

Sus tain ability

**Sustainability Performance Report
Sustainability reporting
on the financial year 2011**

GRI Reporting

Geberit's sustainability reporting for 2011 is integrated in the online Annual Report in its entirety for the first time. Geberit's systematic and transparent communication on the subject of sustainability is addressed to the target groups of customers and partners, investors and the general public, as well as company employees. Information is made available at different levels for this purpose:

- **CEO Statement** on sustainability
- Current **highlights** on the subject of sustainability
- Business and Financial Review, as part of the Annual Report integrated into the chapters **sustainability, customers, innovation, production, logistics and procurement, employees, compliance** and **social engagement**
- **Sustainability strategy** with objectives and measures
- **Key figures sustainability**
- **Communication on Progress UN Global Compact**

The **Sustainability Performance Report** brings together all the information and indicators in a systematic overview (GRI Index) in accordance with the guidelines of the Global Reporting Initiative (GRI). For more detailed information on individual aspects, reference is made in the Report to the above-mentioned elements. The Report is available in German and English. The German version is binding.

The Sustainability Report for 2011 fulfills the GRI G3 guidelines for the "**A-Level: GRI Checked**". Application Level A, which Geberit has achieved, corresponds to the highest degree of transparency. This was checked and approved by GRI.



Statement GRI Application Level Check

GRI hereby states that **Geberit AG** has presented its report "Sustainability Performance Report for the financial year 2011" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level A.

GRI Application Levels communicate the extent to which the content of the G3 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3 Guidelines.

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, February 16th 2012



Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on February 10th 2012. GRI explicitly excludes the statement being applied to any later changes to such material.

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1. Strategy and Analysis

1.1 CEO Statement

For the statement of Albert M. Baehny, Chief Executive Officer (CEO) see www.geberit.com > [Sustainability > CEO Statement](#).

1.2 Key impacts, risks and opportunities with regard to sustainability

As the market leader in the sanitary industry, in terms of sustainability, Geberit stands for conserving water, efficient use of resources and green building, thus proving that long-term business success is compatible with environmentally friendly and socially responsible action. The Company aims to be a role model and set standards for customers, suppliers and other partners. This includes water-saving, sustainable products; safe, environmentally friendly and resource-efficient production processes using an increasing proportion of renewable energies; procurement and logistics with high environmental and ethical standards as well as good working conditions and a high level of training for more than 6,000 employees worldwide. The Company also has a sense of corporate responsibility in the scope of global social-aid projects relating to the topic of water.

Sustainability means satisfying the needs of today's generation in a manner that will ensure a solid basis for the livelihoods of future generations. A study published in 2010 by SAM, a global asset management company focused on sustainable asset management, names four main issues that will impact the topic of water in the future: the increase in world population, antiquated or lacking infrastructure for drinking water supply and wastewater disposal, increasing demands on water quality, and climate change leading to shifts in water balance. These trends influence the sanitary technology of tomorrow and will make water-saving, resource-efficient products increasingly important – motivation for Geberit to offer the highest standards of environmental friendliness, resource conservation and durability in its products. Water-saving Geberit products achieve impressive results: According to one model calculation, the entire dual-flush and flush-stop "fleet of cisterns" produced since 1998 has saved around 12,000 million cubic meters of water in comparison with traditional flushing systems. In 2011 alone, savings amounted to 1,700 million cubic meters of water. This is more than half as much as the annual consumption of all German households. For additional information on key sustainability topics and objectives for the long-term development of Geberit, see www.geberit.com > [Sustainability > Sustainability strategy](#).

2. Organizational Profile

2.1 Name of the organization

Geberit Group.

2.2 Brands, products, and/or services

Geberit offers customers high-quality system solutions for applications in private residential construction and in public buildings. The systems are used in both renovation projects as well as in new buildings. A broad range of products is offered within the two product areas sanitary and piping systems. This ranges from installation systems, cisterns and mechanisms, faucets and flushing systems, waste fittings and traps to supply and building drainage systems. For additional information on the product range, see www.geberit.com > [Products > Product range](#). For 2011 sales by product areas and product lines, see www.geberit.com/annualreport > [Business report > Business and financial review > Sales](#).

2.3 Organizational structure

The operational management structure of Geberit is divided into the Group Divisions:

- CEO
- Sales Europe
- Sales International
- Products
- Finance

The assignment of distinct responsibilities minimizes the number of interfaces. The structure takes into account the increasing globalization and is designed to continue augmenting the effectiveness of the Geberit Group in a changed environment. For a more detailed organizational structure, see www.geberit.com/annualreport > [Business report > Management structure](#).

2.4 Headquarters location

The Geberit Group has its headquarters in Rapperswil-Jona, Switzerland.

2.5 Countries with business operations

Geberit has its own representatives in 41 countries. The products are sold in 100 countries throughout the world. The company has 16 specialized production companies in seven different countries close to the most important sales markets. For a list of the countries in which Geberit operates, see www.geberit.com/annualreport > [Financial report](#) > [Consolidated financial statements Geberit Group](#) > [Notes](#) > [Note 34](#).

2.6 Ownership and legal form

Geberit AG, the parent company of the Geberit Group, is a stock corporation (AG) under Swiss law.

2.7 Markets served

In terms of market development, Geberit relies on a three-stage distribution channel. The products are distributed via wholesale trade. Dealerships then sell them to plumbers and present them at exhibitions and other venues where end customers can gain information. At the same time, Geberit provides plumbers and sanitary engineers with intensive support through training and advising, which in turn leads to increased demand for Geberit products from wholesalers.

For sales by markets and regions and by product areas and product lines, see www.geberit.com/annualreport > [Business report](#) > [Business and financial review](#) > [Sales](#).

2.8 Scale of the reporting organization

The Geberit Group's market capitalization reached CHF 7,212 million as of the end of 2011 (prior year: CHF 8,916 million). The 2011 sales of CHF 2,123 million (prior year: CHF 2,147 million) were achieved with products in the two product areas Sanitary Systems and Piping Systems. At the end of 2011, the Group had 6,004 employees (prior year: 5,820 employees). For the consolidated balance sheet with details of current assets, non-current assets, equity and outside capital, see www.geberit.com/annualreport > [Financial report](#) > [Consolidated financial statements Geberit Group](#).

2.9 Significant changes regarding size, structure or ownership

There were no significant changes to the Group structure in 2011 (see also [3.8](#)).

For further information, see www.geberit.com/annualreport > [Financial report](#) > [Consolidated financial statements Geberit Group](#) > [Notes](#) > [Note 2](#).

2.10 Awards received

In 2011, Geberit was once again awarded numerous prizes. For a list of important prizes, see www.geberit.com > [Sustainability](#) > [Awards](#).

3. Report Parameters

Report Profile

3.1 Reporting period

Reporting period 2011; comparative figures from the prior year are generally shown.

3.2 Date of most recent previous report

Sustainability reporting for 2011 is integrated in the online Annual Report in its entirety for the first time. Geberit published extensive Sustainability Reports in 2004, 2007 and 2010. GRI reporting regarding all GRI guideline requirements at the application stage of Level A was reported in 2007, 2008, 2009, 2010 and most recently in 2011. For all reports from previous years, see www.geberit.com > [Infocenter](#) > [Publications](#).

3.3 Reporting cycle

Annually in the context of the integrated online reporting for a given year.

3.4 Contact point for questions regarding the report or its contents

Should you have any questions concerning sustainability at Geberit please contact:

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Report Scope and Boundary

3.5 Process for defining report content

The "GRI guidance for defining of report content" with its corresponding principles was implemented as extensively as possible. The basis for the sustainability reporting is a materiality analysis for the identification of those aspects that are of significance for Geberit and its stakeholders. As significant stakeholders (see [4.15](#)) the ones reported under [4.14](#) were identified. Significant topics (see [4.17](#)) are addressed by these stakeholder groups in the course of the interactions and dialogs named under [4.16](#). Significant topics and measures relating to them are integrated in the [sustainability strategy](#).

Also material are the topic aspects of the 10 principles of the UN Global Compact, which Geberit has committed itself to uphold and which are presented in the [Communication on Progress UN Global Compact](#). In terms of completeness, all of the company's economic, environmental or social effects based on the GRI guidelines that appear to be of relevance have been included in the reporting insofar as corresponding information was available.

3.6 Boundary of the report

The Report covers the entire Geberit Group (see [2.4](#), [2.5](#) and [2.6](#)). If only part of the company is meant as an example or due to the availability of data, this is clearly indicated.

3.7 Special limitations

There are no special limitations.

3.8 Joint ventures, subsidiaries, outsourced operations, etc.

There were no significant changes in the Group structure during the period under review which significantly influence reporting.

3.9 Data measurement techniques and bases for calculations

The guidelines and assessment rules of the GRI Standard G3 were applied wherever the data situation permitted.

Environmental area:

- All relevant environmental data is recorded in a central database of the Geberit Group and used for the preparation of a complete corporate eco-balance.
- The Swiss Ecological Scarcity Method (2006 version), was used as the assessment method for the analysis of environmental impact (see [DMA-EN](#)).
- The calculation of the energy (see [EN3](#) and [EN4](#)) and greenhouse gas data (see [EN16](#)) is carried out on the basis of the internationally recognized Ecoinvent database (Version 2.0) and the continental electricity mix for Europe, the USA and China. The data covers the Scope 1 and 2 area as well as Scope 3 to some extent as per GHG Protocol (see: The Greenhouse Gas Protocol (GHG) Initiative - A corporate accounting and reporting standard (Revised Edition, 2004) of the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD)).
- The calculation of the relative environmental impact and the relative CO₂ emissions is now made in reference to sales and no longer to added value. For prior year and multi-year comparisons, sales after currency adjustments with respect to the base year in question is applied.
- The calculation of other air emissions (see [EN19](#) and [EN20](#)) is based on the Ecoinvent Database (Version 2.1) and on the UCTE European electricity mix.
- Since 2010, the transport services (Intercompany and Distribution) of the most important transport service providers have been recorded for the new Logistics Center in Pfullendorf (DE), and the environmental impact is being calculated analogously to the corporate eco-balance. In addition to direct emissions (emissions at the tail pipe), the assessment also includes the provision of fuel, vehicles and infrastructure. The Ecoinvent Database (Version 2.1) is used as the basis for the data. The system limitations have been expanded for the 2011 data: They now also cover transport services via the Langenfeld site (DE) as well as ship and air transport (see [EN29](#)).

Employees area:

Quantitative data on employees (see [Employer Responsibility \(LA\)](#)) is collected using a central management information system, with indicators being calculated in accordance with GRI standards.

Additional qualitative data on the topics of attractive employer, conduct with integrity, fair business partner, environmental protection and product liability is collected in accordance with GRI standards by means of an annual, binding survey in all Geberit Group companies.

3.10 Effects of any restatements of information provided in earlier reports

The sustainability reporting for 2006, 2007, 2008, 2009, 2010 and 2011 is based on the GRI G3 guidelines in force since October 2006. In this way, Geberit has developed a consistent reporting system in which individual indicators are further developed each year. If, in individual cases, a new form of illustration, calculation method or optimized data collection has led to other results for the previous years this is noted as a restatement under the respective indicator.

3.11 Changes from previous reporting periods in scope, boundary, or measure

Except for the calculation of transport service and the associated environmental impact, (see [3.9](#)), there were no significant changes during the period under review with respect to scope, reporting limits or measuring methods. If, in individual cases, a new measuring method is used, this is noted under the respective indicator or under [3.9](#).

GRI Content Index

3.12 GRI Content Index

This extensive Sustainability Performance Report is classified in accordance with the requirements of the GRI G3 Guidelines and thus simultaneously serves as a GRI content index.

Assurance

3.13 External assurance for the report

No external "assurance" was obtained concerning the stated GRI information. Instead and wherever expedient, standards were used which are authoritative for internal audits.

4. Governance, Commitments, and Engagement

Corporate Governance

4.1 Governance structure, committees under the Board of Directors

The Board of Directors of Geberit AG consists of a maximum of seven members. The term of office for members is a maximum of three years, and the statutory retirement age limit is 70 years. Reelection is on an individual basis and is staggered. The Board of Directors has formed two committees. The Personnel Committee prepares proposals concerning human resources decisions, on remuneration regulations and models as well as concerning the annual remuneration of the Board of Directors and the Group Executive Board, and submits these to the full Board of Directors. The Audit Committee is the uppermost supervision body for internal and external audits, and monitors financial reporting.

For details on the organization of the Board of Directors pursuant to the "Organizational Regulations for the Board of Directors of Geberit AG," see www.geberit.com > [Investors](#) > [Corporate governance](#) > [Board of directors](#).

4.2 Separation of chair of Board of Directors and executive management

The Chief Executive Officer (CEO), Albert M. Baehny, has also been Chairman of the Board of Directors since 2011. For further information, see www.geberit.com/annualreport > [Business report](#) > [Corporate governance](#) > [Board of directors](#).

4.3 Independent members of the Board of Directors

The Board of Directors consists of six members (five men and one woman), of whom only the Chairman of the Board of Directors, Albert M. Baehny, is simultaneously involved in operative management in his capacity of CEO. All of the committees formed by the Board of Directors are comprised exclusively of independent Members. For further information, see www.geberit.com/annualreport > [Business report](#) > [Corporate governance](#) > [Board of directors](#).

4.4 Mechanisms for shareholders and employees to address recommendations to the Board of Directors

For the participatory rights of the shareholders, see www.geberit.com/annualreport > [Business report](#) > [Corporate governance](#) > [Participatory rights of the shareholders](#).

There is no employee representative on the Board of Directors. The employee representatives of the European sites meet regularly in the context of the Geberit Europe Forum with a Member of the Group Executive Board and the Head Corporate Human Resources. Selected concerns can be addressed to the Board of Directors through this channel.

4.5 Linkage between compensation for the highest committees and the organization's performance

The remuneration of the independent members of the Board of Directors is paid in the form of shares and set out in transparent form in the Annual Report. These shares are blocked for two years. The Board of Directors receives a discount on the share price dependent on the success of the company; this discount corresponds to that of the employees within the framework of the employee programs. For further information, see www.geberit.com/annualreport > [Business report](#) > [Corporate governance](#) > [Compensations, shareholdings and loans](#).

4.6 Processes in place for the Board of Directors to avoid conflicts of interest

The [Organizational regulations for the Board of Directors](#) of Geberit AG and the [regulations for the committees](#) 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 members of the executive bodies or affiliated persons are subject to the principle of conclusion at conditions as with independent third parties.

Furthermore, the Geberit Group has no equity or voting cross-shareholdings with other companies.

4.7 Determining the qualifications of the Board of Directors with regard to sustainability issues

There are no formal procedures for determining the qualifications of Members of the Board of Directors in environmental and social matters. For the procedure for the selection of Members of the Board of Directors, see www.geberit.com/annualreport > [Business report](#) > [Corporate governance](#) > [Board of directors](#) > [Elections and terms of office](#).

4.8 General principles and codes of conduct

Among the most important mission statements and principles are the following:

- Geberit Compass with the central ideals, see www.geberit.com > [Company](#) > [Vision and strategy](#)
- Geberit Code of Conduct, see www.geberit.com > [Company](#) > [Vision and strategy](#)
- Geberit Code of Conduct for Suppliers, see www.geberit.com > [Company](#) > [Sustainability](#) > [Purchasing](#)
- SQS and IQNet Certificate ISO 9001/14001 (incl. Appendix), see www.geberit.com > [Company](#) > [Sustainability](#) > [Production](#)
- UN Global Compact, see www.geberit.com > [Company](#) > [Sustainability](#) > [UN Global Compact and Memberships](#)

4.9 Procedures of the Board of Directors for overseeing sustainability performance

Geberit's longstanding success is based on the fact that the Board of Directors pursues a long-term perspective, thus enabling Geberit to demonstrate its performance clearly, particularly in the areas of environmental protection and sustainability. The [sustainability strategy](#) is examined and approved by the Group Executive Board and the Board of Directors. The Environment and Sustainability Department coordinates the implementation of the sustainability modules defined in the strategy, whereby all departments are included in the planning. Results and achievement of objectives are submitted to the Group Executive Board and the Board of Directors for verification at least once annually. Also included here are the [Communication on Progress UN Global Compact](#) and the Geberit Compliance Report, including audit results with respect to the Code of Conduct.

4.10 Processes for evaluation of the sustainability performance of the Board of Directors

There is no formal procedure for assessing the performance of the Board of Directors from an integrated sustainability perspective. For the procedure for the remuneration of Members of the Board of Directors, see www.geberit.com/annualreport > [Business report](#) > [Corporate governance](#) > [Compensations, shareholdings and loans](#).

Commitments to External Initiatives

4.11 Precautionary approach

The precautionary principle plays an important role for Geberit as a production company. This is defined accordingly in the [Geberit Code of Conduct](#) and reflected in the integrated Geberit management system (quality, environment, safety). In operations it is implemented by means of preventive approaches for environmental protection and occupational safety, as well as quality assurance, see [combined group certificate for quality and environment in accordance with ISO 9001 and ISO 14001](#).

An extensive system for the control and management of all risks involved in business activities is in place throughout the Group. The internal control system (ICS) for Geberit's financial reporting defines control measures which reduce the respective risks. For further information, see www.geberit.com/annualreport > [Financial report](#) > [Consolidated financial statements Geberit Group](#) > [Notes](#) > [Note 4](#).

4.12 External agreements and initiatives

Geberit has been a member of the UN Global Compact since October 2008 and was a founding member of the local Swiss network in 2011. The company has been a member of the international organization Transparency since June 2000 and supports its objectives on combating corruption. Through the voluntary application, introduced in 2007, of the G3 guidelines of the Global Reporting Initiative (GRI) in the Sustainability Report and the GRI Report, Geberit is making a contribution towards transparency and comparability in reporting on sustainability.

4.13 Membership in associations and organizations

Geberit is involved in various associations and organizations that make a contribution towards sustainability. In addition, various Geberit companies are members of national associations on topics such as environmentally conscious production, energy, waste management and employee protection. For significant commitments, see www.geberit.com > [Sustainability](#) > [UN Global Compact and Memberships](#).

Stakeholder engagement

4.14 Relevant stakeholder groups

For Geberit significant stakeholder groups are customers, shareholders, analysts, employees, trade unions, neighbors and municipalities, suppliers, transport companies, competitors, associations, non-government organizations and general public, governments and regulators as well as research institutes. Details on stakeholder engagement can be found under [4.16](#).

4.15 Basis for selection of stakeholders

Systematic dialog with stakeholders helps Geberit identify possible conflict issues or opportunities for further development and to become active early. At the national and international levels, the Geberit Group or the Group companies maintain relations with all organizations and institutions in the respective countries that direct requests or suggestions to the company. The stakeholders listed under [4.14](#) have been identified as important in the context of the systematic stakeholder dialog, as they fulfill at least one of two criteria: the stakeholder group exercises a strong influence on the economic, ecological or social performance of Geberit and/or the stakeholder group is strongly affected by the economic, ecological or social performance of Geberit.

4.16 Approaches for stakeholder engagement

A stakeholder analysis is performed at all production companies as part of environmental management in accordance with ISO 14001. Requirements are recorded situationally in stakeholder dialogs. Based on this information Geberit identifies potential for conflict or opportunities and pursues as a fundamental principle a cooperative approach in order to discuss and further develop possible measures with the stakeholders concerned.

Engagement of stakeholders according to stakeholder group and type:

Customers:

- Customer contacts: Around 500 technical advisers working in the field are in contact on a daily basis with plumbers, planners and architects, in particular.
- Training: During the year under review, around 30,000 customers were provided with education and further training in Geberit systems and software tools in the 25 information centers in Europe and overseas. In addition, another approximately 70,000 customers came into contact with Geberit know-how and products in 2011 at external events organized by the local sales companies.
- Trade fairs and customer surveys: see www.geberit.com/annualreport > [Business report](#) > [Business and financial review](#) > [Customers](#)

Shareholders, analysts:

- Participatory rights of the shareholders, see www.geberit.com/annualreport > [Business report](#) > [Corporate governance](#) > [Participatory rights of the shareholders](#)
- Regular analyst talks by the CEO and the Group Executive Board at Financial Statement Media Conferences and in the context of information discussions held several times a year.

Employees:

- Geberit Europe Forum: Regular meetings of the employee representatives of the European sites with a Member of the Group Executive Board and the Head Corporate Human Resources
- Training and feedback opportunities on topics regarding the Code of Conduct, see [SO3](#)
- Group-wide employee survey carried out in 2011, see www.geberit.com/annualreport > [Business report](#) > [Business and financial review](#) > [Employees](#)

Neighbors, municipalities:

- Consultation with and inclusion of the neighbors of production plants in larger construction projects
- Open houses at various production sites

Suppliers:

- Initial contact in the scope of the assessment procedure and implementation of the Code of Conduct for Suppliers
- Regular discussions between buyers and suppliers, both on-site and in the context of audits (quality, environment, safety) provide additional points of reference for collaboration.
- Procurement of a larger quantity of biogas for generating electricity and heat by means of the block heating station at the plant in Pfullendorf (DE). Compilation of an ambitious 10-point paper on the sustainable generation of biogas together with the producing farmers and the German environmental organization BUND.
- For further information, see [HR2](#)

Transport companies:

Discussions with transport service providers in the context of implementing environmental monitoring, see [EN29](#)

Associations:

Involvement in the associations listed under [4.13](#) with participation in corresponding management bodies and programs at least once per year, generally more frequently

Non-government organizations, general public:

Mike Horn Pangaea expedition and the Swiss development organization Helvetas: see www.geberit.com/annualreport > [Business report](#) > [Business and financial review](#) > [Social engagement](#)

Feedback from stakeholder dialogs is incorporated into the [sustainability strategy](#) and associated measures. No stakeholder groups were specially involved in the preparation of the sustainability report for 2011.

4.17 Response to and dealing with key topics and concerns of stakeholders

Examples of important topics that were introduced by stakeholders and have been implemented by Geberit are:

- Expansion of the portfolio of water-saving products: see [EN26](#)
- Transparency in the selection of water-saving products: see www.geberit.com/annualreport > [Business report](#) > [Business and financial review](#) > [Innovation](#) > [Six Geberit products already classified with WELL](#)
- Customer training: see www.geberit.com/annualreport > [Business report](#) > [Business and financial review](#) > [Customers](#)
- Transparency of the CO₂ strategy: see www.geberit.com/annualreport > [Business report](#) > [Business and financial review](#) > [Production](#)
- Transparency in eco-balance results of logistics services: see www.geberit.com/annualreport > [Business report](#) > [Business and financial review](#) > [Logistics and procurement](#)
- Employee development and satisfaction: see www.geberit.com/annualreport > [Business report](#) > [Business and financial review](#) > [Employees](#)
- Implementation of social-aid projects: see www.geberit.com/annualreport > [Sustainability](#) > [Training as a success factor](#)

5. Economy (EC)

DMA-EC Management Approach Economy

As a key objective of the company, the economic performance of the Geberit Group is under the strategic control of the Board of Directors and the operative management of the Group Executive Board (aspects economic performance, market presence, indirect economic effects).

Crucial for sustainable success is a clear business strategy combined with its resolute and consistent implementation. The focused, tried-and-tested strategy rests on four strategic pillars:

1. Focus on sanitary technology
2. Commitment to innovation
3. Selective geographic expansion
4. Continuous optimization of business processes

For more detailed explanations of the four strategic pillars, see www.geberit.com > [Company](#) > [Vision and strategy](#). For an explanation of the economic situation of the Geberit Group, see www.geberit.com/annualreport > [Business report](#) > [Business and financial review](#) > [Market environment](#).

Aspect: Economic Performance

EC1 Economic Performance

Significant indicators for the generation and distribution of value in accordance with GRI requirements can be found in the financial report:

Direct economic value added

Sales and operating profit, see www.geberit.com/annualreport > [Financial report](#) > [Consolidated financial statements Geberit Group](#) > [Income statements](#)

Economic values passed on

- Operating expenses excl. personnel expenses, see www.geberit.com/annualreport > [Financial report](#) > [Consolidated financial statements Geberit Group](#) > [Income statements](#)
- Personnel expenses, see [Key figures sustainability](#) > [Employees and society](#)
- Payments to providers of capital, see www.geberit.com/annualreport > [Financial report](#) > [Consolidated financial statements Geberit Group](#) > [Statements of cashflows](#)
- Social commitments, see [EC8](#)

Retained economic values

- Investments in and divestments of property, plant and equipment, see www.geberit.com/annualreport > [Financial report](#) > [Consolidated financial statements Geberit Group](#) > [Statements of cashflows](#)
- Share buyback, see www.geberit.com/annualreport > [Financial report](#) > [Consolidated financial statements Geberit Group](#) > [Notes](#) > [Note 22](#)

EC2 Financial implications of climate change

Climate change is influencing the availability of water resources throughout the world. A study published in 2010 by SAM, a global asset management company focused on sustainable asset management, names four main issues that will impact the topic of water in the future: the increase in world population, antiquated or lacking infrastructure for drinking water supply and wastewater disposal, increasing demands on water quality, and climate change leading to shifts in water balance. These trends influence the sanitary technology of tomorrow. Water-saving, resource-efficient products will therefore become increasingly important. Geberit takes advantage of these opportunities to profit from the increasing worldwide demand for water-saving products to contribute towards the diligent handling of water and thus to make a name for itself as a leader in sustainability.

Geberit is exposed to an average risk of natural disasters caused by climate change which can fundamentally affect production areas or transport areas. None of the production sites is particularly at risk in this respect. As Geberit does not operate in the classically energy-intensive industries, there are currently no special CO₂ regulations such as statutory emission limitations, etc. On the other hand, Geberit is indirectly affected by higher energy or raw material prices or by generally increasing requirements in terms of energy management. Through the energy master plan as well as the measures as part of the CO₂ strategy (see [EN18](#)), Geberit is reacting proactively and is continuously working to improve energy efficiency and thus to

reduce related risks. In terms of general risks, the Audit Committee of the Board of Directors has implemented an extensive system for monitoring and controlling the risks linked to the business activities, see www.geberit.com/annualreport > [Financial report](#) > [Consolidated financial statements Geberit Group](#) > [Notes](#) > [Note 4](#).

There is no systematic, data-supported analysis of the financial consequences of climate change for Geberit.

EC3 Coverage of the organization's defined benefit plan obligations

The Geberit Group sponsors defined benefit plans for its employees in Switzerland, Germany, Austria and the US. For further information, see www.geberit.com/annualreport > [Financial report](#) > [Consolidated financial statements Geberit Group](#) > [Notes](#) > [Note 3 Retirement benefit plans](#) and www.geberit.com/annualreport > [Financial report](#) > [Consolidated financial statements Geberit Group](#) > [Notes](#) > [Note 17](#).

EC4 Significant financial assistance received from government

Significant contributions from the public sector include:

- Statements with respect to income taxes, see www.geberit.com/annualreport > [Financial report](#) > [Consolidated financial statements Geberit Group](#) > [Notes](#) > [Note 27](#)
- On the basis of new investments to promote the respective business location and secure jobs, Geberit received government investment subsidies totaling approximately CHF 2.4 million in the period under review (Switzerland: CHF 0.9 million, Germany: CHF 1.4 million, Austria: CHF 0.1 million).
- Contributions to support for training and part-time employment prior to retirement amounted to CHF 0.8 million (Germany: CHF 0.5 million, Austria: CHF 0.3 million).

The public sector is not represented on the Board of Directors of the Geberit Group.

Aspect: Market Presence

EC5 Ratio of standard entry-level wage compared to local minimum wage

Geberit pays market-rate wages, taking into account local circumstances and laws. When selecting employees and determining their assignment in the company, Geberit attaches great importance to qualifications appropriate to the task description. According to the annual binding survey of all companies, no employees are hired in the minimum-wage segment.

This information covers the requirements of the GRI indicator partially.

EC6 Selection of locally based suppliers

Geberit pursues a procurement policy focusing on low costs, safety and independence. Before a collaboration agreement can be concluded, a multiple-stage risk analysis and assessment including environmental and social risks are carried out for every new supplier (see also [HR2](#)). Taking account of all aspects relevant to purchasing (guidelines in the Geberit Group purchasing manual), there are no directives concerning preferential treatment of local suppliers, especially from certain countries. Nevertheless, Geberit supports regional institutions for disabled persons and the long-term unemployed (see [EC8](#)).

EC7 Procedures for local hiring

Geberit has no personnel policy or employment practices providing for preferential treatment of persons from local vicinities in connection with the hiring of members of management boards for the respective country organizations.

Aspect: Indirect Economic Impacts

EC8 Investments in infrastructure and services primarily for public benefit

Donations and financial contributions, including product donations totaling CHF 2.7 million (prior year: CHF 2.9 million), were made during the year under review. In addition, Geberit employees contributed approximately 2,390 hours of charitable work as part of social projects (prior year: 2,200 hours). Geberit also supports facilities for handicapped persons and the long-term unemployed, where simple installation and packaging work in the amount of around CHF 3.5 million was carried out in 2011 (prior year: 4.0 million).

See also [Key figures sustainability > Employees and society](#)

As defined in its vision statement, Geberit desires to make a sustainable contribution to improving people's quality of life. To this end, various social-aid projects are supported on site with products, expertise and financial contributions. Care is taken to ensure that the topic of water plays a central role and that the projects exhibit a substantial relationship to Geberit's core competencies and corporate culture. The focus was on the following projects and partnerships in 2011:

- [Project in the Serbian city of Kraljevo](#): Renovation of seven sanitary facilities at two schools. At the end of June, a Geberit team with eleven individuals (nine apprentices from Germany and Austria, a supervisor and a technical advisor) actively supported the renovation work for two weeks
- Continuation of the partnership launched in 2008 with renowned adventurer Mike Horn
- Long-term partnership with the Swiss development organization Helvetas

For further information, see www.geberit.com/annualreport > [Business report](#) > [Business and financial review](#) > [Social engagement](#).

EC9 Indirect economic impacts

There is no systematic, data-supported analysis concerning indirect economic impacts. Geberit nevertheless pursues a long-term approach in dealings with its customers and stakeholders, thereby also making a significant contribution towards their economic development.

Geberit provides important impulses for the sanitary industry through innovation and new products, which are sold and implemented throughout the world by wholesalers, plumbers and sanitary engineers, and thus make significant contributions towards economic development. This is supplemented by the intensive support of plumbers and sanitary engineers through training and advising, see www.geberit.com/annualreport > [Business report](#) > [Business and financial review](#) > [Customers](#).

Also to be emphasized are the economic effects on suppliers, transport companies and the local economic regions of the production sites. In 2011 Geberit procured goods with a purchase value of approximately CHF 610 million (prior year: CHF 570 million). Geberit has relations with a total of more than 1,100 suppliers. Geberit does not have its own transport fleet and contracts external transport companies for logistics services. Geberit places its faith in its 16 production companies in Europe, China and the USA as well as in its Logistics Center in Pfullendorf (DE), and is continuously investing.

This information covers the requirements of the GRI indicator partially.

6. Ecology (EN)

DMA-EN Management Approach Ecology

Geberit has long stood for a high level of environmental awareness and been committed to environmentally friendly, resource-efficient production as well as the development of water-saving and sustainable products. Environmental criteria are considered in all decision-making processes. In addition, processes are continuously being optimized 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](#).

Systematic, Group-wide environmental management is at the center. The corporate Environment and Sustainability Department, which reports directly to the CEO and which is responsible for this, coordinates guidelines and measures regarding all aspects of the GRI guidelines in the environmental area. Since 1992 a network of environmental managers has been practicing active environmental protection at the production plants, thus ensuring that the measures are implemented worldwide. With respect to objectives and measures for production, see www.geberit.com > [Sustainability](#) > [Sustainability strategy](#).

Since early 2007, Geberit has had a [combined group certificate for quality and environment in accordance with ISO 9001 and ISO 14001](#), which covers 15 production companies, including those in China and the USA. Geberit Apparate AG and Geberit Logistik GmbH will be added to the Group certificate in 2012. The responsible individuals from all sites meet at least once annually, most recently in September 2011, to exchange experiences and share best practice.

The annual preparation of a corporate eco-balance has been an established part of Geberit's environmental strategy since 1991. It covers all 16 production companies worldwide, the Logistics Center in Pfullendorf (DE) and the nine largest sales companies. The corporate eco-balance enables an overall assessment of the environmental impact and its largest contributing factors. This makes it possible to calculate the total environmental impact of the Geberit Group in terms of eco-points and monitor the implementation of the environmental targets. Key figures for environmental impact, energy consumption and CO₂ emissions which arise from the transport of Geberit products are listed separately.

For the Group as a whole, the absolute environmental impact increased slightly (by 0.4%) in the year under review due to considerably greater production quantities at Villadose (IT) and Langenfeld (DE) (prior year: increase of 3.3%). Sales after currency adjustment grew by 9.5% in the same period. The relative environmental impact with respect to sales (currency adjusted) improved by 8.3% and considerably exceeded the target figure of 5%. More detailed key figures regarding environmental impact can be found under [Key figures sustainability > Environment](#).

Aspect: Materials

EN1 Materials used

The most important materials for production are plastics, metals, semi-finished and finished products. A total of 173,000 metric tons of materials were used in 2011 (prior year: 154,000 metric tons). More detailed key figures regarding use of materials can be found under [Key figures sustainability > Environment](#).

For packaging materials used, see [EN27](#).

EN2 Percentage of recycled material

When estimating the share of recycled material in production, a distinction is made between external and internal sources of the raw material for reasons of expediency.

External sources:

The proportions of recycled metals purchased are relatively high. The data is based on Geberit's product life cycle assessments for supply pipes for buildings (2009). Extrapolated, the raw material metal purchased contains around 54% or 24,000 metric tons of recycled material.

Internal sources:

In terms of the raw material plastic, material to be recycled is generated primarily internally and is ground on site or via a decentralized mill and fed back into the process. The proportion fluctuates depending on the manufacturing process. For blow molding it is around 35%, for fitting injection molding around 15%, depending on product class, and for pipe extrusion around 3%.

Aspect: Energy

EN3 Direct energy consumption

Geberit only purchases energy. It does not produce or sell energy to any significant extent. For Geberit, only heating oil extra light, natural gas and the fuels diesel and gasoline are of relevance as direct energy carriers (Scope 1). As a result of the mild heating season, consumption of combustibles fell by 11.3%. Fuel consumption also fell slightly by 0.8%. For more detailed key figures on energy consumption, see [Key figures sustainability > Environment](#).

EN4 Indirect energy consumption

Only electricity consumption is of significance for indirect energy consumption (Scope 2) at Geberit, and simultaneously represents the greatest environmental impact. In terms of end energy, electricity consumption increased by 5.0% due to increased production, particularly in Langenfeld (DE) and Villadose (IT). For more detailed key figures on electricity consumption and the electricity mix, see [Key figures sustainability > Environment](#).

EN5 Energy saved

No quantitative breakdown of energy savings according to measure implemented is available. In addition to the insulation of buildings, important measures include the continuous modernization of machines, increasing the efficiency of production installations, the optimization of cooling plants through the use of natural ambient cold (free cooling), improved use of waste heat (heat recovery) as well as the careful use of compressed air. In this regard, numerous technical measures are exhibiting a payback period of less than 2 years. Injection molding machines with energy-efficient drive technology, for example, that reduce energy consumption by up to 50%. Or a new cooling system in Pottenbrunn (AT), in which the waste heat is used directly, thus resulting in an annual energy savings equivalent to 900 MWh – comparable to the electricity consumption of 200 households.

Geberit also invests in the energy-efficient infrastructure of tomorrow through corresponding planning for new buildings. The new building planned in Slovenia, for example, is being preceded by the development of a comprehensive energy strategy. The conversion of the infrastructure for the newly founded Geberit Apparate AG in Rapperswil-Jona (CH), which meets Minergie standards, and the new building currently under construction in India, which integrates rain water usage, a shading concept and optimized ventilation and cooling, are both projects in which investments have been made in cutting-edge technologies.

This information covers the requirements of the GRI indicator partially.

EN6 Energy-efficient products

The greatest environmental contribution made by Geberit products lies in water conservation. This also results in indirect energy savings and reduction of CO₂ emissions. The creation of the infrastructure for drinking water supply and waste water disposal, the conveyance, processing and distribution of water and the subsequent purification of the waste water in a communal wastewater treatment plant also consume resources and energy. Thus, according to the Ecoinvent database (Version 2.1), 9.3 MJ of energy are required per cubic meter of water and 0.64 kg of CO₂ emissions are released (reference values for Europe).

Direct energy savings are implemented thanks to systematically improved energy efficiency. Two current examples are:

1. The new product Geberit DuoFresh, which was introduced on the market in March 2011, is a simple, effective and environmentally friendly way to eliminate toilet odors thoroughly: Using odor extraction consumes about 20 times less energy than the traditional practice of venting the bathroom by cracking a window for ten minutes. For further information, see www.geberit.com/annualreport > [Business report > Business and financial review > Innovation > New products prove their mettle](#).

2. With the electronic lavatory taps Types 185 and 186, environmentally friendly products that reduce water consumption have been available for a number of years already. The taps, which were awarded the water-saving label WELL, top category A, ensure economical water-saving consumption thanks to their control electronics. Starting in spring 2012, a new generator unit will use the energy of the flowing tap water to generate the required electricity, thus making electronic taps independent of mains current or batteries. For further information, see www.geberit.com/annualreport > [Business report > Business and financial review > Innovation > New products prove their mettle](#).

EN7 Reduction of indirect energy consumption

- Raw materials: The Eco-design workshop in product development generally pursues the approach of using as few materials as possible (see [EN6](#) and [EN26](#)). No quantitative analyses on the resulting energy savings are available.
- Logistics: For information on reduction of energy consumption, see [EN29](#).
- Business travel: Travel using company vehicles is covered in [EN3](#). Local initiatives are implemented in order to reduce consumption (e.g. ecodriving courses). A fuel-reduction plan for new vehicles has been defined as part of the CO₂ strategy (see also [EN18](#)). No data is available concerning energy consumption for work-related air travel.

This information covers the requirements of the GRI indicator partially.

Aspect: Water

EN8 Water consumption

Geberit uses mainly fresh water from the public water system and some rainwater. Geberit fulfills a role model function with respect to [internal water consumption](#) and undertakes great efforts to improve its processes even more each year. Thanks to targeted savings measures, fresh water consumption has been reduced by 40% since 2006 and has now been kept at a low level in 2011. The slight increase resulted from an increase at the largest consumer in the Group, located in Milwaukee (US). Key figures concerning water consumption by source can be found under [Key figures sustainability > Environment](#).

EN9 Water sources significantly affected by withdrawal of water

Geberit production plants' water consumption does not place a considerable burden on water sources as defined in the GRI guidelines.

EN10 Water recycling

Throughout the Group, two processes are responsible for a large portion of water requirements:

1. During the production of multilayer pipes in Givisiez (CH) the pipes are cross-linked in autoclaves. A total of 27,200 m³ of water was consumed in 2011 for this purpose. Around 30% or 8,000 m³ of this amount is fresh water; the remaining 70% was reused internally.

2. Newly developed products are tested at the Geberit sanitary laboratory in Jona (CH). The tests require some 175,000 m³ of water annually. Only about 3% or 5,000 m³ of this amount is fresh water. The remaining 97% is provided by a closed-circuit system.

Based on these two processes, the estimated proportion of reused water in the Geberit Group is more than 60%.

Aspect: Biodiversity

EN11 Parcels in biodiversity reserves

This indicator is not relevant to Geberit. The typical activities at Geberit production sites as well as the company's products and services do not endanger any sanctuaries or areas of significant biodiversity.

EN12 Impact on biodiversity in protected areas

This indicator is not relevant to Geberit. The typical activities at Geberit production sites as well as the company's products and services do not endanger any sanctuaries or areas of significant biodiversity.

EN13 Protected or restored natural habitats

This indicator is not relevant to Geberit. The typical activities at Geberit production sites as well as the company's products and services do not endanger any natural habitats or areas of significant biodiversity.

EN14 Management of impact on biodiversity

This indicator is not relevant to Geberit. The typical activities at Geberit production sites as well as the company's products and services do not endanger any sanctuaries or areas of significant biodiversity.

EN15 Influence on IUCN Red List species

This indicator is not relevant to Geberit. The typical activities at Geberit production sites as well as the company's products and services do not endanger any sanctuaries, areas of significant biodiversity or species on the IUCN Red List.

Aspect: Emissions, Effluents, and Waste

EN16 Direct and indirect greenhouse gas emissions

CO₂ emissions are calculated as part of the annual preparation of the corporate eco-balance. The six leading substances as per the Kyoto Protocol (CO₂ fossil, CH₄, N₂O, HFC, PFC and SF₆) were used for greenhouse gas emissions and shown as a sum parameter (CO₂ equivalents or here simply CO₂). Included in the calculation are both direct emissions (Scope 1) from the burning of combustibles and fuels (see EN3), as well as indirect emissions (Scope 2) resulting from electricity consumption (see EN4). The emissions from the preparation of combustibles and fuels in the upstream chain (Scope 3) are included in the cumulative value (see EN17).

Key figures concerning CO₂ emissions can be found under [Key figures sustainability > Environment](#).

In absolute terms, CO₂ emissions (Scopes 1 and 2) decreased by 0.8% to 76,903 metric tons in 2011 (prior year: 77,486 metric tons). If one relates these emissions to sales (currency adjusted), there is an improvement of 9.4%. At 76%, electricity consumption is by far the largest source of CO₂, followed by combustibles and fuels. Purchasing just 10 GWh of "green electricity" in Pfullendorf (DE) and 3 GWh of wind power in Daishan (CN) results in a reduction of over 8,800 metric tons of CO₂ emissions.

EN17 Other relevant greenhouse gas emissions

Other relevant greenhouse gas emissions (Scope 3) result from:

- the provision of combustibles and fuels (covered in EN16), which in 2011 added up to around 2,200 metric tons for combustibles and fuels respectively.
- the raw materials used and the "gray energy" purchased along with them. This is estimated as part of the corporate eco-balance and is around 10,000 TJ, resulting in approximately 460,000 metric tons of CO₂ emissions.
- external logistics (see EN29), which generated a total of 25,500 metric tons of CO₂ emissions in 2011.
- business trips involving air travel, for which no data is currently available.

EN18 Initiatives to reduce greenhouse gas emissions

Under the CO₂ strategy, the CO₂ emissions per sales (currency adjusted) are to be reduced on average by 5% each year between 2006 and 2012. With an improvement of 9.4% in this key figure, Geberit considerably exceeded the annual target value in 2011 and is on track as a whole (see EN16).

The measures for implementing the CO₂ strategy are based on the three pillars "energy saving," "increased energy efficiency" and the "targeted expansion of the share of renewable energy carriers." An energy master plan is being implemented in the largest plants to manage and plan energy consumption. This provides a forward-thinking illustration of the development of energy consumption and CO₂ emissions. In Switzerland, Geberit is working with the Business Energy Agency and has also obtained corresponding CO₂ certificates.

In order to further reduce CO₂ emissions, Geberit has set the goal of increasing the share of renewable energies in electricity by 5% every three years and of achieving a proportion of one-third of overall consumption by 2015. In 2011, the certified green power drawn from the hydroelectric power station at Piz Palü (CH) by the largest production site in Pfullendorf (DE) was increased from 6 GWh annually to 10 GWh. Another increase, to 12 GWh annually, is planned for 2012. In 2011, the Daishan site in China again procured around 3 GWh of wind energy, or approximately 60% of the energy consumed by the local production site.

With combustibles, suitable solutions are being sought to enable the increased use of renewable energy carriers. The in-house fleet of vehicles is becoming more efficient with a consistent purchasing policy. Since early 2008, binding guidelines have applied for the purchase of new vehicles with the goal of reducing effective consumption by 10% every three years. At the same time, emission-reducing measures are being implemented. Currently 99% of all Geberit diesel vehicles have particle filters.

Geberit promotes the sensitization of all employees for the promotion of environmentally friendly behavior. New employees receive training on the subject of sustainability at Geberit as part of their job orientation

program. In the largest plants, this is also tailored to the target group of production employees. Campaigns such as the "bicycle check" at Jona (CH) are also carried out.

All targets and measures for improving CO₂ emissions are disclosed in detail as part of the Company's participation in the Carbon Disclosure Project (CDP).

EN19 Ozone-depleting substances

Emissions of ozone-depleting substances, measured in CFC11 equivalents, can be calculated based on the Geberit Group's corporate eco-balance. Included in the calculation are both direct emissions from the burning of combustibles and fuels (see [EN3](#)) as well as process emissions (solvents) and indirect emissions resulting from electricity consumption (see [EN4](#)).

Key figures concerning ozone-depleting substances can be found under [Key figures sustainability > Environment](#).

EN20 NO_x, SO_x and other air emissions

Emissions of NO_x, SO₂, as well as NMVOC (non-methane VOC) and dust (PM10) can be calculated based on the Geberit Group's corporate eco-balance. Included in the calculation are both direct emissions from the burning of combustibles and fuels (see [EN3](#)) as well as process emissions (solvents) and indirect emissions resulting from electricity consumption (see [EN4](#)).

Key figures on these emissions can be found under [Key figures sustainability > Environment](#).

EN21 Total water discharge

Geberit does not carry out any unplanned water discharge. All resulting domestic waste water and all process waste water is treated. In 2011, 103,308 m³ of waste water were generated (prior year: 101,231 m³ of waste water). Of that total, 64% was domestic waste water that passes into the communal wastewater treatment plant (prior year: 73%). Five percent (prior year 6%) is domestic waste water that is pre-treated and fed to receiving waters. The remaining 31% (prior year: 21%) is waste water that is pre-treated and fed to a communal wastewater treatment plant. This proportion increased due to the noticeable increase at the plant in Milwaukee (US), which has its own pretreatment facility. Waste water is not directly reused by third-party companies.

Key figures on waste water can also be found under [Key figures sustainability > Environment](#).

EN22 Waste

In 2011, there was a total of 11,516 metric tons of waste (prior year: 10,863 metric tons). As in the prior year, 84% of this total was channeled to recycling processes. Future measures will focus above all on the further separation of waste and the reduction in mixed waste and hazardous waste.

Key figures concerning waste by category can be found under [Key figures sustainability > Environment](#).

EN23 Significant spills of chemicals

There were no significant cases in the period under review.

EN24 Transport of hazardous waste

In 2011, 203 metric tons of hazardous wastes (prior year: 151 metric tons) were disposed of by incineration and 1,180 metric tons (prior year: 1,076 metric tons) were recycled. Both figures increased due to increased production in the piping systems area. At Geberit, all waste is disposed of and recycled by licensed disposal companies.

This information covers the requirements of the GRI indicator partially.

EN25 Effects of water discharges on bodies of water

This indicator is not relevant to Geberit as no waters are affected by significant water discharge from Geberit facilities as defined in the GRI guidelines.

Aspect: Products and Services

EN26 Mitigation of environmental impact of products

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 minimized and a high level of resource efficiency is targeted for the production process as well as the product itself. Eco-design workshops, in which different disciplines cooperate and ensure that every new product exceeds its predecessor in environmental aspects, are an integral part of the early development phase. Specially created product life cycle assessments are important decision-making aids and provide arguments for the use of products that conserve resources in construction projects. Detailed life cycle assessments have already been compiled for the following products: Drainage and supply pipes, AquaClean 8000plus, concealed cistern and urinal flush controls. Another life cycle assessment has also recently been compiled for lavatory taps types 185/186.

Examples from the product range that contribute to the reduction of environmental impact:

- Since 2011, a new technological solution has been deployed to simplify the conversion of the large flush volume on nearly all concealed cisterns from 6 or 9 liters to 4.5 liters. The gradual conversion of the product range is creating great potential for even more water conservation.
- The new water-efficiency label WELL, which was introduced by the European umbrella organization for valve manufacturers (EUnited) in 2011 and which displays the water efficiency of products analogously to the European energy label, provides more transparency in the area of water conservation (see also under [PR3](#)). Six Geberit products were awarded the WELL label, five of them with the highest efficiency level (Class A) (Sigma UP320 concealed cistern, Monolith WC module, UP320 concealed cistern with HyTronic/Mambo activation, electronic urinal flush control and touchless lavatory taps 185/186). The urinal flush control with manual pneumatic activation was assigned to Class B.

EN27 Reclaimed packaging material

On the basis of an internal survey at the sites, the following estimations can be made: On the product side, approx. 8 metric tons (prior year: 7 metric tons) of primarily electrical appliances were taken back and disposed of professionally in 2011. In some markets (DE, CH), parts of multilayer drinking water pipes (Mepla) are also taken back. The precise quantity is not known, but is also estimated to be around 10 metric tons Group-wide. In 2011, approximately 12,480 metric tons (prior year: approximately 10,600 metric tons) of packaging material were used, over 40% of which was collected and recycled by Geberit itself or by financed contract partners. The rest is disposed of and recycled on a country-specific basis.

Aspect: Compliance

EN28 Sanctions due to non-compliance with environmental laws and regulations

No significant fines or non-monetary penalties were imposed in the year under review.

Aspect: Transport

EN29 Environmental impact of transport

In the area of logistics, in addition to profitability and punctuality, it is increasingly important to customers that transport services be as environmentally friendly as possible. Geberit does not maintain a vehicle fleet of its own. Because external logistics contributes over 30% of the Geberit Group's additional environmental impact, collaboration with the transport service providers that work with Geberit is central. Partners agree to actively support Geberit in its efforts to use energy efficiently and reduce emissions by signing an environmental code for transport service providers introduced in 2010. The companies are obligated to provide relevant data for Geberit's environmental reports.

The logistics calculator developed in 2010 makes it possible to record data on vehicle fleet composition, the transportation performance and fuel consumption of all transport service providers and to compile the eco-balance each year. Compared to the last reporting season, not only traffic through the logistics center in Pfullendorf (DE) but now also all traffic through the Langenfeld site (DE) as well as all air and sea transports are calculated. In the year under review, the 12 largest transport service providers handled 168 million metric ton-kilometers (prior year: 149 million metric ton-kilometers), which generated 25,500 metric tons of CO₂ emissions (prior year: 22,900 metric tons). The increase in transport services and CO₂ emissions are explained chiefly by the insourcing of additional intercompany traffic beginning in mid-2010. The proportion of Euro5 vehicles increased markedly from 70% to 85%, thereby considerably exceeding the target value of 66%. Another important step in reducing environmental impact is switching from roads to rails. For instance, 92% of the goods transported to and from Italy are moved by train (prior year: 95%). The use of mega-

trailers, which can carry an approximately 15% greater load volume, also increases energy efficiency: In 2011 about 1,200 such transport runs (prior year: 1,050) between Rapperswil-Jona (CH) and Pfullendorf (DE) and around 750 transport runs (prior year: 300) between Pottenbrunn (AT) and Pfullendorf were completed in this way.

This information covers the requirements of the GRI indicator partially.

Aspect: Overall

EN30 Costs of environmental protection

Approx. CHF 1.2 million was spent on environmental protection and preventative environmental management in 2011 (previous year: approx. CHF 1.4 million). This involved external advising and training, external certification and human resources expenditures on environmental management activities. The costs of disposal of hazardous and other waste, in turn, amounted to approx. CHF 0.6 million in 2011.

7. Employer Responsibility (LA)

DMA-LA Management Approach to Employer Responsibility

Responsibility for all important aspects of the GRI guidelines with respect to labor practices in the Geberit Group lies with the Head Corporate Human Resources, who reports directly to the CEO. With respect to objectives and measures for employees, see also www.geberit.com > [Sustainability](#) > [Sustainability strategy](#).

Geberit's most important ambassadors are its employees. They forge the company's image and represent Geberit in their day-to-day contact with customers and many other stakeholders. This task can only be performed by employees who are aware of what their company stands for and what its objectives are. Geberit's central corporate and brand values are defined in the [Geberit Compass](#). Geberit aims to be a model of ethically unimpeachable, environmental and socially responsible operations. The [Code of Conduct](#) fills this goal with concrete content and functions in addition as a definitive orientation aid.

The priority for internal employee communications is interactive, real-time communication accessible to all employees. The intranet that was introduced in 2009 is of central importance to these objectives. For production employees, special solutions are being developed with newsletters and/or large screens for group use. CEO Albert M. Baehny assesses the current state of the company, the economic framework conditions and the outlook for the future on a quarterly basis in a video that is accessible on the intranet to all employees worldwide.

In the summer of 2011, the first global employee survey since 2004 was carried out. The very high response rate of 87% shows how much the employees are interested in such survey topics as organization, structures and processes, corporate culture, leadership, objectives and performance incentives, knowledge transfer and, in general, in the opportunity to express their opinions. See also www.geberit.com/annualreport > [Business report](#) > [Business and financial review](#) > [Employees](#).

Aspect: Employment

LA1 Total workforce by employment type, employment contract, and region

The number of employees rose once again in the year under review. As of the end of 2011, the Geberit Group employed 6,004 individuals worldwide (prior year: 5,820 employees), 3.2% more than in the prior year. This increase is mainly due to the adjustment of capacity in the production plants to meet the growth in volume, focused growth initiatives in individual markets and setting up own production facilities for the AquaClean shower toilet, which was previously manufactured by a subcontractor.

For key figures on the workforce by employment type, employment contract, and region, see [Key figures sustainability](#) > [Employees and society](#).

LA2 Employee fluctuation

The average fluctuation rate (in terms of unlimited employment without natural leaves and long-term leaves of absence) was 5.3% (prior year: 4.8%). Including natural leaves, it was at 7.4% (prior year: 8.7%). For key figures on fluctuation by age group, gender and region, see [Key figures sustainability](#) > [Employees and society](#).

LA3 Benefits

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

Aspect: Labor/Management Relationships

LA4 Employees covered by collective bargaining agreements

An estimated 4,000 employees, and thus around two-thirds of all employees, are currently covered by collective agreements (e.g. overall work contracts, tariff agreements). Above all in Germany, Austria and Switzerland, over 90% of employees are subject to an overall work contract or tariff agreements. There are no collective agreements with the employees in the USA and China (17% of all employees).

LA5 Notice periods regarding operational changes

Except for country-specific obligations (arising from statutory requirements or collective agreements) there are no formal rules as to when and how often the employees are to be informed. In cases of major structural changes, Geberit makes every effort to involve the employees at an early stage. The completely revamped intranet introduced in autumn 2009 has become a central channel for all electronic employee communications in the Group.

Aspect: Occupational Health and Safety

LA6 Percentage of total workforce represented in health and safety committees

Each of the 16 production companies has a safety manager. Wherever possible and sensible, this function is combined with that of the environmental manager or closely linked from an organizational point of view. Ninety-five percent of the employees at all production sites and 85% of all employees worldwide have 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. As a rule, national standards for the country concerned are implemented.

This information covers the requirements of the GRI indicator partially.

LA7 Accidents, occupational illness and lost time

The Group-wide absenteeism rate for the year under review was 3.2% (prior year: 3.2%); illness-related absences accounted for 3.0% of this rate (prior year: 3.1%), and 0.2% were accident related (prior year: 0.1%). These figures are based on the hours effectively performed. In 2011, these amounted to 10,339,632 hours (prior year: 10,160,370 hours). The statistics show only those work accidents that occur during working hours or business travel and which lead to downtimes of more than one day. A total of 144 accidents were recorded (prior year: 149 accidents), none of which was fatal, equivalent to 2,128 lost working days due to accidents at work (prior year: 1,639 lost working days). Employees at Geberit are not exposed to an unusual extent with respect to occupational illnesses. This category is therefore not covered.

The accident frequency rate (AFR) and the accident severity rate (ASR) continue to be recorded in a standardized manner. The AFR was 13.9 in 2011 (prior year: 14.7); the ASR was 206 (prior year: 161). These rates are calculated as the number of accidents or the number of lost working days per performed total working hours times 1 million hours.

All key figures concerning the absenteeism rate by regions can be found under [Key figures sustainability > Employees and society](#). For the goals and measures for the enhancement of occupational safety, see [www.geberit.com > Sustainability > Sustainability strategy](#).

LA8 Assistance regarding serious illnesses

At Geberit there are no operational activities involving a particularly high risk of contracting a serious illness or with a high incidence of illness.

As part of its Group-wide efforts to support employees' health and well-being, Geberit offers employees the possibility of precautionary health care through various offers and measures. These include, for example, sports facilities, smoking-cessation programs, massage services, dietary and health tips, and presentations on health-related subjects. This also includes reintegration counseling, which aims to get people back to work as soon as possible in the event of long-term illness. Managers are specifically trained in this respect. Examples of individual support include, in Rapperswil-Jona (CH), counseling in the event of problems, which can range from on-the-job pressure, problems in partnership and family to debt issues, and the telephone help line created in the USA to discuss problems at work in all confidentiality.

For further information, see [www.geberit.com/annualreport > Business report > Business and financial review > Employees > Active promotion of health and low absenteeism](#).

LA9 Health and safety topics covered in agreements with trade unions

Geberit attaches importance to a high level of health and safety for its employees. To this end, it cooperates with authorities, trade unions and employer's liability insurance associations on a country-specific basis. With the exception of one production site, written agreements exist at all production sites as well as at individual sales companies with, for example, trade unions and employee representatives, which normally cover subjects such as personal protective equipment, regular inspections, education and further training, etc.

This information covers the requirements of the GRI indicator partially.

Aspect: Training and Education

LA10 Employee education and further training

Education and further training are a central theme at the Company. In the year under review, employees attended on average around 15 hours of internal and external education and further training events Group-wide (prior year: 18 hours). For training hours in the context of the Potentials Management process, see [LA11](#).

In 2011, 232 apprentices were employed (prior year: 226). The transition rate to a continued, full-time employment relationship was 73%. See www.geberit.com/annualreport > [Business report](#) > [Business and financial review](#) > [Employees](#) > [Focus on advancement](#).

This information covers the requirements of the GRI indicator partially.

LA11 Programs for skills management and lifelong learning

Geberit relies on continuity and sustained promotion of its own employees to expand the management team. The Potentials Management process supports the selected internal candidates on their way into middle or upper management or to initial supervisory, project manager or specialist functions and comprises both individual development measures and collective modules. The collective activities might include, for instance, measures from the areas of communication and conflict management or in the form of networking opportunities and company tours through to fireside chats with the Group Executive Board. A total of 46 individuals went through concrete training programs as part of the Potentials Management process in 2011. During the course of the two-year program, each participant received an average of around 100 hours of training and preparation for management tasks. This process is intended to ensure that at least half of the open management positions can be filled by internal candidates. Last year, around 70% of all Group management positions were filled by in-house candidates. See also www.geberit.com/annualreport > [Business report](#) > [Business and financial review](#) > [Employees](#) > [Focus on advancement](#).

LA12 Performance and career development of employees

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. Over 95% of all employees received appraisal interviews in 2011, and around 70% had target-agreement meetings at which development opportunities were also identified. Subsequently, objectives and implementation measures are defined together with the supervisor.

Aspect: Diversity and Equal Opportunity

LA13 Workforce diversity

The proportion of female employees as of the end of 2011 was 29% (prior year: 28%); in upper management this figure was 5% (prior year: 5%). The six-member Board of Directors consists of one woman and five men.

For key figures on diversity in terms of gender and age structure, see [Key figures sustainability](#) > [Employees and society](#).

Geberit and its stakeholders do not consider issues of minority group membership as relevant. Therefore, for the time being no data is being collected.

This information covers the requirements of the GRI indicator partially.

LA14 Gender-based differences in salaries

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. According to the annual binding survey of all Geberit Group companies, no differences between the basic salaries of men and women exist anywhere in the Group. Fair and equal pay for men and women is guaranteed as follows:

- Determination of salaries primarily according to function, evaluated in accordance with the proven Hay method. A score is calculated based on the assessment criteria knowledge, thinking capacity and responsibility. The resulting number of points is the basis for the determination of salary. This guarantees fair salary structures independent of gender.
- Binding tariff agreements with correspondingly agreed pay grades at many Geberit sites
- An investigation carried out at four production sites in 2011 revealed no differences between the salaries of men and women. The investigation covered the pay levels of production employees within an established site in employee-friendly Germany, at a production site of many years' standing in less regulated Slovenia and at the two Chinese sites, where employee protection and fair wages are largely the responsibility of the company itself.

8. Human Rights (HR)

DMA-HR Management Approach to Human Rights

In terms of information and creation of awareness as well as controlling, human rights questions related to the business activities of the Geberit Group are primarily the responsibility of Corporate Human Resources for internal topics (see the aspects of equal treatment, freedom of association and the right to collective bargaining) and of Corporate Purchasing regarding suppliers with respect to the aspect of procurement practices.

The [Geberit Code of Conduct](#) is authoritative in the field of human rights, which means, among other things, the exclusion of child labor and forced labor. Compliance with the Code of Conduct is monitored as part of a binding annual survey of all Geberit Group companies.

Long-term cooperation, reciprocal commitment, sustainability and social responsibility are important guidelines for Geberit. These acquire particular importance in the procurement of raw materials, semi-finished products, finished products and services. Consequently, Geberit's high standards with respect to environmental protection, safe working conditions and fair business practices are also expected from the suppliers. The [Code of Conduct for Suppliers](#) is applicable for all Geberit suppliers worldwide. Verification is the responsibility of Corporate Purchasing.

With respect to measures and objectives regarding the Code of Conduct and Procurement, see also www.geberit.com > [Sustainability](#) > [Sustainability strategy](#).

Aspect: Investment and Procurement Practices

HR1 Human rights aspects in investment agreements

There are no significant investment agreements which include human rights clauses or which have been audited in terms of human rights aspects. Agreements with suppliers include human rights clauses which must be audited and maintained by Geberit suppliers, see [HR2](#).

HR2 Screening of suppliers with regard to human rights aspects

With respect to human-rights violations, the greatest risk for Geberit lies with suppliers, who can be influenced only indirectly. Geberit does all it can to minimize this risk and requires that business partners and suppliers comply with comprehensive standards, above all with respect to consistent environmental protection, socially responsible working conditions and fair business practices. At the end of 2007, a [Code of Conduct for Suppliers](#) was introduced for the first time, which is aligned with, among other things, the principles of the United Nations Global Compact. Upon request by Geberit, the supplier must prepare corresponding records in order to demonstrate adherence to the standards of the Code, and must make these available at any time. Should the supplier fail to comply with the regulations laid down in this Code, corrective measures must be taken. Any such failure to comply on the part of the supplier will be regarded as a serious violation of the contractual agreements. If the supplier does not correct this non-compliance, Geberit shall terminate the cooperation.

As of the end of 2011, 603 suppliers (prior year: 563) had signed the Code of Conduct. This equates to 93% of the total procurement value (prior year 90%), only slightly below the 2011 target of 95%. Among the top 200 suppliers, the proportion of companies that have signed is 99% (prior year: 98%). The Code of Conduct is binding for each new supplier.

Geberit has continuously expanded risk management in procurement in recent years. The Purchasing Excellence project PUREX begun in 2009 is targeted at the continuous restructuring and optimization of procurement throughout the Geberit Group. As a rule, the selection of new suppliers includes a quality audit. In the year under review, the planning system for the performance of systematic audits underwent further development. Existing suppliers are assigned to a sustainability risk category depending on production country and type of production process. This is the basis for the annual audit planning. No human rights violations became known in 2011. For further information, see www.geberit.com/annualreport > [Business report](#) > [Business and financial review](#) > [Logistics and procurement](#) > [Forward-looking procurement policy](#).

HR3 Human rights training for employees

In 2008, more than 98% of all employees received training on the topics contained in the [Geberit Code of Conduct](#). Since 2009, all new employees receive training in the Code as part of their job orientation. All employees have access to the Code of Conduct via the intranet. For additional details, see [SO3](#).

This information covers the requirements of the GRI indicator partially.

Aspect: Non-Discrimination**HR4 Cases of discrimination**

The Code of Conduct forbids discrimination as defined in the ILO core labor standards. Compliance with the Code is verified annually as part of a binding Group-wide survey. No cases of discrimination were discovered in 2011.

Aspect: Freedom of Association and Collective Bargaining**HR5 Guarantee of freedom of association and collective bargaining**

Employees are completely free to join labor unions, associations and similar organizations. No rights with respect to exercising freedom of assembly or collective bargaining as defined in the ILO core labor standards are subject to restriction at the Geberit Group. This is verified annually as part of a binding Group-wide survey. No restrictions were in effect in 2011.

Aspect: Child Labor**HR6 Risk of and precautionary measures against child labor**

Geberit's exposure with respect to child labor is considered low because of its industry and the countries in which business activities are carried out as well as its high quality requirements.

Geberit commits itself to the protection of human rights in its Code of Conduct. Child labor is categorically rejected. According to the annual, binding Group-wide survey, no cases of child labor were discovered in 2011. Nor were any cases revealed during the course of the audits performed among the suppliers. The basic principles established in the Code of Conduct for Suppliers expressly include compliance with the ILO core labor standards for the exclusion of child labor.

Aspect: Forced and Compulsory Labor**HR7 Risk of and precautionary measures against forced labor**

Geberit's exposure with respect to forced labor is considered low because of its industry and the countries in which business activities are carried out as well as its high quality requirements.

Geberit commits itself to the protection of human rights in its Code of Conduct. Forced labor is categorically rejected. According to the annual, binding Group-wide survey, no cases of forced labor were discovered in 2011. Nor were any cases revealed during the course of the audits performed among the suppliers. The basic principles established in the Code of Conduct for Suppliers expressly include compliance with the ILO core labor standards for the exclusion of forced labor.

Aspect: Security Practices**HR8 Human rights training for security personnel**

At its production sites in Europe, the USA and China, Geberit is not confronted by the need for special security measures that increase the risk of human rights violations. To date, this problem has therefore not been relevant to Geberit in the scope of its global activities.

Aspect: Indigenous Rights**HR9 Violation of rights of indigenous peoples**

To date, this problem has not been relevant to Geberit in the scope of its global activities.

9. Society (SO)

DMA-SO Management Approach Society

Questions of social responsibility related to the business activities of the Geberit Group are the responsibility of the corporate departments Environment and Sustainability (aspect community) and Legal Services (aspects corruption, anti-competitive behavior, compliance with other basic laws).

Geberit aims to be a model of ethical, environmental and socially responsible operations. The **Geberit Code of Conduct** is the definitive guide for conduct with integrity in the corporate environment. Fair competition throughout the world is an important principle, for example. Price fixing, cartels and other competition-distorting activities are rejected. As a member of Transparency International Switzerland, Geberit is committed to high standards in combating corruption. For the purposes of prevention, the guidelines are further developed and the employees comprehensively trained. Compliance with the guidelines is monitored as part of an annual, binding survey of all Geberit Group companies (see the individual indicators for the results). Internal auditing is supplemented by on-site audits. In the event of misconduct, corrective measures are taken.

With respect to measures and objectives in the Code of Conduct, see also www.geberit.com > **Sustainability > Sustainability strategy**.

Aspect: Community

SO1 Impact on the community and public interests

The potential for conflict with public interests in the vicinity of Geberit facilities is generally regarded as low. A stakeholder analysis is performed at all production companies as part of the environmental management in accordance with ISO 14001. Based on this analysis, the effects of the business activities and production on local communities and regions are assessed.

Geberit maintains good relations with its neighbors and carries out appropriate measures at its sites: for example open houses, involvement in associations, etc. For further information, see **4.16** and **4.17**.

Aspect: Corruption

SO2 Analysis of business units for risks of corruption

According to the annual binding survey carried out in all Geberit Group companies, there were no known cases of corruption of any kind in 2011.

The topic of corruption is also a component of the audit program for the periodic inspections of the production plants and sales companies by the Internal Corporate Audit Department. Various audit activities and interviews are carried out as part of these inspections. The Internal Corporate Audit Department is also a contact point for reporting suspicions. The annual audit planning of the Internal Corporate Audit Department is oriented to risks. One of the criteria for this is that each company must be audited at least every 4 years. The department inspected a total of 19 companies in 2011. This is approximately one-third of all Geberit companies. In addition, approximately two in-depth audits are carried out each year, whereby the audit focus is on the processes of Group-wide functions (e.g. Purchasing, Logistics, Controlling, Marketing, HR, etc.). No cases of corruption were discovered in 2011.

SO3 Training on anti-corruption policies

In 2008, more than 98% of the employees were informed of and trained in the Code of Conduct. With the aid of short films ("animatics"), the training focuses on gray areas in four topics of relevance: bribery (corruption), sexual harassment, workplace bullying and IT misuse. In 2011, as has previously been the case, new employees were also sensitized accordingly as part of welcome events. A longer-term communication campaign for training in the Code of Conduct is in preparation and will be introduced at the beginning of 2012.

In 2009, all managing directors in all countries were questioned in detail about their financial contributions. Instructions at the Group and local levels thereafter have emphasized legally permissible behaviors. This survey will be repeated in 2012.

SO4 Actions taken in response to incidents of corruption

No measures were necessary, as no cases of corruption were discovered in 2011.

Aspect: Public Policy

S05 Political positions and exercise of influence

Geberit issues no political statements and does not involve itself in political lobbying.

S06 Political contributions

Geberit does not make donations to parties or politicians. All donations and related commitments (see [EC8](#)) are neutral from a party political point of view.

Aspect: Anti-Competitive Behavior

S07 Anti-competitive behavior

There are no complaints alleging anti-competitive behavior pending.

Price-fixing, cartels and other competition-distorting activities are categorically rejected. In 2010 and 2011, a total of approximately 700 employees (managing directors, employees in the sales companies at the management level and field service employees) in Europe were trained on the subject of anti-trust legislation by means of a comprehensive e-learning program. The program will be repeated every two years and expanded in the coming year, particularly to the companies in the US, Far East/Pacific, India and South Africa. In addition, new employees from the relevant business areas are trained in anti-trust legislation by means of this e-learning program.

Aspect: Compliance

S08 Sanctions due to non-compliance with regulations

Geberit incurred no significant fines in 2011 resulting from violations of statutory requirements.

10. Product Responsibility (PR)

DMA-PR Management Approach to Product Responsibility

At Geberit, product responsibility lies with several corporate departments: customer health and safety with Quality Management, product labeling and services, advertising and customer data with Marketing, and compliance with statutory requirements with Legal Services.

For Geberit, high quality standards mean fulfilling customers' requirements of functionality, reliability and application safety to the greatest extent possible. The company is guided by the zero-error principle. The Corporate Quality Management is responsible for ensuring that suitable framework requirements promote a quality culture throughout the company, that products undergo a defined optimization process from the first draft, and that all employees act in a quality-conscious and independent manner. This also includes the efficient handling of complaints with integrated error analysis, the initiation of sustained corrective measures and the development of concepts for customer support 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.

Aspect: Customer Health and Safety

PR1 Health and safety impact along the product life cycle

Generally speaking, Geberit products and services involve low risks for customers in terms of health and safety. Geberit nevertheless adopts a preventative 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, manufacture and storage to use and disposal. Among other things, Quality or Safety Management includes the use of an FMEA (Failure Mode and Effects Analysis) as a precautionary measure to prevent errors and increase the technical reliability of products. Eco-design workshops are carried out in the course of product development in order to optimize the use of suitable and ecological materials. If the products or their use involves an increased risk to health or safety, Geberit's technical editorial staff ensures that this is communicated appropriately to customers (see [PR3](#)).

PR2 Non-compliance with health and safety regulations

Group-wide, there have been no court judgments or warnings against Geberit involving contraventions of regulations on the health and safety of products and services, or product and service information.

Aspect: Product and Service Labeling

PR3 Product labeling

Most of the installation instructions are non-verbal, consisting of detailed illustrations in order to provide the most important customer-relevant information. For products that involve the use of electricity, gas or dangerous substances, comprehensive instructions regarding target group, qualifications, use, maintenance, safety, disposal and constituent materials are provided and translated into all languages required in the respective markets. Where possible, all plastic components feature material labeling to facilitate recycling.

The WELL label (Water Efficiency Label) of the European umbrella organization for valve manufacturers EUnited that was introduced at ISH 2011, the world's largest sanitary trade fair, in Frankfurt (DE) is intended to address the growing environmental awareness of consumers. It takes its direction from the well-known and well-established energy labels for electric household appliances, and fulfills a similar function. WELL provides consumers with information about the product's water efficiency at a glance. The new classification system will also encourage responsible use of the resource of water. Six Geberit products received the WELL label in 2011. For further information, see www.geberit.com/annualreport > [Business report](#) > [Business and financial review](#) > [Innovation](#) > [Six Geberit products already classified with WELL](#).

PR4 Non-compliance with labeling requirements

In the period under review there were no known significant cases of violation of applicable laws or of voluntary codes.

PR5 Customer satisfaction

High customer satisfaction in the respective regional markets is central to the Geberit's success. For instance, a survey of a total of 700 plumbers, sanitary engineers and wholesalers was carried out in Germany in the year under review. Compared with the competition, it was determined that Geberit is the industry benchmark in all aspects, and above all in the important areas of corporate image, customer and after-sales service. More than 80% of the customers and partners surveyed expressed very high satisfaction overall. Moreover, Geberit has an extremely loyal clientele: More than 90% of the plumbers and sanitary engineers who responded would recommend Geberit with no hesitation. According to another survey on the Geberit AquaClean shower toilet carried out in Switzerland, 83% of customers would purchase an AquaClean again, and more than 95% would recommend it to others. For further information, see www.geberit.com/annual-report > [Business report](#) > [Business and financial review](#) > [Customers](#).

Aspect: Marketing Communications**PR6 Compliance with laws and standards with regard to marketing communications**

Geberit adheres to the Group-wide Code of Conduct with respect to advertising. All advertising materials worldwide are inspected from this point of view prior to each publication. Geberit does not sell any products that are forbidden to be sold on certain markets or which are the subject of public controversy.

PR7 Non-compliance with communications requirements

There were no significant incidents in 2011.

Aspect: Customer Privacy**PR8 Complaints regarding customer privacy**

There are no known cases of complaints based on violation of data protection.

Aspect: Compliance**PR9 Sanctions due to non-compliance with product liability regulations**

No significant fines have been imposed in connection with Geberit products and services or their use.

Key figures environment

Environmental impact

Environmental impact	2011 UBP	2010 UBP	Deviation %
Electricity	58,427	57,637	1.4
Combustibles	5,430	6,105	-11.0
Fuels	5,948	6,017	-1.2
Disposal	3,836	3,629	5.7
Solvents	653	626	4.3
Water	470	459	2.2
Total environmental impact	74,764	74,473	0.4

UBP = Ecopoints in accordance with the Swiss Ecological Scarcity Method (2006 version)

Material usage

Material usage	2011 Metric tons	2010 Metric tons	Deviation %
Raw material plastics	56,102	51,724	8.5
Raw material metal	44,333	40,166	10.4
Other raw materials	956	880	8.6
Semi-finished products	27,528	23,120	19.1
Finished products	44,201	38,303	15.4
Total material usage	173,120	154,193	12.3

Energy consumption

Energy consumption	Unit	2011	2010	Deviation %
Electricity	GWh	114.2	108.8	5.0
Heating oil extra light	Metric tons	33.5	88.0	-61.9
Natural Gas	m ³	4,240,229	4,703,535	-9.9
Gasoline	Liter	233,497	264,141	-11.6
Diesel	Liter	1,498,105	1,482,427	1.1

Energy consumption	2011 TJ	2010 TJ	Deviation %
Electricity	411.1	391.6	5.0
Heating oil extra light	1.4	3.8	-61.9
Natural Gas	154.3	171.2	-10.0
Fuels (Gasoline, Diesel)	62.2	62.6	-0.6
Total energy consumption	628.4	629.1	-0.1

Electricity mix

Electricity mix 2011	GWh	Renewable %	Fossil %	Nuclear %	Others %
Europe	87.5	16.0	45.2	35.6	3.2
USA	7.7	8.8	70.0	19.6	1.6
China	6.0	16.1	81.8	2.1	-
Green electricity Germany	10.0	100.0	-	-	-
Green electricity China	3.0	100.0	-	-	-
Total electricity mix	114.2	25.1	43.7	28.7	2.5

Electricity mix 2010	GWh	Renewable %	Fossil %	Nuclear %	Others %
Europe	86.7	16.0	45.2	35.6	3.2
USA	7.4	8.8	70.0	19.6	1.6
China	5.6	16.1	81.8	2.1	-
Green electricity Germany	6.0	100.0	-	-	-
Green electricity China	2.0	100.0	-	-	-
Total electricity mix	108.8	21.7	45.8	29.8	2.7

Water and waste water

Water and waste water	2011 m ³	2010 m ³	Deviation %
Fresh water	130,037	125,592	3.5
Rain water	9,687	8,558	13.2
Waste water	103,308	101,231	2.1

Emissions

Absolute CO ₂ emissions	2011 Metric tons	2010 Metric tons	Deviation %
from combustibles	11,020	12,400	-11.1
from fuels	6,741	6,789	-0.7
from electricity	59,142	58,297	1.4
Total absolute CO₂ emissions	76,903	77,486	-0.8

Relative CO ₂ emissions	2011 g CO ₂ / CHF	2010 g CO ₂ / CHF	Deviation %
from combustibles	4.7	5.8	-18.8
from fuels	2.9	3.2	-9.3
from electricity	25.2	27.2	-7.4
Total relative CO₂ emissions	32.7	36.1	-9.4

CO₂ emissions in relation to sales in CHF, currency adjusted

		2011	2010	Deviation
		Kilogram	Kilogram	%
Air emissions				
NO _x	from combustibles/fuels	24,336	24,640	-1.2
	from electricity	99,975	95,200	5.0
	Total NO_x	124,311	119,840	3.7
SO ₂	from combustibles/fuels	4,065	4,140	-1.8
	from electricity	194,535	185,300	5.0
	Total SO₂	198,600	189,440	4.8
NMVOC	from combustibles/fuels	40,287	39,070	3.1
	from electricity	11,684	11,100	5.3
	Total NMVOC	51,971	50,170	3.6
Dust (PM10)	from combustibles/fuels	2,971	2,950	0.7
	from electricity	18,650	17,800	4.8
	Total dust	21,621	20,750	4.2
CFC11 equivalents	from combustibles/fuels	0.68	0.72	-4.9
	from electricity	0.98	2.84	5.0
	Total CFC11 equivalents	3.66	3.56	3.4

Waste

		2011	2010	Deviation
		Metric tons	Metric tons	%
Waste				
to incineration		660	612	7.8
to inert waste landfill		363	382	-5.0
to mixed waste landfill		561	550	2.0
to external recycling		8,549	8,092	5.6
to hazardous waste incineration		203	151	34.4
to hazardous waste recycling		1,180	1,076	9.7
Total waste		11,516	10,863	6.0

Key figures employees and society

Workforce

Workforce as of December 31	2011	Share %	2010	Share %
Germany	2,345	39	2,308	40
Switzerland	1,184	20	1,123	19
China	764	13	774	13
Austria	490	8	457	8
USA	250	4	242	4
Slovenia	214	3	214	4
Italy	101	2	95	2
Others	656	11	607	10
Total	6,004	100	5,820	100
Production	3,267	54	3,201	55
Marketing and sales	1,727	29	1,624	28
Administration	567	9	558	9
Research and development	211	4	211	4
Apprentices	232	4	226	4
Total	6,004	100	5,820	100
Unlimited	4,613	77	4,437	76
Temporary	1,391	23	1,383	24
Total	6,004	100	5,820	100
Full-time	5,706	95	5,542	95
Part-time	298	5	278	5
Total	6,004	100	5,820	100
Management	155	3	150	3
Employees	5,849	97	5,670	97
Total	6,004	100	5,820	100

Information in full-time equivalents

Diversity

Diversity as of December 31, 2011	Management %	Employees %	Total %
Proportion of female employees	5	29	29
Age structure			
> 45 years	57	37	37
30 - 45 years	42	41	41
< 30 years	1	22	22

Diversity as of December 31, 2010		Management %	Employees %	Total %
Proportion of female employees		5	29	28
Age structure	> 45 years	51	36	36
	30 - 45 years	49	42	42
	< 30 years	-	22	22

Information in full-time equivalents

Fluctuation

Fluctuation	2011	Rate %	2010	Rate %	
Fluctuation	250	5.3	220	4.8	
Fluctuation incl. attrition					
Age group					
	> 45 years	144	7.3	182	10.1
	30 - 45 years	127	6.1	120	6.0
	< 30 years	80	12.1	81	13.8
Gender					
	Male	246	7.4	241	7.5
	Female	105	7.7	143	12.2
Region					
	Germany	82	4.2	146	8.0
	Switzerland	114	10.2	95	9.3
	China	15	13.3	14	13.5
	Austria	29	6.4	32	7.9
	USA	28	12.4	30	13.5
	Slovenia	9	4.3	10	4.7
	Italy	2	2.5	4	5.7
	Others	72	12.5	52	8.1
Total fluctuation incl. attrition	351	7.4	383	8.7	

Information in full-time equivalents

attrition includes e.g. temporary absences, retirements

Training and education

Training and education	Unit	2011	2010	Deviation %
Apprentices	Number	232	226	2.7
Training and education	Hours per employee	15	18	-16.7

Personnel expenses

Personnel expenses	2011 MCHF	2010 MCHF	Deviation %
Wages and salaries	327.9	337.6	-2.9
Pension contributions	23.5	23.5	0.0
Other social benefits	56.1	58.6	-4.3
Other personnel expenses	28.1	27.4	2.6
Total personnel expenses	435.6	447.1	-2.6

Social engagement

Social engagement	Unit	2011	2010	Deviation %
Donations and contributions	MCHF	2.7	2.9	-6.9
Orders to social institutions	MCHF	3.5	4.0	-12.5
Charitable work	Hours	2,390	2,200	8.6

Health and Safety

Health and Safety	2011	2010	Deviation %
Number of occupational accidents	144	149	-3.4
Accident frequency rate (AFR)	13.9	14.7	-5.0
Lost days due to occupational accidents	2,128	1,639	29.8
Accident severity rate (ASR)	206	161	27.6

Accident frequency rate (AFR) = Number of occupational accidents per performed total working hours times 1 million hours

Accident severity rate (ASR) = Number of lost working days due to accidents per performed total working hours times 1 million hours

Absenteeism rate per region 2011	Illness %	Accident %	Total %
Europe	3.8	0.2	4.0
Asia	0.1	0.1	0.2
USA	1.1	0.1	1.2
Others	0.8	0.0	0.8
Total absenteeism rate	3.0	0.2	3.2

Absenteeism rate per region 2010	Illness %	Accident %	Total %
Europe	3.9	0.1	4.0
Asia	0.4	0.1	0.5
USA	1.2	0.1	1.3
Others	0.7	0.0	0.7
Total absenteeism rate	3.1	0.1	3.2