

# CEO STATEMENT ON SUSTAINABILITY



**"We are seeing visible proof of the added value generated by our continuous development, with reliable technology behind the wall supplemented by elegant, easy-to-use solutions in front of it. We therefore have an even greater leverage when it comes to the sustainability of our products."**

**Christian Buhl, CEO**

## **"DESIGN MEETS FUNCTION" IS CREATING NEW OPPORTUNITIES**

We are continually developing our product portfolio with system solutions in front of and behind the wall, generating added value not only for end users, sanitary engineers and plumbers, but for the environment too. Geberit's products are manufactured in a responsible manner, are innovative and perfectly coordinated with one another, and are quick and easy to install and maintain. In keeping with our brand slogan "Design Meets Function", we ensure that our products in front of the wall are a perfect mix of elegant design and outstanding functionality. With our solutions we cover the entire flow of water within a building, optimise water and energy consumption as well as hygiene and sound insulation. As a result, our products are becoming increasingly sustainable in a broad sense.

Sustainability is an integral part of our company. For us to be successful over the long term, a balance has to be struck between economic, environmental and social aspects in all our decision-making processes. Our products are manufactured in a responsible manner from high quality and durable materials. We place great emphasis on training plumbers, sanitary engineers and architects, as well as on having motivated employees. It is a declared aim of Geberit to leave behind the smallest possible ecological footprint along the entire value chain, while treating suppliers and business partners with respect and fairness. In doing so, we underscore our position as industry leaders – also with regard to sustainable development.

## **A TARGETED CONTRIBUTION TO THE UN SUSTAINABLE DEVELOPMENT GOALS**

Through our operations, we are making a contribution to the UN 2030 Agenda for Sustainable Development, focussing on four of the 17 goals (see → **SDG Reporting**). As a driving force in the field of sanitary technology, Geberit provides solutions that ensure maximum possible efficiency in water usage and, thus, sustainable building in cities and communities worldwide. Our constant investment in research and development is driving innovation in the sanitary industry. As a sound employer with attractive working conditions, we are seen as a stabilising economic factor in many regions. In some circumstances, however, a trade-off is necessary. For example, calls for high drinking water quality can be at odds with water conservation. For example, in order to ensure an optimal drinking water hygiene, stagnant water must be avoided. However, the sanitary flush unit – which ensures that pipes are regularly flushed – requires additional water resources. This is precisely where Geberit thinks holistically and harmonises the system – from the drinking water supply pipes and water usage in the bathroom to drainage. Doing so helps achieve the best of both worlds – water efficiency and drinking water hygiene. This is why our efforts in → **ten different fields of technology**, including hydraulic, make sense.

## **FURTHER REDUCTION IN THE ENVIRONMENTAL IMPACT OF PRODUCTION**

Thanks to the Geberit Production System (GPS 2.0), all Geberit production plants have a modern and future-oriented foundation. Continuous improvements are made by means of "lean manufacturing" and the shift in production philosophy from the workshop principle of step-by-step manufacturing to a comprehensive system of continuous flow production. Investment in state-of-the-art production facilities is producing positive results, especially at the newly acquired locations of the former Sanitec. The manufacture of sanitary ceramics is our most resource- and energy-intensive process. For this reason, it is worthwhile investing in cutting-edge technologies: For example, six tunnel kilns for ceramic production have already been equipped with state-of-the-art burner technology. Therefore, with each kiln energy savings of over 20% can be achieved. Since the acquisition of Sanitec in 2015, the absolute environmental impact has been reduced by 7.6%. We are continuing to pursue our ambitious goals of improving eco-efficiency by 5% per year and reducing relative CO<sub>2</sub> emissions by 5% per year.

## **GREAT COMMITMENT SHOWN BY OUR EMPLOYEES**

Around 11,700 employees go about their work for Geberit with great dedication, with the most important integration measures concluded by the end of 2017. For example, a series of training sessions focussing on strengthening personal development and leadership behaviour and giving employees a greater understanding of the Geberit corporate culture was carried out at the production plant in Wesel (DE).

We realise our social responsibility within the scope of our social projects relating to the topics of water and sanitary facilities. In 2017, we were able to renovate the sanitary facilities and dormitories at a vocational school in Odessa (UA) for more than 500 students from disadvantaged backgrounds. In addition, as part of a volunteering project in western Nepal, 16 Geberit employees helped to construct a water pipeline in a village community. This initiative is part of the partnership with the Swiss development organisation Helvetas.

## **STATEMENT OF CONTINUED SUPPORT FOR THE UN GLOBAL COMPACT**

Geberit has been a member of the UN Global Compact since October 2008 and is engaged in the area of environmental protection, responsible labour practices, human rights and the prevention of corruption. We provide customers, employees, investors and other interested parties with information on our sustainability goals and performances in a transparent manner. This year's report is once again prepared in accordance with the GRI G4 guidelines and fulfils the "comprehensive" transparency grade. A switchover to the new GRI Standards is planned for 2018. The Communication on Progress UN Global Compact (COP) on the financial year 2017 can be found at → **www.geberit.com > Company > Sustainability > UN Global Compact**.

Christian Buhl, CEO