

**ORGANIZATIONAL  
REGULATIONS  
FOR THE NOMI-  
NATION AND COM-  
PENSATION COM-  
MITTEE (NCC) OF  
THE BOARD OF  
DIRECTORS OF  
GEBERIT AG**

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# 1. PRINCIPLES

On the basis of the Articles of Incorporation and the Organizational Regulations for the Board of Directors of Geberit AG dated 29 August 2019, the Board of Directors hereby issues the following regulations concerning the powers and duties and the organization of the Nomination and Compensation Committee (hereinafter referred to as the NCC). This committee combines the functions of a nomination committee and a compensation committee. An employee demonstrates well-developed work habits if he or she strives for appropriate quality levels and proceeds in a goal-oriented, effective and efficient manner, within their current realm of responsibility. He or she works in a reliable and responsible manner, exhibiting planning, organizational qualities and does not permit anything to get out of control.

## 2. POWERS AND DUTIES

### 2.1. GENERAL

The NCC supports the Board of Directors in the fulfillment of its powers and duties as set forth in the law and the articles of incorporation in the area of compensation and personnel policy.

The NCC has the following powers and duties (principles):

- Establishment and periodical review of the Geberit Group's compensation policy and principles and the performance criteria related to compensation and periodical review of their implementation as well as submission of proposals and recommendations to the Board of Directors;
- Preparation of all relevant decisions of the Board of Directors in relation to the nomination and compensation of the members of the Board of Directors and of the Group Executive Board as well as submission of proposals and recommendations to the Board of Directors.

The Board of Directors may delegate further powers and duties to the NCC with respect to nomination and compensation and related matters.

The overall responsibility for the duties and powers transferred to the NCC shall in principle remain with the Board of Directors.

The NCC reports to the Board of Directors on its activities and submits the necessary proposals.

## 2.2. POWERS AND DUTIES IN DETAIL

### 2.2.1. COMPENSATION AND PERSONNEL POLICY

The NCC accompanies and monitors for the Board of Directors the goals and principles of the compensation and personnel policy of the Geberit Group. The goal of the compensation and personnel policy is to find, encourage and retain employees for the Geberit Group and, by so doing, to ensure the competitiveness and long-term success of the Geberit Group.

Once per annum, the NCC shall receive information on the implementation of these principles by the Group Executive Board. This also includes concepts concerning leadership and cooperation, salaries and incentives, training as well as internal communication.

### 2.2.2. PERFORMANCE ASSESSMENT, TRAINING AND SUCCESSION PLANNING

Once per annum, the NCC shall review the assessment of the members of the Group Executive Board proposed by the CEO, and corresponding measures. The NCC shall carry out this evaluation for the CEO, and the CEO for the other members of the Group Executive Board.

Once per annum, the NCC shall receive information on the personnel development and the corresponding concrete measures at management levels 1 and 2.

Once per annum, the NCC shall receive information on the personnel succession planning (management levels 1 and 2) and the related development measures.

### 2.2.3. CONTRACTS WITH MEMBERS OF THE BOARD OF DIRECTORS AND OF THE GROUP EXECUTIVE BOARD

The NCC approves all contracts with the members of the Group Executive Board and any contracts with the members of the Board of Directors.

### 2.2.4. COMPENSATION

#### 2.2.4.1. In general

The NCC evaluates and prepares the compensation guidelines and the applicable performance criteria in the area of compensation and submits corresponding proposals to the Board of Directors. In addition to basic salary, this also includes variable cash compensation, compensation in options, shares and/or similar instruments pursuant to the applicable participation programs, pension plans and/or additional benefits within the meaning of the total compensation.

The NCC assesses the effect, attractiveness and competitiveness of these plans at least every 3 years.

The NCC prepares the remuneration report and submits a corresponding proposal to the Board of Directors

#### 2.2.4.2. Compensation of the Board of Directors and the Group Executive Board

In connection with the compensation of the Board of Directors and the Group Executive Board, the NCC has the following powers and duties:

- It determines in line with the maximum aggregate compensation for the Board of Directors as approved by the respective general meeting on the compensation of the members of the Board of Directors and submits corresponding proposals to the Board of Directors.

- It determines in line with the maximum aggregate compensation for the Group Executive Board as approved by the respective general meeting on the individual compensation of the members of the Group Executive Board as proposed by the CEO and submits corresponding proposals to the Board of Directors. The compensation of the CEO shall be proposed directly by the NCC to the Board of Directors.
- It proposes to the Board of Directors on an annual basis the maximum aggregate compensation amount in relation to each of the Board of Directors and the Group Executive Board (including the CEO) which has to be proposed by the Board of Directors to the general meeting for approval.
- It proposes to the Board of Directors, if necessary, the use of the additional amount for the compensation of new members of the Group Executive Board in accordance with the articles of incorporation.

#### 2.2.4.3. Compensation of the Head of Internal Audit

The NCC determines the compensation of the Head of Internal Audit and submits a corresponding proposal to the Board of Directors.

#### 2.2.5. NOMINATION OF MEMBERS OF THE BOARD OF DIRECTORS, THE COMMITTEES AND OF THE GROUP EXECUTIVE BOARD

In connection with the nomination of members of the Board of Directors, the committees and the Group Executive Board, the NCC has the following powers and duties:

- It determines the principles for the selection of candidates (members of the Board of Directors, Chairman of the Board of Directors, members of the NCC) for election to the Board of Directors, election as Chairman of the Board of Directors or election to the NCC by the General Meeting, prepares the selection in accordance with these criteria and submits corresponding proposals to the Board of Directors.
- It determines the principles for the selection of candidates for the committees whose members are to be appointed by the Board of Directors, prepares the selection in accordance with these criteria and submits corresponding proposals to the Board of Directors.
- It evaluates, together with the CEO, candidates for the Group Executive Board whose members are to be appointed by the Board of Directors and submits corresponding proposals to the Board of Directors.
- It reviews on an annual basis the independence of the members of the Board of Directors and the committees and presents its assessment to the Board of Directors which shall decide conclusively.

#### 2.2.6. INSURANCE AND PENSION PLANS

The NCC evaluates appropriate insurance for the members of the Board of Directors and the Management (e.g. D&O insurance) at least every three years and proposes adjustments to the Board of Directors.

At least every three years, the NCC shall receive information from the Group Executive Board concerning the pension plans for all employees in all countries.

#### 2.2.7. MANDATES OUTSIDE GEBERIT GROUP AND MANDATE IN IMPORTANT POLITICAL OFFICES BY MEMBERS OF THE BOARD OF DIRECTORS OR THE GROUP EXECUTIVE BOARD

The NCC reviews the acceptance of mandates outside of the Geberit Group by members of the Board of Directors (in case of a conflict of interest only) or of the Group Executive Board (including the CEO) and of mandates in important political offices by members of the Board of Directors or the Group Executive Board and submits corresponding proposals to the Board of Directors.

## 3. ORGANIZATION

### 3.1. COMPOSITION

The NCC shall be composed of three members of the Board of Directors. The members of the NCC are elected annually and individually pursuant to the laws and the articles of incorporation. Their term of office ends at the closing of the following ordinary general meeting. If the NCC is not complete, the Board of Directors shall fill the open positions for the remaining term of office. The Chairman of the NCC shall be appointed by the Board of Directors.

The Board of Directors shall exclusively propose independent and non-executive members to be elected by the general meeting as member of the NCC.

### 3.2. WORKING METHODS

The NCC meets as often as business requires, at least, however, three times per year. The invitation, stating the agenda items, must be issued in writing at least 10 days before the meeting.

The Chairman or – in the event of incapacity – another member of the NCC chairs the meeting.

The Chairman of the NCC determines the secretary.

The NCC performs its duties and exercises its powers as an overall and collective organ. The members have no personal powers and can therefore not issue any orders.

The NCC may pass resolutions if a majority of its members are present. Resolutions are passed by a majority of the votes cast. In the event of a tied vote, the Chairman of the NCC shall cast the deciding vote.

Minutes must be taken of the discussions and resolutions. These must be signed by the Chairman of the NCC and the secretary, and must be circulated to all members of the NCC and the Board of Directors. The minutes must be approved by the NCC at its next meeting.

## 4. CONCLUDING PROVISIONS

These regulations were adopted by the Board of Directors at its meeting of 3 March 2020 and shall come into effect upon approval and replace the organizational regulations for the Nomination and Compensation Committee (NCC) of the Board of Directors of Geberit AG dated 7 March 2014.

Rapperswil-Jona, 3 March 2020

For the Board of Directors



Albert M. Baehny  
(Chairman)



Hartmut Reuter  
(Vice-Chairman)