. Governance

The responsible and future-oriented corporate governance of Geberit strengthens the resilience of the "go-to-market" model (business model) and thus the long-term value creation of the company. As a result, Geberit has taken its responsibility in the field of sustainability seriously for many years and continually improves the holistic management approach towards the most important topics. The Board of Directors has the highest level of direct responsibility for climate-related risks and opportunities. Climate-related topics affect all business areas at Geberit and thus have to be overseen and controlled at the highest level within the organisation.

The Board of Directors determines together with the Group Executive Board the corporate strategy. The → sustainability strategy supplements the corporate strategy with twelve modules. Important modules with a connection to climate change mitigation include energy and CO_2 reduction in production and logistics, the development of innovative, sustainable and resource-saving products, the consistent implementation of eco-design principles, and a sustainable supply chain. Intelligent water management both in terms of production and products also plays an important role here. The CO_2 strategy revised in 2022 – which includes an internal CO_2 reference price and bonus-related component for Group management and employees in Switzerland – was developed by the Group Executive Board and was then checked and approved by the Board of Directors. The Group Executive Board is responsible for implementing the sustainability strategy (including the CO_2 strategy as part of the sustainability strategy). Results and the achievement of objectives are submitted to the Board of Directors for verification at least once annually, as was also the case in the reporting year.

Sustainability has been addressed actively for over 30 years and has had a dedicated function at the company since 1992, starting with a focus on environmental topics and then successively with added topics and responsibilities. The central environment and sustainability department has reported directly to the CEO for over 20 years. Since 2020, this department has also been responsible for Group-wide process management and ISO certification and was renamed Sustainability and Process Management. Among other aspects, it coordinates the further development of the sustainability strategy and CO_2 strategy, plus the associated activities. It also develops approaches for identifying, assessing, monitoring and reporting climate-related risks and opportunities. Relevant environmental data, such as energy and water consumption, is recorded on a monthly basis in a central tool. This allows climate-related key figures to be monitored monthly and distributed to the Group Executive Board and the responsible managers – particularly plant managers – as part of energy and CO_2 reporting. In-depth findings from the monitoring of climate-related topics are summarised annually in a Corporate Environmental Report. Sustainability and Process Management is also responsible for the annual sustainability report according to GRI Standards, including the sustainability strategy, key figures sustainability, as well as various additional reporting standards such as SASB, reporting on non-financial matters according to the Swiss Code of Obligations (Art. 964a ff. CO), SDG and UNGC. It is also responsible for reporting in line with the Carbon Disclosure Project (CDP).

Either the individual business units or – centrally – Sustainability and Process Management are responsible for planning and implementing the measures detailed in the twelve modules included in the sustainability strategy. In terms of direct responsibility, the production plants are responsible for the green production module, Group logistics for the green logistics module, and Group purchasing for the sustainable supply chains module. A network of EHS managers at the production plants coordinate environment, health and safety topics and implement the goals and measures from the sustainability strategy locally together with plant management. Additionally, a global meeting takes place once a year, where managers discuss best practice and further develop Group-wide standards and processes.

Board of Directors

- Review and approval of corporate, sustainability and CO_2 strategy
- Annual review of progress made in implementing the CO_2 strategy, incl. definition of the internal CO_2 reference price and CO_2 target for the bonus matrix
- Annual review of climate-related risks and opportunities
- Annual review and approval of sustainability report (report on non-financial matters)

↓

Group Executive Board / CEO

- Implementation of corporate, sustainability and CO_2 strategy
- Monitoring of climate-related risks and opportunities

CFO

- Controlling and financial reporting
- Internal Audit
- Risk management
- Legal

↓

Module owner sustainability strategy

- HR, plants, purchasing, logistics
- Implementation of defined measures for achieving targets
- Reporting

↔

Sustainability and Process Management

- Development and coordination of sustainability and CO_2 strategy
- Monitoring of climate-related topics and sustainability reporting
- Identification of climate-related risks and opportunities

↔

Internal Audit

- Coordination of risk management process

Controlling

- Implementation of internal CO_2 price
- Integration of CO_2 target in bonus system

↓

EHS managers at the plants*

- Coordination of environmental and occupational safety topics
- Implementation of targets and measures together with plant management

Legal

- Monitoring of legal conformity

* EHS: Environment, Health and Safety

The → Corporate Governance report included in the Annual Report 2023 contains further information on the governance structure.

2. Strategy

According to TCFD guidelines, a distinction is made between physical risks and transitional risks and opportunities. Material risks and their financial significance are regularly reviewed and assessed by Geberit as part of risk management.

Physical risks include short-term acute, extreme weather events and longer-term chronic, localised effects such as increasing average temperatures, rising sea levels or increasing periods of drought. These short-term and longer-term effects may result in damage to property and infrastructure, adversely affect logistics operations or cause disruptions in the supply chain. Rising average temperatures and an increase in the number of hot days lead to increased energy demand for the cooling of machines, processes and workplaces during the summer months, as well as to a possible reduction in energy demand for heating buildings in the winter. Rising sea levels may mean that production sites located on the sea have to be protected against flooding.

All in all, the physical risks affecting Operations in particular (Purchasing, Production and Logistics) are classified as being of low to moderate risk.

Transitional risks and opportunities arise from new legal, technological, societal and economic trends and framework conditions triggered by climate change.

- Changes in environmental protection laws and tighter regulations may lead to stricter requirements concerning energy efficiency and the use of renewable energy sources, as well as an increase in CO_2 taxes on fuels and combustibles, leading to increased energy costs. In terms of water, lower availability and poorer quality may also result in stricter requirements. This would lead to increased demand for water-saving sanitary systems – particularly toilets – and Geberit could gain market shares.
- The trend towards resource efficiency and a circular economy is leading to increasing demands in terms of the quality, durability, repairability and recycling of products and building materials. These developments could have an impact on the product portfolio and production plants. Furthermore, customers, investors and employees also have increasing expectations in terms of sustainable, CO_2-reduced products and services. With its high-quality, durable products, Geberit is well positioned and has the opportunity to gain further market shares.
- The biggest opportunity for Geberit can be found in the limited local availability of water in many places as the result of climate change. In the risk analyses conducted periodically by the World Economic Forum (WEF) and published in its Global Risk Report 2024, water scarcity (a central topic in the context of crises in natural resources) was classified as one of the ten highest global risks in terms of impact over the next ten years. This trend has an influence on the development of sanitary technology. Water-saving, resource-efficient products will become increasingly important. Geberit is taking advantage of the opportunity to meet the growing worldwide demand for water-saving products and to contribute towards the diligent handling of water, thus making a name for itself as a leader in sustainability. Water-saving products already make a substantial contribution to Group sales.

All in all, the trends and changes addressed above primarily result in opportunities for Geberit to gain market shares as a sustainability leader and market leader in sustainable sanitary products.

Integration in business processes

In order to minimise risks and utilise opportunities on the market, Geberit's overall strategic approach is of key importance: Geberit integrates the sustainability approach step by step in its business processes and core business – and has been doing so for over 30 years. Sanitary technology behind the wall combines reliability and quality with innovation. This allows for easy, quick and reliable planning and installation. Meanwhile, bathroom systems in front of the wall offer convincing design, functionality and sustainability, for example, in terms of saving water. By applying the eco-design principle, each product is inspected and optimised throughout the entire life cycle. By developing and selling water-saving sanitary solutions, Geberit makes a valuable contribution to saving increasingly scarce drinking water resources. A second major contribution can be found in climate change mitigation – saving water also means saving energy, and thus indirectly also a reduction in CO_2 emissions.

With the consistent implementation of its sustainability strategy and CO_2 strategy, Geberit is working on minimising risks caused by climate change and taking advantage of the associated opportunities.

Comprehensive CO_2 strategy

The Geberit Group stands for an ambitious and implementation-oriented approach in its activities. This also applies to the CO_2 strategy, which was revised in 2022. The central element is the integration of the CO_2 strategy in all relevant and existing business processes as well as the handling of CO_2 emissions as external costs by means of internal CO_2 pricing. In this way, Geberit wants to ensure that the procedure of reducing the company's carbon footprint is widely supported within the company, incorporated in daily business activities, and that the measures taken have a long-term, sustainable effect.

Transparency	• Scope 1 and 2: Monthly CO_2 and KPI reporting • Scope 3: Improve transparency of CO_2 footprint of products
Accountability	• Focus on short-/mid-term targets • Annual bonus relevant CO_2 target (20% weight) and mid-term reduction of CO_2 intensity by 5% per year
CO_2 pricing	• Ecologically and economically efficient decision-making • Internal CO_2 pricing: reference price and project specific CO_2 price
Energy	• Energy reduction via energy masterplan and rolling CO_2 forecasting for large plants • Increase of renewable energy sourcing and evaluation of alternative energy sources, e.g., photovoltaics
Structural reduction	• Scope 1 and 2: Reduction respectively reusage of ceramics waste; evaluation of new ceramics production technologies, e.g., green hydrogen (H_2) • Scope 3: Eco-design for product development
Offsetting or removal	• External CO_2 offsetting or removal based on CO_2 reference price

Transparency

The annual preparation of a comprehensive corporate eco-balance is an established part of environmental management. It covers all production plants worldwide, central logistics in Pfullendorf (DE), other smaller logistics units and the larger sales companies. Since 2012, a carbon footprint has been calculated along the value chain (Scopes 1 to 3), see → CO₂ and other emissions.

As part of the revised CO_2 strategy, internal reporting has been further expanded: key figures on CO_2 emissions were included in the regular monthly reporting and forecasting processes. Additionally, the calculation of CO_2 emissions (Scopes 1 and 2) has also been audited externally since 2022 as part of a limited assurance engagement, see → Audit Report Greenhouse Gas Balance.

In addition to focusing on Scope 1 and 2 emissions, work also continues on the transparency of Scope 3 emissions. This took place on a product level as part of environmental product declarations (EPDs), which are created each year for additional products, and also for Scope 3 emissions from purchased (production) materials from the supply chain, which are being gradually refined.

Accountability

Since 2022, the annual achievement of targets in reducing CO_2 intensity has been integrated as one of five equally weighted criteria in the calculation of the Group bonus. The annual reduction goals are thus bonus-related with a weighting of 20% for the entire Group management (around 220 managers) as well as for the employees in Switzerland (a total of around 1,500 employees).

CO_2 pricing

The internal CO_2 pricing is of central importance. Once a year, the Group Executive Board suggests a CO_2 reference price as part of the budget, which is then approved by the Board of Directors – this was EUR 80 per tonne of CO_2 for 2023. This figure is based on the price of the European Emissions Trading System (ETS) for CO_2. The internal CO_2 reference price embodies the reference costs for saving one tonne of CO_2. An implicit CO_2 project price is calculated for each project using an economic efficiency calculation. This serves as a basis for deciding on investments in measures to reduce energy or CO_2.

Energy

Pivotal in the CO_2 strategy are measures for saving energy, increasing efficiency, heat recovery and procuring energy in the plants. The corresponding measures are drawn up and implemented as part of an energy master plan and a rolling CO_2 forecasting of the significant plants. The proportion of renewable energies is being further increased throughout the company, always taking the internal CO_2 reference price and the economic efficiency of the planned projects into consideration. There are various ways of doing this: purchasing green electricity with proof of origin, long-term Power Purchase Agreements (PPA) with selected operators, or the installation of photovoltaic systems on the roofs of the production plants to generate electricity to be used within the company, see → Energy.

Structural reduction

The area of ceramics, which accounts for around two-thirds of all Geberit's CO_2 emissions (Scopes 1 and 2), has the largest savings potential. This includes a special focus on the reduction of scrap rates and refiring rates. The firing process and the use of the resulting waste heat will be continually optimised. This can be used for other process steps, such as drying the plaster moulds or ceramic blanks. Furthermore, projects were launched to investigate the possibilities of switching to renewable energy sources – for example, biogas or green hydrogen – in the long term as well as the systematic reuse of ceramic waste, see → Resources and circular economy.

Geberit also contributes to reducing Scope 3 emissions as part of purchasing and product development. Furthermore, since 2007 all new products have been optimised in terms of sustainability as part of eco-design workshops. Seen across the entire life cycle, each product should be better than its predecessor from an ecological perspective – and all without sacrificing on quality, functionality or durability. With regard to the individual areas in the upstream and downstream value chain, the planned measures are aiming for the following improvements:

- Ensuring high quality, durability and repairability
- Reduction of water and energy consumption in the product use phase
- Reduction of the quantities of material used and avoidance of hazardous substances
- Increasing the share of recycled and sustainable, CO_2-reduced materials
- Simplification of dismantling and recycling products and their components
- Reduction of packaging material
- Optimisation of transport routes and maximising shipping container utilisation

The sustainable design of products makes a significant impact on Scope 3 emissions at Geberit. Through the continuous development of products, the company can secure competitive advantages at customers with an increased awareness of sustainability, gain technological competitive advantages and reduce potential risks resulting from future regulations.

A sustainable supply chain also contributes to reducing risks. In principle, Geberit's production processes entail a high in-house production depth, i.e. it largely purchases raw materials and semi-finished products with a high share of raw materials. Geberit's suppliers are obligated to maintain comprehensive environmental and social standards. Supplier management incorporates a risk management approach on environmental, occupational safety and human rights matters, among other aspects. The selection of suitable materials with minimal CO_2 emissions plays an increasingly important role, and is addressed in discussions with suppliers and included in decision-making processes, see → Procurement. Climate risks at suppliers can lead to difficulties in material procurement for Geberit and thus affect operational workflows in production at the company. Risk management towards a sustainable procurement strategy for materials with a strong regional and local orientation helps to better manage and reduce climate risks in the supply chain.

Compensation or removal

Geberit has the goal of significantly reducing CO_2 emissions on its own, wherever possible. There is an increasing demand for CO_2-reduced or carbon-neutral products among customers. As part of the CO_2 strategy, Geberit is testing out the approach of compensating for currently unavoidable CO_2 emissions from ceramic production with the purchase of high-quality CO_2 certificates as part of a pilot project run by the Swiss myclimate foundation. The environmental product declaration (EPD) of sanitary ceramic forms the basis for calculation here.

3. Risk management

The Geberit Group has a risk management system that is approved by the Board of Directors. The risk policy defines a structured process according to which the business risks, including sustainability and climate risks, are systematically addressed. In this process, the risks are identified, analysed and assessed in terms of their probability of occurrence and extent, and measures are then defined to control the risks. Operationally, the Group Executive Board is responsible for controlling risk management. In addition, responsible persons are designated in the company for significant individual risks; in the case of sustainability and climate risks, this is the Head Corporate Sustainability and Process Management. These responsible parties decide on specific actions for risk management and monitor their implementation. The Internal Audit Department coordinates the risk management process and issues a risk report for the attention of the Board of Directors every other year. Significant risks are also constantly discussed in the meetings of the Group Executive Board and Board of Directors, which take place on a regular basis.

Integration of climate risks in general risk management at the organisation

The risk management process involves the following steps:

1. Risk identification and classification: Correct identification and assessment of the significant risks. These are discussed in depth every other year by the Group Executive Board and the Board of Directors.
2. Risk analysis: Assessment of specific business risks and analysis of the changes since the last survey. The former is assessed with the Probability of Occurrence, on a scale of improbable (1) to frequent (5). To scale the effects of a risk that has been identified, the scale of the Impact of Risk Event is used. The scale ranges from insignificant (1) to very critical (5). The risks are classified on the basis of the combined scores.
3. Risk management: Instruments, measures and responsibilities are defined for each risk and checked at regular intervals.
4. Risk monitoring and reporting: Risk monitoring is part of regular reporting to the Group Executive Board and the Board of Directors, and is also part of the risk assessment that takes place every two years.

Risks associated with climate change are an integral part of the overall risks of the company and are therefore also taken into account in risk assessment.

Assessment of risks and opportunities arising from climate change

The following table shows the most important climate-related risks and opportunities that Geberit has identified to date and assessed as having a possible impact on the company.

Physical risks

Type	Impact on Geberit (risks and opportunities)	Measures
Acute		
Extreme weather events, such as storms, flooding or landslides	**Risk** Extreme weather events can affect Geberit's in-house production or supply chain. Due to (i) the continuous high investments in building infrastructures and (ii) the procurement strategy focusing on regional/local suppliers and plants close to the sales markets, the risks to the supply chain in particular are minimised.	**Minimising risks** • Regular assessment of acute physical risks as part of business continuity management (BCM) • Supply chains are kept short, with alternative suppliers established wherever possible • Continuation of the production strategy and increased flexibility in the ceramics plants for relocating products to other plants
Chronic		
Longer-term, localised effects of climate change, such as increasing average temperatures, rising sea levels or increasing periods of drought	**Risk** Rising average temperatures lead to increased energy demand for the cooling of machines, processes and workplaces during the summer months, which can lead to increased costs. Rising sea levels would affect the two production sites located on the sea at Gaeta (IT) and Ekenäs (FI), which are responsible for around 2% of Group sales. The remaining 24 plants that make up 98% of Group sales are not affected. Increasing periods of drought can have a negative impact on the availability and quality of drinking water or process water, leading to increased costs in ceramic production in particular. **Opportunity** Rising average temperatures lead to a reduction in energy demand for heating buildings in the winter, which can reduce heating costs.	**Minimising risks and taking opportunities** • Regular assessment of chronic physical risks as part of the risk management system • Ongoing investment in resource-efficient, energy-saving and water-saving production • Investments in infrastructure, such as the construction of a defensive wall or the implementation of emergency concepts for protecting the affected production plants • Relocation of products from the two at-risk ceramics plants to the other eight unaffected plants

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Transitional risks and opportunities

Type	Impact on Geberit (risks and opportunities)	Measures
Regulatory and statutory		
Increased demands for energy efficiency and the use of renewable energy sources, plus increased CO_2 taxes on fossil combustibles and fuels	**Risk** Increased CO_2 taxes on fossil combustibles and fuels lead to increased operating costs, primarily in the European ceramics plants. However, these could be passed on thanks to the high price-setting power, or could also be absorbed if necessary due to very high, industry-leading profitability. The higher operating costs do not have a significant risk for Geberit. **Opportunity** Due to Geberit's industry-leading profitability, competitors would be affected more by higher costs, which could result in Geberit gaining market shares.	**Minimising risks** • Further implementation of the comprehensive CO_2 strategy: (i) implementation of measures for saving energy, heat recovery and increasing efficiency in the plants, (ii) increasing the share of green electricity and replacing heating systems using fossil fuels and energy-intensive technologies, (iii) applying internal CO_2 price for efficient decision making
Increasing requirements for saving water	**Opportunity** Increasing requirements for saving water lead to an increased demand for water-saving solutions in sanitary applications. Geberit has a broad product portfolio of water-saving WC systems and helps to systematically and holistically optimise the handling of water in buildings while ensuring the highest levels of hygiene, including in drinking water applications.	**Taking opportunities** • Further expansion of the portfolio of water-saving sanitary products, particularly WC systems • Increased marketing measures for promoting water-saving solutions, particularly toilet flushes
Tighter regulations in terms of the circular economy, particularly through the European Green Deal	**Opportunity** High product quality and durability mean that Geberit can gain market shares in the event of tighter regulations and/or increased awareness relating to the circular economy. The European Green Deal leads to increased activity in renovations and new buildings in the European construction sector, meaning Geberit benefits as the leading provider of sanitary products.	**Taking opportunities** • Consistent development of products according to the eco-design principle • Identification of ways in which to close internal material cycles and make production waste useful as secondary materials • Increasing the share of recycled materials (e.g. ABS regranulate) in production and searching for further high-quality plastic regranulates
Technology		
New technologies such as energy-efficient machines and CO_2-reduced or carbon-neutral production processes	**Risk** Increased costs for procuring new machines, the use of alternative fuels (e.g. biogas or green hydrogen) and the changeover of production processes for achieving carbon neutrality. **Opportunity** Due to its proven high willingness to invest and industry-leading financial strength, Geberit benefits from technology risks compared to the competition.	**Minimising risks and taking opportunities** • Regular assessment of technology risks as part of the risk management system • Implementation of revised CO_2 strategy, particularly structural reduction and the internal CO_2 price for efficient decision making on more cost-effective solutions • Ongoing renewal of machine fleet and infrastructure, plus continued investments in the latest technology
Market		
Changes to customer needs and preferences	**Risk** Competitors catch up in the area of sustainability and sustainable products, Geberit recognises new customer expectations or new trends too late and cannot meet them. **Opportunity** Geberit already has a wide range of sustainable and water-saving products and can use its innovative strength to further expand the product portfolio in this direction. Gaining of market shares and higher income due to exploitation and increase of product share for low-emission products.	**Minimising risks and taking opportunities** • Regular assessment of market risks as part of the risk management system • High level of innovation maintained for sanitary products and system solutions • Major investments in water-saving, energy-efficient and resource-saving technologies and products, as well as in product quality; annual investments of around CHF 70 million in research and development • Industry-leading know-how in the fields of hydraulics, water conservation, drinking water quality and sound insulation • Establishment and development of skills in the field of green building • Consistent development of products according to the eco-design principle • Purchase of high-quality CO_2 certificates for selected ceramic appliance series • Transparent communication of environmental impacts of our products as part of EPDs

Type	Impact on Geberit (risks and opportunities)	Measures
Reputation		
Changing expectations of employees, customers and society	**Risk** Competitors catch up in the area of sustainability and position themselves as sustainability leaders with ambitious claims. **Opportunity** Geberit reinforces its position as a leader and role model in sustainability in the sanitary industry and in the marketing of innovative, water-saving and sustainable sanitary solutions. Geberit supports the transformation in the construction industry towards more sustainable solutions and green building in cities and communities. There is a particular focus on saving water.	**Minimising risks and taking opportunities** • Regular assessment of reputation risks as part of the risk management system • Regular employee and customer surveys carried out • Regular review of sustainability strategy and communication as part of the external stakeholder panel • Increased external communication of the sustainability efforts that have been firmly established at Geberit for decades and the corresponding sustainability performance report

In terms of climate change, the risks for Geberit are outweighed by the opportunities. The risks are classified as being of low to moderate risk. Stricter environmental rules and regulations – particularly in terms of energy, water consumption and water quality – and greater environmental awareness among customers in general are creating additional demand for durable products that conserve water, energy and resources. Geberit already offers a wide range of suitable products here.

Risks and opportunities arising from climate change were also discussed with the external → Stakeholder Panel in 2020 and 2022. As detailed in the → Panel Statement 2020, the panel members assume that the political and regulatory framework conditions on climate change mitigation will change and become stricter. The demand for water-saving products as a result of climate change is assessed as "moderate" by the panel. However, it is expected that the demand for products that improve drinking water quality and hygiene will increase. Similarly, there will also be an increasing demand on the market for products that can be repaired and reused, or can be recycled. As detailed in the → Panel Statement 2022, the panel all agreed that the development of innovative, durable sanitary products with exceptional quality and design is pivotal for Geberit, as is resource efficiency in production and during the product use phase. As a result, the focus on the innovation and sustainability of sanitary products in the strategy is particularly important in minimising climate-related risks for Geberit in future and utilising opportunities to their full potential.

4. Key figures and goals

For many years, Geberit has disclosed comprehensive key figures and goals on sustainability and CO_2 as part of its sustainability reporting:

- → CO_2 and other emissions
- → Key figures environment
- → 10-year key figures environment
- → CO_2 pricing

Sustainability

Audit Report
Greenhouse Gas Balance

intep

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To the Group Executive Board of Geberit AG
Schachenstrasse 77
CH-8645 Jona

Zürich, 6 February 2024

Geberit Group – Greenhouse gas balance (Scope 1 and 2) for the financial year 2023 > Independent auditor's report

Audit result

Based on our audit, nothing has come to our attention that causes us to believe that the Geberit Group's Scope 1 and 2 greenhouse gas balance for the financial year 2023 has not been prepared, in all material respects, in accordance with the criteria. Based on this assessment with limited assurance, we can therefore confirm that the subject matter complies with and meets the specified criteria.

Mandate and scope of the audit

We have been engaged to perform a limited assurance review for the reporting period from 1 January 2023 to 31 December 2023 on the following subject matter:

- The Geberit Group's greenhouse gas balance (Scope 1 and 2) for the 2023 financial year
- The workflow for data collection, calculations and aggregation as well as the verification process as part of the greenhouse gas accounting for selected production sites
- The process for obtaining guarantees of origin (GoOs) for the purchased electricity

Assessment criteria

The greenhouse gas balance was prepared based on the following criteria defined by Geberit:

- ISO 14064-1:2018, WRI/WBCSD Greenhouse Gas Protocol and GRI Standards 302-1, 305-1, 305-2 and 2-5
- The GHG reporting processes defined by Geberit and listed in the EHS Managers' Manual, as well as the specified templates for data collection and data validation by the EHS Managers at site and Group level

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Responsibility of Geberit AG

The Executive Management of Geberit AG is responsible for the preparation of the greenhouse gas balance in accordance with the criteria. This responsibility includes the design, the implementation and maintenance of adequate internal controls related to the preparation of the greenhouse gas inventories, including the calculation of greenhouse gas emissions, that are free from material misstatement, whether due to fraud or error. In addition, the management is responsible for the selection and application of criteria and for maintaining appropriate records.

Responsibility of the auditor

Our responsibility is to express an opinion on the greenhouse gas balancing and the emission factors used therein based on our limited assurance engagement.

We conducted our review in accordance with the Guidance for the Verification and Validation of Greenhouse Gas Statements (ISO 14064-3:2019) to determine whether the subject matter has been prepared, in all material respects, in accordance with the criteria listed above.

Considering risk and materiality considerations, we performed audit procedures to obtain sufficient and appropriate audit evidence. The procedures selected depend on the judgement of the independent auditor. In a limited assurance engagement, the procedures performed are less extensive than in a reasonable assurance engagement and therefore offers a more limited level of assurance.

We have performed the following essential work:

- Assessment of the requirements for greenhouse gas balancing and their practical implementation
- Interviews with key data suppliers and EHS managers from selected locations: Wesel (DE), Lichtenstein (DE), Bromölla (SE), Ozorków (PL)
- Interviewing the managers at group level in the areas of procurement and sustainability
- Inspection of the organisational structure, the level of knowledge and training of the employees involved, the methods of data collection and processing as well as the internal controls that are relevant for the audit review
- Analytical considerations, interviews and inspection of the documentation of the systems and processes for collecting, calculating, recording, analysing and aggregating the data, including document reviews and random sampling
- Assessment and review of the methodology used to calculate the Geberit Group's greenhouse gas balance (Scope 1 and 2), including the process for obtaining guarantees of origin (GoOs) for the purchased electricity

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

Intep – Integrale Planung GmbH

Gessica Gambaro   Martina Alig   Beat Stemmler

Sustainability

The following parties are responsible for the correctness of the information in the report on non-financial matters, pursuant to Art. 964a ff. of the Swiss Code of Obligations (CO):

Albert M. Baehny
Chairman of the Board of Directors, Geberit AG

Christian Buhl
CEO, Geberit AG