

## Communication on Progress UN Global Compact (COP) on 2012

Additional information is available in the referenced documents and the GRI indicators of the Sustainability Performance Report.

| Human rights   |  |  |
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| <p><b>Principle 1:</b><br/>Support and respect the protection of internationally proclaimed human rights.</p>  | <ul style="list-style-type: none"> <li>When selecting employees and determining their assignment in the company, Geberit attaches great importance to qualifications appropriate to the task description. No employees anywhere in the world are hired in the minimum-wage segment. This considerably reduces the risk of human rights violations.</li> <li>Geberit has a Code of Conduct in which the company undertakes to be an exemplary, reliable and fair business partner and employer at all times for all of the people with whom it has dealings. As a fair partner, Geberit recognizes local, national and international laws, directives and standards, and complies with them in full.</li> <li>Approximately 98% of all employees were trained in the Code of Conduct in 2008. Since then, new employees receive their training as part of their job orientation. Developed in 2012, the Geberit Integrity Line, which is being launched Group-wide from January 2013, will give all employees worldwide the opportunity to report misconduct anonymously.</li> <li>Compliance with the Code of Conduct is monitored as part of an annual, binding Group-wide survey. Verification is supplemented by internal audits on site. In the year under review, one case of discrimination was reported (see COP Principle 6).</li> </ul> | <p>→ EC5</p> <p>→ Code of Conduct for Employees</p> <p>→ HR3</p> <p>→ SO3</p> <p>→ DMA-HR</p> <p>→ HR4</p> |
| <p><b>Principle 2:</b><br/>Make sure the company is not complicit in human rights abuses.</p>  | <ul style="list-style-type: none"> <li>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.</li> <li>The Code of Conduct for Suppliers is intended to ensure that Geberit's suppliers act in accordance with internal and external guidelines, as well as internationally recognized standards concerning human rights and the ILO core labor standards. As of the end of 2012, 671 suppliers had signed the Code of Conduct. This equates to 95% of the total procurement value.</li> <li>In 2012, the planning system for the performance of systematic audits underwent further development. In particular, EHS (environment, health and safety) audits are performed on suppliers in the highest risk category. 38 suppliers, which equates to less than 5% of the total procurement value, are classified in this category. 21 of these 38 suppliers have already been audited. Three third-party audits were carried out in China for the first time. In one case, a violation of the Code of Conduct was discovered and the subsequently imposed conditions met.</li> </ul>  | <p>→ Sustainability strategy</p> <p>→ Code of Conduct for suppliers</p> <p>→ HR2</p>                       |
| Labor practices  |  |  |
| <p><b>Principle 3:</b><br/>Uphold the freedom of association and the effective recognition of the right to collective bargaining.</p>  | <ul style="list-style-type: none"> <li>No rights with respect to exercising freedom of association 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 2012.</li> <li>Approximately 4,200 employees, and thus around two-thirds of all employees, are currently covered by collective agreements. Above all in Germany, Austria and Switzerland, over 90% of employees are subject to collective labor agreements. There are no collective agreements with employees in the USA and China (16% of all employees).</li> </ul>  | <p>→ HR5</p> <p>→ LA4</p>  |
| <p><b>Principle 4:</b><br/>Uphold the elimination of all forms of forced and compulsory labor.</p> <p><b>Principle 5:</b><br/>Uphold the effective abolition of child labor.</p> | <ul style="list-style-type: none"> <li>Geberit's exposure with respect to forced and child labor is considered low because of its industry sector and the countries in which business activities are carried out as well as its high quality requirements.</li> <li>Forced and child labor are categorically rejected at Geberit. According to the annual, binding Group-wide survey, no cases of forced or child labor were discovered in 2012, 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 and child labor.</li> </ul>   | <p>→ HR6</p> <p>→ HR7</p>  |
| <p><b>Principle 6:</b><br/>Uphold the elimination of discrimination in respect of employment and occupation.</p>   | <ul style="list-style-type: none"> <li>The Geberit Code of Conduct clearly specifies how employees are to behave and how Geberit assumes responsibility as an employer in order to counteract discrimination in adherence with the ILO core labor standards. In 2012, one case of verbal sexual harassment was reported and appropriate measures were taken.</li> <li>Geberit has no personnel policy or employment practices providing for preferential treatment of persons from local vicinities.</li> <li>Protection of the principles of equality is anchored in the Geberit Code of Conduct. This includes the prohibition of discrimination against any employee on the basis of gender. Fair and equal pay for men and women is a matter of course at Geberit, as was verified and documented in 2012 as part of the annual, binding Group-wide survey. The proportion of female employees as of the end of 2012 was 31%; in upper management this figure was 6.5%.</li> </ul>   | <p>→ Code of Conduct for Employees</p> <p>→ HR4</p> <p>→ EC7</p> <p>→ LA13-14</p>                          |

| Environmental protection   |   |   |
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| <p><b>Principle 7:</b><br/>Support a precautionary approach to environmental challenges.</p>                     | <ul style="list-style-type: none"> <li>• With the precautionary approach in mind, the Audit Committee of the Board of Directors has implemented an extensive system for monitoring and controlling the risks (incl. environmental risks) linked to the business activities.</li> <li>• Geberit has long stood for a high level of environmental awareness and been committed to environmentally friendly, resource-efficient production as well as to the development of water-saving and sustainable products. Environmental criteria are considered in all decision-making processes. A demonstrably high standard is achieved in this regard, one which often greatly exceeds statutory requirements.</li> <li>• As with the water footprint (see COP Principle 9), the CO<sub>2</sub> footprint was calculated for the first time in 2012. Similarly, the CO<sub>2</sub> footprint also covers the entire value chain – from the provision of raw materials, the manufacturing of products at Geberit, logistics and use, right through to disposal. This analysis revealed that, at 67%, product use is by far the largest source of CO<sub>2</sub> emissions.</li> <li>• The manufacturing of products at Geberit accounts for only 3% of total CO<sub>2</sub> emissions: In 2012, these CO<sub>2</sub> emissions dropped by 6.6% to 71,853 metric tons. The CO<sub>2</sub> emissions per sales (currency adjusted) improved by as much as 10.6%. This confirms that Geberit is on track with its long-term CO<sub>2</sub> strategy.</li> <li>• Approximately CHF 1.2 million was spent on environmental protection and preventative environmental management in 2012. This involved external advising and training, external certification and human resources expenditures.</li> </ul>  | <p>→ 4.11</p> <p>→ Code of Conduct for Employees</p> <p>→ Water footprint</p> <p>→ EC2</p> <p>→ EN6</p> <p>→ EN16</p> <p>→ EN18</p> <p>→ EN30</p> |
| <p><b>Principle 8:</b><br/>Undertake initiatives to promote greater environmental responsibility.</p>            | <ul style="list-style-type: none"> <li>• Since early 2007, Geberit has had a combined group certificate for quality and environment in accordance with ISO 9001 and ISO 14001. In 2012, the group certificate was extended by a further three years. The annual preparation of a corporate eco-balance has been an established part of Geberit's environmental strategy since 1991. The absolute environmental impact decreased by 5.1% in 2012. The environmental impact per sales (currency adjusted) has improved by 9.3%. As a result, the target figure of 5% has been markedly exceeded.</li> <li>• Geberit places its faith in energy saving and energy efficiency: In addition to the insulation of buildings, important measures include the continuous modernization of machinery, 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.</li> <li>• The share of green electricity increased sharply in 2012 from 13 GWh to 20 GWh and accounted for 18% of total electricity consumption. In 2012, a block heating station was commissioned in Pfullendorf (DE) that is supplied with 9.4 GWh of regional biogas.</li> <li>• Thanks to targeted savings measures, fresh water consumption has been reduced by 35% since 2006 and remains at a constantly low level.</li> <li>• Geberit regards eco-design as the key to environmentally friendly products. Beginning with the development process, the most environmentally friendly materials and functional principles are used, risks are minimized and high resource efficiency is pursued. Eco-design is also implemented in product modifications and technology projects. Every new product is to be better than its predecessor with respect to environmental aspects.</li> </ul> | <p>→ DMA-EN</p> <p>→ Sustainability strategy</p> <p>→ EN5</p> <p>→ EN18</p> <p>→ Story biogas</p> <p>→ EN8</p> <p>→ EN26</p>                      |
| <p><b>Principle 9:</b><br/>Encourage the development and diffusion of environmentally friendly technologies.</p> | <ul style="list-style-type: none"> <li>• The suggestion from the external stakeholder panel with regard to illustrating the water consumption throughout the value chain in the form of a «water footprint» was adopted. This shows that nearly 100% of the water consumption is attributable to the use of Geberit products by customers. Water-saving solutions can therefore exert a major impact here. The entire dual-flush and flush-stop «fleet of cisterns» produced since 1998 has saved around 1,850 million cubic meters of water in 2012.</li> <li>• Eight Geberit product groups – a total of over 330 sales products – carry the water efficiency label WELL, which enables customers to consciously opt for water-saving products. Seven of these eight product groups carry the top A class label and account for almost 20% of Group sales.</li> <li>• Green building is a market of the future experiencing strong growth throughout the world. As the leading system provider of sanitary solutions, Geberit is already offering suitable products for this purpose.</li> </ul>  | <p>→ 1.2</p> <p>→ Panel Statement</p> <p>→ Water footprint</p> <p>→ EN26</p> <p>→ Story green building</p>  |
| Anti-corruption  |   |   |
| <p><b>Principle 10:</b><br/>Work against corruption in all its forms, including extortion and bribery.</p>       | <ul style="list-style-type: none"> <li>• As a long-time member of Transparency International Switzerland, Geberit is committed to high standards in combating corruption.</li> <li>• The Internal Corporate Audit Department inspected a total of 19 companies in 2012. This is approximately one-third of all Geberit companies. In addition, approximately two to three 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, HR, IT, etc.). No cases of corruption were discovered in 2012.</li> <li>• As a rule, Geberit does not make donations to parties or politicians. All donations and related commitments are neutral from a party political point of view. This was verified and documented as part of the annual, binding Group-wide survey.</li> </ul>  | <p>→ DMA-SO</p> <p>→ SO2</p> <p>→ SO4</p> <p>→ SO5</p> <p>→ SO6</p>   |