

## 13<sup>th</sup> Annual General Meeting

of the shareholders of Geberit AG, held on April 4, 2012 at 4:30 p.m.

**Location:** Grünfeld sports hall, Rapperswil-Jona, Switzerland

**Created:** April 6, 2012

**Participants:** Albert M. Baehny (Chairman of the Board of Directors, CEO)  
Robert F. Spoerry (Lead Director, Vice Chairman of the Board of Directors)  
Randolf Hanslin (Board of Directors)  
Robert Heberlein (Board of Directors)  
Hartmut Reuter (Board of Directors)  
Susanne Ruoff (Board of Directors)

William J. Christensen (Group Executive Board)  
Roland Iff (Group Executive Board)  
Michael Reinhard (Group Executive Board)  
Karl Spachmann (Group Executive Board)

**Secretary:** Roman Sidler

910	registered shareholders at the beginning of the General Meeting
66	external guests
58	internal assistants

### I. Welcome and opening

In his capacity as chairman of the General Meeting, Chairman of the Board of Directors Albert M. Baehny opens the General Meeting and welcomes the shareholders and guests.

In addition to the members of the Board of Directors, members of the Group Executive Board, shareholders and guests, the following are also participating in the General Meeting:

- Andreas G. Keller, Attorney at Law, Zurich, as an independent proxy holder;
- Manfred John, Notary, Chief Officer of the See-Gaster Notary's Office;
- Erich Zoller, Mayor of the Municipality of Rapperswil-Jona and the Rapperswil-Jona municipal councilmen Walter Domeisen and Thomas Rüegg;
- Bruno Bünzli, Managing Director of Geberit Produktions AG, Rapperswil-Jona, as a corporate body;
- René Rausenberger and Martin Knoepfel from PricewaterhouseCoopers AG, Zurich, as representatives of the auditors;
- Representatives from the media; and
- Geberit apprentices based in Rapperswil-Jona who are in their final year of apprenticeship.

### II. Notice of convocation, notice by means of official publication, opportunity to inspect documents

Before addressing the items on the agenda, the chairman makes the following formal introductory statements:

1. In our letter dated March 13, 2012, which included the agenda items and the proposals of the Board of Directors as well as an enclosed Summary Report on the business year 2011, the shareholders were invited to today's General Meeting in accordance with the provisions of the Articles of Incorporation and in compliance with the advance notice of 20 days prescribed by law. The invitation was published in the Swiss Official Gazette of Commerce on March 14, 2012.
2. No proposals for the agenda were received from the shareholders.

3. The Annual Report for the year 2011, the Financial Statements and the Consolidated Financial Statements plus the Auditors' Reports were published on the Internet ([www.geberit.com/annualreport](http://www.geberit.com/annualreport)) as an online version on March 8, 2012. Since this date, a hard-copy version thereof had been available for inspection by the shareholders at the Company's headquarters.
4. The minutes of the last Annual General Meeting, which was held on April 19, 2011, were duly signed and available for inspection by the shareholders at the Company's headquarters. They were also published on the Internet.
5. As per the Articles of Incorporation, the General Meeting is chaired by the Chairman of the Board of Directors. In the interests of good corporate governance, Lead Director Robert F. Spoerry will conduct the consultative vote on agenda item 1.2, the remuneration system and the remunerations for 2011.
6. The secretary and the tellers are appointed by the chairman.
7. The secretary of today's General Meeting is Roman Sidler, Head of Corporate Communications for the Geberit Group.
8. Former Rapperswil-Jona Municipal Clerk Hans Wigger and Rapperswil-Jona Assistant Municipal Clerk Hansjörg Goldener shall officiate as head tellers. They will follow and monitor the voting procedure from the hall and the vote-counting office. If, contrary to expectations, the electronic voting system does not work, they – together with other tellers designated to assist in such cases – will be on hand to determine the majority on voting by means of a show of hands.

The chairman declares that the General Meeting has been convened, notice thereof by means of official publication has been provided and that the related documents have been made available for inspection in a timely and proper manner in accordance with the law and the Articles of Incorporation and that the General Meeting is thereby duly constituted and constitutes a quorum.

### **III. Attendance**

Immediately prior to the vote on the first agenda item, the number of shareholders present, votes represented and capital represented is as follows: 19,737,895 registered voting shares, each with a par value of CHF 0.10 (a total par value of CHF 1,973,789.50), are represented at the General Meeting either directly or by proxy. This is equivalent to 49.53% of the total share capital (total share capital = CHF 3,984,700.50).

In detail, the representation proportions are as follows:

- 910 shareholders/shareholders' representatives are present, representing 3,817,718 shares;
- The corporate body is representing 2,544,709 shares;
- The independent proxy holder is representing 13,375,468 shares; and
- 0 shares are represented by proxies of deposited shares.

As per the Articles of Incorporation, the chairman may decide that votes and elections be carried out by electronic means. The chairman explains the electronic voting procedure that is going to be implemented. He also advises that data privacy is ensured when using the electronic devices. The chairman also advises the shareholders in attendance of the possibility of expatiating on votes. He advises in this regard that he reserves the right to impose a restriction on the time allotted for speaking, where required.

### **IV. Individual agenda items**

#### **Agenda item 1: Approval of the Annual Report, the Financial Statements and the Consolidated Financial Statements for 2011, acceptance of the Auditors' Reports as well as a consultative vote on the remuneration system and the remunerations**

The chairman points out that the shareholders had been sent a Summary Report of the Annual Report 2011 together with the invitation to the General Meeting. As explained earlier, the complete Annual Report was published on the Internet as an online version. A hard-copy version thereof was also on display at the Company's headquarters.

The Corporate Governance section of the Annual Report contains detailed information on the remuneration system. The remunerations paid to the members of the Board of Directors and the Group Executive Board in the business year 2011 are illustrated in the Notes to the Financial Statements of Geberit AG. This year, a consultative vote will again be carried out on the remuneration system and the remunerations paid to the members of the Board of Directors and the Group Executive Board in the year 2011. More detailed information on this point will follow in agenda item 1.2.

### **Agenda item 1.1: Approval of the Annual Report, the Financial Statements and the Consolidated Financial Statements for 2011, acceptance of the Auditors' Reports**

After some introductory comments on the past business year and expressing his thanks to all employees for the exemplary accomplishments achieved during this time, the chairman – together with CFO Roland Iff – explains the business year 2011 in detail and provides an outlook for the year 2012 as a whole (cf. enclosures).

The Financial Statements and Consolidated Financial Statements for 2011 were audited by the auditors from PricewaterhouseCoopers AG and accepted without exception. The chairman states that the General Meeting has taken note of the Auditors' Reports and thanks the auditors for their work.

There were no requests to speak on this agenda item. The result of the vote on the proposal for approval of the Annual Report, the Financial Statements and the Consolidated Financial Statements for 2011, as contained in the online Annual Report, was as follows:

Valid votes:	19,688,133
Absolute majority:	9,844,067
Votes in favor:	19,682,593
Votes against:	5,540
Abstentions:	9,005
Votes not submitted:	42,369

The proposal of the Board of Directors with respect to agenda item 1.1 is thereby approved.

### **Agenda item 1.2: Consultative vote on the remuneration system and the remunerations for 2011**

The Lead Director, who is conducting this agenda item, explains that the Swiss Code of Best Practice for Corporate Governance recommends involving the General Meeting in the debate on the remuneration system in an appropriate form. According to this recommendation, one option in this regard is to conduct a consultative vote on the remuneration system and the remunerations paid to the members of the Board of Directors and the Group Executive Board in the business year in question.

In order to comply with legal regulations, the remunerations and shareholdings of members of the Board of Directors and the Group Executive Board were disclosed in detail in the Annual Report 2011 in the Notes to the Financial Statements. In 2011, the five non-executive members of the Board of Directors received a total combined remuneration of CHF 918,888. For the same period, remunerations for the members of the Group Executive Board amounted to a total of CHF 5,707,243. The remuneration of the Chairman of the Board of Directors is included in his total CEO compensation. The detailed breakdown can be found in the Annual Report in the Notes to the Financial Statements of Geberit AG. The rules underlying these remunerations are described in detail in the Corporate Governance section of the Annual Report. The Lead Director finishes off by explaining in summary the basic principles of Board of Director and Group Executive Board remunerations.

There were no requests to speak on this agenda item. The result of the consultative vote on the remuneration system and the remunerations for 2011 was as follows:

Valid votes:	19,528,479
Absolute majority:	9,764,240

Votes in favor:	17,794,101
Votes against:	1,734,378
Abstentions:	210,623
Votes not submitted:	2,227

The proposal of the Board of Directors with respect to agenda item 1.2 is thereby approved.

## **Agenda item 2: Resolution on the appropriation of available earnings and a distribution from capital contribution reserves**

The chairman explains to those present that, as a result of the tax reform which came into effect at the beginning of 2011, instead of a dividend out of the available earnings, Geberit AG may effect a distribution to shareholders out of the reserves from previous capital contributions without deduction of Swiss withholding tax of 35%. Such a distribution is income tax free for shareholders with fiscal domicile in Switzerland who hold the shares as private assets.

The chairman refers to the proposal of the Board of Directors on the appropriation of available earnings and the allocation of capital contribution reserves from legal reserves to free reserves for distribution by Geberit AG, as per the invitation to the General Meeting and the Annual Report 2011.

As the shares held by the Company at the time of the distribution are not entitled to such distribution, the total amount of the distribution was adjusted in accordance with the shares held by the Company on the evening before the General Meeting. These amounts may change further before the payment date.

The Board of Directors proposes the appropriation of available earnings and the allocation of capital contribution reserves from legal reserves to free reserves for distribution to the shareholders as follows:

▪ Net income for the year 2011	CHF 394,676,067
▪ Balance brought forward	CHF 7,008,658
▪ Withdrawal from legal capital contribution reserves	CHF 243,110,732
▪ Total available earnings	CHF 644,795,457
to be appropriated as follows:	
▪ Transfer to free reserves	CHF 400,000,000
▪ Distribution of CHF 6.30 per share out of capital contribution reserves	CHF 243,110,732
▪ Balance to be carried forward	CHF 1,684,725
▪ Total appropriation of available earnings	CHF 644,795,457

If the proposal is approved, the distribution will be paid, free of Swiss withholding tax, on April 13, 2012. The auditors confirm in their report that the proposal regarding the appropriation of earnings is in accordance with the law and the Articles of Incorporation.

The exact wording of the proposal with the updated amounts is shown on the screen. The reading out of the proposal is therefore dispensed with.

There were no requests to speak on this agenda item. The result of the vote on the proposal of the Board of Directors with respect to this agenda item was as follows:

Valid votes:	19,735,468
Absolute majority:	9,867,735
Votes in favor:	19,730,983
Votes against:	4,485
Abstentions:	4,239
Votes not submitted:	1,690

The proposal of the Board of Directors with respect to agenda item 2 is thereby approved.

### **Agenda item 3: Formal approval of the actions of the Board of Directors**

According to the proposal, the actions of the members of the Board of Directors are to be formally approved for the year 2011.

The chairman points out that, in compliance with the law, persons who have participated in any manner in the management of the Company's business are not permitted to exercise their voting right.

There were no requests to speak on this agenda item. The vote on the formal approval of the actions of the Board of Directors shall be carried out for the Board of Directors as a whole ("en masse"). The result of the vote on the proposal concerning the formal approval of the actions of the Board of Directors was as follows:

Valid votes:	18,572,150
Absolute majority:	9,286,076
Votes in favor:	18,505,300
Votes against:	66,850
Abstentions:	22,198
Votes not submitted:	4,186

The proposal of the Board of Directors with respect to agenda item 3 is thereby approved.

### **Agenda item 4: Elections to the Board of Directors**

As per the Articles of Incorporation, the members of the Board of Directors shall be appointed for a maximum of three years and their term shall be determined in the election. The term of office of members of the Board of Directors ends in the Annual General Meeting following their 70th birthday. The terms of office of Susanne Ruoff, Randolph Hanslin and Robert Heberlein are set to expire at today's General Meeting. Susanne Ruoff is standing for re-election for a further term of office. Having reached the age limit specified in the Articles of Incorporation, Randolph Hanslin and Robert Heberlein are not available for re-election.

The chairman expresses his great appreciation to the two members of the Board of Directors who are stepping down and thanks them for the great contribution they made as members of the Board of the Directors and, in the case of Randolph Hanslin, also as a member of the Group Executive Board.

The chairman advises that the members of the Board of Directors are elected on an individual and staggered basis.

#### **Agenda item 4.1: Re-election of Susanne Ruoff**

The Board of Directors proposes the re-election of Susanne Ruoff for the maximum term of office stipulated in the Articles of Incorporation. According to the current Articles of Incorporation, the maximum term of office is three years.

There were no requests to speak on this agenda item. The result of the election of Susanne Ruoff to the Board of Directors was as follows:

Valid votes:	18,799,835
Absolute majority:	9,399,918
Votes in favor:	18,766,709
Votes against:	33,126
Abstentions:	939,627
Votes not submitted:	2,614

Susanne Ruoff is thereby confirmed as a member of the Board of Directors for a further term of office of three years.

#### **Agenda item 4.2: Election of Jørgen Tang-Jensen**

The Board of Directors proposes the election of Jørgen Tang-Jensen for a term of office of three years.

Jørgen Tang-Jensen holds an MSc in Economics & Business Administration and for the past 30 years has occupied various executive positions at VELUX, the major Danish manufacturer of roof windows and skylights. Since 2001, Jørgen Tang-Jensen has been CEO of the global industrial company with around 10,000 employees. The Board of Directors is convinced that, in Jørgen Tang-Jensen, it has found an important new member for the Board of Directors. As CEO of the VELUX Group, Jørgen Tang-Jensen has an impressive track record. He also has many years of experience in the construction industry under his belt and is familiar with the B2B and B2C sales channels which are relevant for Geberit. In the opinion of the Board of Directors, his international orientation and his strong leadership personality make him the ideal person to make a major contribution to the future success of the Geberit Group.

There were no requests to speak on this agenda item. The result of the election of Jørgen Tang-Jensen to the Board of Directors was as follows:

Valid votes:	18,807,072
Absolute majority:	9,403,537
Votes in favor:	18,778,007
Votes against:	29,065
Abstentions:	933,956
Votes not submitted:	1,108

Jørgen Tang-Jensen is thereby elected to the Board of Directors for a term of office of three years.

#### **Agenda item 4.3: Election of Jeff Song**

The Board of Directors proposes the election of Jeff Song for a term of office of three years.

Jeff Song, a US citizen born and raised in China, has a Ph.D. in mechanical engineering. He has been responsible for the China business of Ingersoll Rand since 2004, with around 7,000 employees and sales of USD 1 billion. Ingersoll Rand is a global diversified industrial company that is active in various sectors including solutions to enhance the quality and comfort of air as well as secure residential and commercial buildings. From 1988 to 2004, Jeff Song held different positions at Honeywell as a development engineer, marketing and sales director as well as managing director, first in the USA and later in China. The Board of Directors is convinced that, in Jeff Song, it has found an important new member for the Board of Directors. Jeff Song has a wide industrial background and the Board of Directors believes that his wide range of professional experience and his excellent network in the China business make him the ideal person to make a major contribution to the future success of the Geberit Group.

There were no requests to speak on this agenda item. The result of the election of Jeff Song to the Board of Directors was as follows:

Valid votes:	18,805,434
Absolute majority:	9,402,718
Votes in favor:	18,758,475
Votes against:	46,959
Abstentions:	935,080
Votes not submitted:	1,622

Jeff Song is thereby elected to the Board of Directors for a term of office of three years.

Concluding agenda item 4, the chairman thanks the shareholders for the confidence they have shown in the Board of Directors. He also mentions that, in accordance with the Articles of Incorporation, the Board of Directors constitutes itself and that it will therefore re-form after the General Meeting.

#### **Agenda item 5: Appointment of the auditors**

As per the Articles of Incorporation, the auditors are elected for one year at a time. According to the proposal, PricewaterhouseCoopers AG is to be re-elected for the year 2012. The chairman explains that PricewaterhouseCoopers AG has made itself available for a further term of office. Lead auditor René Rausenberger has been in charge of the auditing mandate for the past four years.

There were no requests to speak on this agenda item. The result of the vote on the proposal concerning the appointment of the auditors was as follows:

Valid votes:	19,607,277
Absolute majority:	9,803,639
Votes in favor:	19,324,752
Votes against:	282,525
Abstentions:	125,204
Votes not submitted:	9,655

PricewaterhouseCoopers AG is thereby re-elected as auditors for 2012.

The chairman congratulates PricewaterhouseCoopers AG on its re-election and thanks René Rausenberger and his team for the good cooperation.

#### **Agenda item 6: Reduction in capital**

Geberit AG repurchased 1,026,000 shares in the course of the share buyback program 2011. These shares are to be now canceled in the course of the proposed capital reduction. The exact wording of the proposal with the proposed amendment to the Articles of Incorporation is detailed in the invitation and shown on the screen; the reading out of the proposal is dispensed with.

The chairman requests the notary Manfred John to notarize the resolution on this agenda item.

As noted in the invitation, the Audit Report of the Auditors, which is required by law for reasons related to creditor protection, was available for inspection at the Company's headquarters.

If the proposal is approved, it is anticipated that the capital reduction will take place at the end of June 2012 with entry in the Commercial Register after the expiration of a period of two months commencing with the publication of the third of three notices to creditors in the Swiss Official Gazette of Commerce.

There were no requests to speak on this agenda item. The result of the vote on the proposal regarding capital reduction was as follows:

Valid votes:	19,693,823
Absolute majority:	9,846,912
Votes in favor:	19,664,675
Votes against:	29,148
Abstentions:	45,569
Votes not submitted:	2,794

The proposal of the Board of Directors with respect to agenda item 6 is thereby approved.

At the end of agenda item 6, the chairman asks the notary Manfred John whether the legal requirements as to form have been observed and whether he as a notary can duly carry out the notarization, which he answers in the affirmative.

#### **V. Conclusion of the General Meeting**

The chairman notes that all of the announced agenda items have been duly addressed. He expresses his sincere thanks and appreciation to all Geberit employees and to those involved in the preparation and execution of this year's General Meeting for their dedication and professionalism.

The chairman advises that the next Annual General Meeting will be held on Thursday, April 4, 2013. He then declares the 13<sup>th</sup> Annual General Meeting of Geberit AG closed.

**Conclusion of the General Meeting:** 5:46 p.m.

Chairman

Secretary



Albert M. Baehny



Roman Sidler

Enclosure:

Copies of the slides used by Albert M. Baehny and Roland Iff in their commentaries (Business year 2011, Outlook 2012) (only available in German)