

GRI Report 2009

Sustainability reporting
on the financial year 2008



CEO Statement

Joining the UN Global Compact

As of the beginning of October 2008, Geberit is participating in the United Nations Global Compact, a joint initiative between companies around the world, UN agencies and groups representing labor interests and civil society. It seeks to advance responsible corporate citizenship so that business can be part of the solution to challenges related to globalization. The UN Global Compact is structured around ten principles relating to the areas of human rights, labor practices, environmental protection and combating corruption.

Geberit's motivation for joining the UN Global Compact is based on the fact that many of its principles make good business sense, while others are directly related to Geberit's core business activities and its competitive position in the marketplace. Treating employees in a fair and respectful manner is a matter of course for a well-managed company, and contributes to Geberit's ability to attract and retain the best talents. Maintaining safeguards against corruption or human rights violations is the decent thing to do, and protects Geberit from legal liabilities. Optimizing the environmental performance of the company's operations is a key business responsibility, and helps Geberit reduce material and energy costs. In addition to these general precepts of good business management, it is in particular the ninth principle of the Global Compact - "encouraging the development and diffusion of environmentally friendly technologies" - that is tied in directly with Geberit's core business activities.

Water-saving as core competence

The technologies we have developed and are marketing successfully around the globe provide innovative solutions for water management in buildings.

Our products accomplish substantial water savings in a manner that is both hygienic and convenient for users and easy for our customers to install. These qualities have contributed to our continued success in the markets of Europe and North America as well as to our increasing penetration of emerging markets such as China and Singapore, where water saving is a key issue.

Achievements and transparency

The use of our water-saving products has already led to more than 7,400 million cubic meters of water being saved between 1998 and 2008. With the continued growth of our business, and our numerous ongoing product innovations, we are convinced that Geberit's substantial contribution to combating water scarcity will continue to increase in the future. In addition, we have set clear targets for our internal environmental performance. These include a 15% reduction in CO₂ emissions in relation to value added by 2009, compared to 2006 values.

Geberit wishes to be meticulous in providing customers, employees, suppliers and other stakeholders with information about our sustainability goals and performance. Geberit's sustainability reporting is based on the GRI guidelines. We will integrate the regular Communication on Progress (COP) related to the Global Compact with this ongoing sustainability reporting, providing optimal transparency for all our partners.



Albert M. Baehny
Chief Executive Officer (CEO)
Geberit AG

UN Global Compact: Communication on Progress

Geberit has been a participating member of the UN Global Compact since 2008. In order to permit clear information on the subject of sustainability, the Communication on Progress associated with the Global Compact will be integrated into Geberit's established sustainability reporting. The following table summarizes the essential points. Further information on the respective corporate goals and results can be found in the following section of the report in the discussion of the GRI indicators set out.

Topics	Summary, measures and results	Further information is available at
Human Rights		
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.	<ul style="list-style-type: none"> • Since 2007, Geberit has had an internal Code of Conduct which states clearly that the company undertakes to be an exemplary, reliable and fair business partner and employer at all times for all people with whom it deals. As a fair partner, Geberit recognizes local, national and international laws, directives and standards, and complies with them in full. The Code of Conduct is published on the company website. • The extended, internal personnel and social reporting in 2008 showed that 98% of all employees received training concerning topics of the Code of Conduct. 	DMA-HR, page 22 HR3, page 23 SO3 , page 25
Principle 2: Make sure they are not complicit in human rights abuses.	<ul style="list-style-type: none"> • A Code of Conduct for suppliers is intended to ensure that Geberit's suppliers act in accordance with internal (Geberit Code of Conduct) and external guidelines such as internationally recognized standards concerning human rights. By the end of 2008, 191 suppliers had signed the Code of Conduct, among them 40 of the European and 12 of the Asian Top 50 suppliers. This means that approximately 60% of the procurement value of the Geberit Group is provided by suppliers who have signed the Code of Conduct. The long-term goal is to work exclusively with suppliers who have signed the Code. 	HR2, page 22
Labor		
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	<ul style="list-style-type: none"> • Employees are completely free to join labor unions, associations and similar organizations. • The Group-wide, internal personnel and social reporting for 2008 showed that over 75% of all employees are currently covered by collective agreements (e.g. overall work contracts, tariff agreements). 	HR5, page 23 LA4, page 20
Principle 4: The elimination of all forms of forced and compulsory labor.	<ul style="list-style-type: none"> • The Geberit Code of Conduct introduced in 2007 categorically excludes forced labor. • The Group-wide personnel and social reporting for 2008 showed that all companies within the Geberit Group adhere to this. 	DMA-HR, page 22 HR7, page 23
Principle 5: The effective abolition of child labor.	<ul style="list-style-type: none"> • The Geberit Code of Conduct introduced in 2007 categorically excludes child labor. • The Group-wide personnel and social reporting for 2008 showed that all companies within the Geberit Group adhere to this. 	DMA-HR, page 22 HR6, page 23
Principle 6: Eliminate discrimination in respect of employment and occupation.	<ul style="list-style-type: none"> • The Geberit Code of Conduct reflects the views and ethical values of the company in terms of discrimination. • Geberit has no personnel policy or employment practices providing for preferential treatment of persons from local vicinities. • 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. Consequently, fair and equal pay for men and women is a matter of course at Geberit. The share of female employees as of the end of 2008 was 28%, in upper management this figure was 6%. • One case of sexual harassment and three cases of workplace bullying were reported in 2008. All cases were clarified, those involved heard and appropriate measures taken. These included one written warning, one dismissal and departure by mutual consent in two cases. In one case, a person concerned made use of the offer of personal and anonymous consultation. 	DMA-LA, page 19 EC7, page 12 LA12-13, page 22 HR4, page 23

Environment		
<p>Principle 7: Business should support a precautionary approach to environmental challenges.</p>	<ul style="list-style-type: none"> • Geberit is aware that climate change is influencing the availability of water resources throughout the world. Through its contribution towards saving water in the sanitary area as well as towards energy-efficient production at all sites, Geberit is taking account of the problems of climate change and helping find corresponding solutions. • Geberit has introduced a comprehensive CO₂ strategy to manage and reduce CO₂ emissions. By 2009, relative CO₂ emissions (metric tons of CO₂ per TCHF of gross value added) should be reduced by a total of 15% compared with 2006. In 2008 alone, CO₂ emissions fell by 6.3% to 77,548 metric tons. The measures are based on the three pillars “energy saving”, “increased energy efficiency” and the “targeted expansion of the share of renewable energy carriers”. • Approx. CHF 1.4 million was spent on environmental protection and preventative environmental management in 2008. This involved external advising and training, external certification and human resources expenditure on environmental management activities. 	<p>EC2, page 12</p> <p>EN16, page 16 EN18, page 17</p> <p>EN30, page 19</p>
<p>Principle 8: Undertake initiatives to promote greater environmental responsibility.</p>	<ul style="list-style-type: none"> • All production sites worldwide are uniformly certified in accordance with ISO 14001. The preparation of life cycle assessments has been an established part of the environmental strategy since 1991. The current Swiss life cycle assessment method of ecological scarcity, 2006 version, was taken as the basis for the assessment; this permits aggregation of the total environmental impact in eco-points. According to this assessment, electricity consumption causes by far the greatest environmental impact at Geberit, followed by fuel and combustibles. The absolute environmental impact fell by 8.2% in 2008 compared with the prior year. The relative environmental impact based on value added improved by 9.7% compared with the prior year. • In terms of end energy, electricity consumption fell by 4.6% compared with the prior year thanks to various saving measures. Targeted saving measures also resulted in a lowering of fresh water consumption by approx. 11% in 2008 compared with the prior year. 	<p>DMA-EN, page 13</p> <p>EN4, page 15 EN8, page 15</p>
<p>Principle 9: Encourage the development and diffusion of environmentally friendly technologies.</p>	<ul style="list-style-type: none"> • Geberit has been placing its faith in environmentally friendly products for some time. The entire dual flush and stop-and-go “fleet of cisterns”, in production since 1998 and still in operation today, has succeeded in saving over 7,400 million cubic meters of water between 1998 and 2008 compared with traditional flushing systems. This is twice as much as the annual consumption of all German households. • Geberit’s innovative activities are aimed at developing water-saving, quiet and durable products. 	<p>DMA-EN, page 13</p> <p>EN26, page 18</p>
Anti-corruption		
<p>Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<ul style="list-style-type: none"> • As an active member of the international organization Transparency, Geberit is committed to high standards in combating corruption. • The internal corporate audit department takes account of corruption aspects when auditing all production plants and sales companies. In the event of Transparency indicating an increased risk of corruption for a country, the company concerned is subjected to a particularly intensive audit. • To ensure that all employees can understand and practice the Geberit Code of Conduct in everyday working life, four short cartoon films have been available on DVD since July 2008, one of them on the subject of bribery. • According to internal surveys as part of the personnel and social reporting in all companies within the Geberit Group as well as according to the results of the internal audits, no cases of corruption were ascertained in 2008. • 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 documented as part of the personnel and social reporting carried out in all Geberit Group companies in 2008. 	<p>DMA-SO, page 24</p> <p>SO2, page 24</p> <p>SO3, page 25</p> <p>SO4, page 25</p> <p>SO5, page 25 SO6, page 25</p>

On the GRI report 2009

For years, Geberit has been a leading example of the fact that economic growth can be combined with environmentally friendly and socially responsible policies and that this balance simultaneously represents the basis for long-term successful business activities. Attention was increasingly centered on the subject of sustainability in the industry during the year under review. A global trend exists towards sustainable construction ("Green Buildings"), which creates new challenges for building owners, planners and sanitary specialists. Thanks to its proactive development efforts, Geberit is already in a position to offer a range of water-saving, quiet and durable products as concrete solutions. The company is facing the challenges of the future, in particular the customers' need for support when planning sanitary solutions which meet sustainable construction standards. Geberit is working intensively to extend its leading know-how further in these areas. Further summarizing information on the 2008 performance in the field of sustainability can be found in the annual report 2008, pages 24-35.

Geberit wishes to underline its role as a leader in sustainability through its continuous reporting on the subject. In this respect, the internationally leading GRI G3 Guidelines of the Global Reporting Initiative (GRI) is implemented at application level A. Further information on the application of the GRI guidelines can be found at the end of this report in the section entitled "GRI application in Geberit sustainability communication" (for background information on the GRI see also www.globalreporting.org).

This GRI Report 2009 supplements the Sustainability Report 2007 and the annual report 2008 with indicators not covered by the report, and provides current data and comprehensive information on the year 2008. The present document includes an extensive discussion of the corporate profile and performance indicators as per the GRI guidelines. In many cases, reference is also made to detailed information in the Sustainability Report 2007 and in the annual report 2008. The information set out in the respective reports is binding. The GRI Report 2009 will be published in German and English. The German version is binding.

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Detailed description of GRI indicators

Profile

1. Strategy and Analysis

1.1

Statement from the CEO about the relevance of sustainability to the organization and its strategy.

See statement by Albert M. Baehny, Chief Executive Officer (CEO), at the beginning of this GRI Report.

1.2

Description of key impacts, risks and opportunities (impacts of the organization on sustainability and stakeholders, and impacts of sustainability trends on long-term prospects and financial performance of the organization).

A detailed account is given, in the Sustainability Report 2007, pages 8-11, as to why sustainability has amounted to a central theme for Geberit since 1990. Geberit's sustainability strategy and the objectives derived thereof (see Sustainability Report 2007, page 9) are based on global trends such as the ever increasing consumption of water, the attainment of high standards of hygiene, as well as the United Nations millennium goals on sustainable development. The issue of water is of paramount importance: from 1998 until 2008, over 7400 million cubic meters of water have been saved through the implementation of Geberit products. Innovative, water-saving product systems, combined with outstanding hygiene attributes, amount to a long-standing tradition at Geberit. A continual improvement of the environmental performance at each of the production sites is a priority for Geberit. Sustainable and profitable growth remains a primary business objective. Hence, a high level of customer satisfaction and loyalty is deemed as crucial as attractive development opportunities for Geberit's over 5000 employees.

2. Organizational Profile

2.1

Name of the organization.

The Geberit Group.

2.2

Primary brands, products, and/or services.

Sustainability Report 2007, pages 5, 6-7.

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 new buildings. A broad range of products is offered within the two product areas sanitary and piping systems. This ranges from installation systems, concealed and exposed cisterns, WC and urinal flush controls, lavatory faucets and traps, through to fresh water and waste water systems.

2008 sales by product areas and product lines



2.3

Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.

Annual report 2008, pages 12-13 and 112.

2.4

Location of organization's headquarters.

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

2.5

Countries where the organization operates.

Annual Report 2008, page 112.

Geberit has own representatives in 41 countries. The company has 15 specialized production sites in seven different countries close to the most important sales markets.

2.6

Nature of ownership and legal form.

Annual Report 2008, page 46.

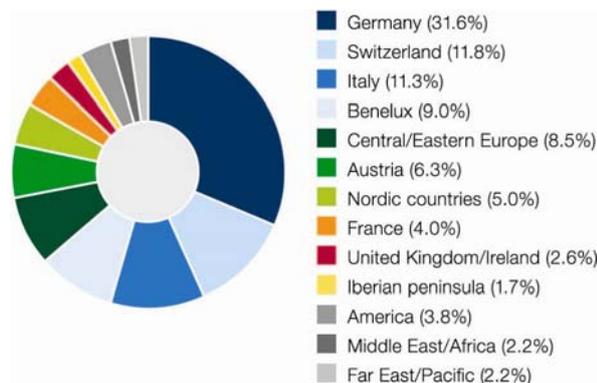
Geberit AG, the parent company of the Geberit Group, is a stock corporation (AG) under Swiss law.

2.7

Markets served.

Annual report 2008, pages 17 and 18.

2008 sales by markets



2.8

Scale of the reporting organization.

The Geberit Group's market capitalization reached CHF 4,471 million as of the end of 2008. The 2008 sales of CHF 2,455.1 million were achieved with products in the two product areas sanitary systems and piping systems, which together weighed a total of 160,833 metric tons as packaged products. The Group employed 5,697 people as of the end of 2008.

2.9

Significant changes during the reporting period regarding size, structure or ownership.

Annual report 2008, page 75:

- The Geberit Group has sold the subsidiary Büchler Werkzeugbau AG. Deconsolidation was effective August 2008. The sale has no significant effects on the consolidated financial statements.
- The Group sold its PVC piping business in the UK effective July 1, 2007.
- On January 10, 2007, Geberit acquired all shares in Associated Material Supplies (Proprietary) Limited, South Africa (AMS Ltd.).

2.10

Awards received in the reporting period.

Geberit companies received numerous awards in 2008, including:

- Citizenship Award 2008 (Geberit Fabrication SA, Givisiez)
- "Koska" prize for Balena as a leading product in the sanitary systems area (Geberit spol.s.r.o., Brno)
- "Gazelle" prize for one of the fastest growing companies in Denmark (Geberit A/S, Lystrup)
- "Golden Plumber" prize (Geberit Sp.z.o.o., Warsaw)

3. Report Parameters

Report Profile

3.1

Reporting Period for information provided.

Reporting period 2008: In many cases comparative figures from the prior years are shown.

3.2

Date of most recent previous report.

Thus far, two Sustainability Reports have been published. 2004 and 2007. The GRI Report 2008 was published in 2008. See also the final page of this document.

3.3.

Reporting cycle.

A complete sustainability report is published every three years. The next comprehensive sustainability report will be released in 2010. This GRI Report is published annually at the same time as the corresponding annual report.

3.4

Contact point for questions regarding the report or its contents.

See page 4 of this document.

Report Scope and Boundary

3.5

Process for defining report content.

The "Guideline on Defining Report Content" and associated principles were applied as stringently as possible throughout the compilation process of the report. The development of criteria for materiality and selection of priorities for reporting have been based on Geberit's experience of many years with respect to sustainability topics, complemented by comprehensive dialogues with stakeholders.

3.6

Boundary of the report.

The report covers the entire Geberit Group. If only part of the company is meant as an example or due to the availability of data, this is clearly indicated.

3.7

Specific limitations on the scope or boundary of the report, if any.

All relevant economic, environmental or social effects of the company based on the GRI guidelines have been discussed insofar as corresponding information was available.

3.8

Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.

Changes are stated in 2.9 and concern above all the year 2007. In 2008 there were no significant changes to the Group structure (see also 2.9).

3.9

Data measurement techniques and bases for calculation (explain decisions to substantially diverge from GRI Indicator Protocols).

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

3.10

Explanation of reasons for and effects of any restatements of information provided in earlier reports.

This GRI Report 2009 is based on the GRI G3 guidelines of GRI applicable since October 2006. The calculation method for some indicators was changed as part of a further developed approach. Explicit reference is made to this where applicable. This includes the complete life cycle assessment as carried out at Geberit within the scope of the corporate ecobalance.

3.11

Significant changes from previous reporting periods in scope, boundary, or measure.

Changes with only minor effects on comparability stem from the changed Group structure as a result of acquisitions and sales (see also 2.9). With some indicators, the calculation method and the data bases were changed within the scope of a further developed approach. Explicit reference is made to this where applicable. In the case of the ecological performance indicators, the system boundaries of the assessment were extended. The comparative figures from the prior years 2006 and 2007 were also adjusted in accordance with the extended assessment limits.

GRI Content Index

3.12

Table identifying location of Standard Disclosures in the report.

This extensive GRI Report 2009 is structured in accordance with the requirements of the GRI G3 Guidelines.

Assurance

3.13

Policy and current practice with regard to seeking 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 of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.

Annual Report 2008, pages 9, 50-65.

The Board of Directors of Geberit AG consists of a maximum of seven members, each with a maximum term of office of three years; the age limit prescribed by the articles of incorporation is 70. Re-election is on an individual basis and is staggered.

The organization of the Board is defined in the "Organizational Rulings for the Board of Directors of Geberit AG." 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.

4.2

Indicate whether the Chair of the highest governance body is also an executive officer.

No, see annual report 2008, pages 53-60.

4.3

For organizations that have a unitary board structure state the number of members of the highest governance body that are independent and/or non-executive members.

Annual report 2008, pages 53-60.

The Board of Directors is made up of six members, none of whom is involved in operative management.

4.4

Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.

Annual report 2008, pages 62-63, participatory rights of the shareholders.

There is no employee representative on the Board of Directors.

4.5

Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).

Annual Report 2008, pages 61, 122–125.

The remuneration 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.

4.6

Processes in place for the highest governance body to ensure conflicts of interest are avoided.

Annual Report 2008, page 50.

In terms of equity interests or voting rights, the Geberit Group has no cross-shareholdings with any other companies.

4.7

Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.

There are no formal procedures for determining the qualifications of members of the Board of Directors in environmental and social matters.

4.8

Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.

At www.geberit.com, under Info Service/

Downloads, the following guidelines and codes are available:

- The Geberit Compass – vision, mission and values
- Geberit Code of Conduct
- Geberit Supplier Code of Conduct
- Geberit Environmental principles

Concerning Geberit joining the UN Global Compact see CEO Statement and the Communication on Progress report at the beginning of this document.

4.9

Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance.

There is no formal procedure or specified time intervals regulating board meetings with respect to sustainability matters. However, the ongoing success of Geberit is based on the long-term perspective pursued by the board, exhibiting a clear-cut environmental track record and solid sustainability related performance.

4.10

Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.

There is no formal procedure for assessing the performance of the Board of Directors in the field of sustainability.

Commitments to External Initiatives

4.11

Explanation of whether and how the precautionary approach or principle is addressed by the organization.

Article 15 of the so-called "Rio Principles" introduced the precautionary principle. Geberit's environmental management is based on, amongst other factors, the precautionary principle. This is anchored in Geberit's environmental principles.

4.12

Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.

Through the voluntary application of the standards of the Global Reporting Initiative (GRI) in the present GRI Report 2009, Geberit is making a contribution towards transparency and comparability in reporting on sustainability. Geberit has been a participating member of the UN Global Compact since October 2008.

4.13

Memberships in associations (such as industry associations) and/or national/international advocacy organizations.

Geberit is involved in various associations and organizations that make a contribution towards sustainability. Substantial commitments in the period under review were:

- Member of Transparency, an international organization for the world-wide combating of corruption
- A seat on the "Health, Safety and Environment" working group of TEPPFA (The European Plastics Pipes and Fittings Association)
- Member of the working group environmental management INB-NK 174 of the Swiss Association for Standardization
- Involvement in the Ecoinvent Advisory council (leading supplier of consistent and transparent life cycle inventory for LCA's)
- Involvement in the öbu Association (Swiss Association for Environmentally Conscious Management)

Stakeholder engagement

4.14

List of stakeholder groups engaged by the organization.

Sustainability Report 2007, page 10; see also 4.16.

4.15

Basis for identification and selection of stakeholders with whom to engage.

In the context of the environmental management system according to ISO 14001, a stakeholder analysis is performed at all production sites. Depending on the particular situation, requirements by stakeholders are captured in stakeholder dialogues. Geberit then clarifies its goals for its relations with the stakeholder group, and determines conflict potentials or chances. As a matter of principle, Geberit pursues a cooperative approach, in order to further discuss and develop possible measures together with affected stakeholder groups.

4.16

Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.

Geberit maintains a close dialog with stakeholder groups of particular relevance for the work of Geberit or fundamental for the success of the company. Feedback from these discussions flows into the sustainability strategy. Contacts in the course of daily dealings with various partners offer the best opportunity for dialog.

In 2008, 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. An additional element is formed by external events of the local sales companies at which training and education measures are held in a different environment in cooperation with partners. As a result of these measures, a further approximately 40,000 customers came into contact with Geberit know-how and products during the past year. In addition to this, the introduction of a series of important products during the year under review offered an opportunity for updating customer contacts. Market Germany, for example, carried out a Geberit Cistern Tour during two weeks in the spring of 2008. Over 900 events and around 38,000 customer discussions were held on this occasion. The numerous cases of interaction with customers enable Geberit to obtain feedback concerning products and services which can be taken into account in further development.

The commitment and competence of the employees are decisive for Geberit's success. After a comprehensive dialog was held in 2007 with all of the employees as part of the "Living Geberit" workshops, in 2008 the emphasis was on evaluating the results and implementing measures at local level. In addition to the positive feedback concerning the process itself, and a multitude of valuable encounters and experiences, one major realization was that the numerous innovations were not being communicated to the employees with sufficient effectiveness. To correct this, one of several immediate measures taken was the development of a film which used three concrete examples to demonstrate how work on new products, production processes or research methods is being done every day at Geberit. Also planned for 2009 is the next systematic employee survey, which is carried out regularly at longer intervals.

Initial discussions with new suppliers have provided additional points of reference for the collaboration in environmental and social matters. And the continuous exchange of information with non-profit-making organizations and associations has revealed new options for social commitments in line with the Geberit culture. The rule applicable for the exchange of information with all partners is that communication is committed to the motto "clear and true".

4.17

Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.

See also 4.16, as well as Sustainability Report 2007, pages 10, 18, 20.

Management Approach and Performance Indicators**5. Economic Performance Indicators****Disclosure on Management Approach (DMA-EC):**

Annual report 2008, pages 36-37:

The Geberit vision is to achieve a sustained improvement in the quality of people's lives with innovative solutions in sanitary technology. The proven and focused strategy for this is based on the four strategic pillars "Concentration on sanitary technology", "Commitment to innovation", "Selective geographic expansion" and "Continuous business process optimization"; it is practiced daily by our highly motivated and qualified employees.

Geberit will continue to focus on sanitary technology, relying on the traditional three-tier sales channel. The company's concentration is on those business areas in the sanitary industry where own profound know-how and core competences are available. The activities focus on sanitary systems and technologies for the transport of water in buildings. Here, superior quality, integrated and water-saving sanitary technology is offered.

For Geberit, the ongoing optimization and extension of the product range is decisive for future success. Innovation strength is based on basic research in areas such as hydraulics, statics, fire protection, hygiene or acoustics. The insights gained are systematically implemented in the development of products and systems for the benefit of customers.

The accelerated penetration of markets such as France, the United Kingdom, the Iberian Peninsula, Eastern Europe and the Nordic Countries is an important factor for long-term success. Outside Europe Geberit concentrates on approaching the most promising markets which are the following: North America, China, Singapore, Australia and the United Arab Emirates. In these regions the Company mainly operates in the project business, except for North America. In this context, the existing high standards with respect to quality and profitability are always complied with.

Another focus relates to business processes. Through continuous process optimizations, Geberit intends to ensure a leading, competitive cost structure in the long term. This is achieved, on the one hand, via Group-wide projects and, on the other hand, employees are identifying potential improvements in everyday work and thus are able to make a major contribution towards a positive development.

Aspect: Economic Performance

EC1

Direct economic value generated and distributed.

(in CHF million)	2008	2007	2006
Direct economic value added			
Sales	2,455.1	2,486.8	2,183.5
Operating profit (EBIT)	563.4	553.8	482.2
Economic values passed on			
Operating expenses, net excluding Personnel expenses	1,155.4	1,185.1	1,010.5
Personnel expenses	460.2	467.4	442.3
Wages and salaries	356.4	359.2	343.5
Pension contributions	17.2	18.3	17.2
Other social benefits	62.4	64.0	62.0
Other personnel expenses	24.2	25.9	19.6
Payments to providers of capital	217.7	172.1	116.2
Dividends	206.9	159.0	101.5
Interest	10.8	13.1	14.7
Taxes (income taxes paid)	100.1	126.5	123.1
Social commitments (contributions and donations)	2.6	2.0	1.9
Retained economic values			
Investments in property, plant and equipment	152.5	103.5	81.3
Divestments of property, plant and equipment	5.7	13.6	2.6
Share buyback	311.4	0.0	179.0

Restatement: Operating expenses (net, excluding personnel expenses) 2006 and 2007 were adjusted as a result of reclassification.

EC2

Financial implications and other risks and opportunities for the organization's activities due to climate change.

Geberit is aware that climate change is influencing the availability of water resources throughout the world. Through its contribution towards saving water in the sanitary area as well as towards energy-efficient production at all sites, Geberit is taking account of the problems of climate change and helping find corresponding solutions.

EC3

Coverage of the organization's defined benefit plan obligations.

Comprehensive information on the company old-age pension scheme can be found in the annual report 2008, pages 80 (section: retirement benefit plans) and 94-97 (Note 17: retirement benefit plans).

EC4

Significant financial assistance received from government.

In the period under review, Geberit received two financial donations totalling approx. CHF 850,000 in the form of public-sector investment subsidies and tax relief.

Aspect: Market Presence

EC5 (Additional)

Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.

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. This means that Geberit normally does not hire in the minimum-wage segment.

EC6

Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.

Taking account of all aspects relevant to purchasing (guidelines in the Geberit Group purchasing manual), there are no directives concerning procurement from regional suppliers.

EC7

Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.

Geberit has no personnel policy or employment practices providing for preferential treatment of persons from local vicinities.

Aspect: Indirect Economic Impacts

EC8

Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.

With this vision Geberit wishes to promote quality of life through its products. This principle is therefore also central to the company's social commitment. In doing so, Geberit orients itself to the UN Millennium goal of global access to clean drinking water and basic sanitary facilities as an important guideline. With "Respecting Water", the platform launched in 2008 (presented on the Internet portal www.respectingwater.com), the company has created a framework for social aid projects around the globe. Several projects are planned for the next few years, particularly for the support of younger people in developing countries. In addition to the aid projects which have since been completed in Cambodia and Indonesia, the company also focused on an aid project in Ecuador involving a state school with around 1,000 pupils as part of the United Nations "International Year of Sanitation" (see also Annual Report 2008, pages 45-47). The goal was to secure access to clean water in as pragmatic a fashion as possible and to make possible the establishment of sanitary facilities. The company did not simply make money and materials available. Geberit employees

planned, managed and coordinated the project on site. They were supported wherever possible by Geberit apprentices. Through its support of the "Pangaea" project led by the adventurer Mike Horn (see Annual Report 2008, pages 39-44), Geberit is also setting up a connection between the various aid projects and taking up new paths for the imparting of knowledge to young people. In the year under review, Geberit made donations and contributions totaling CHF 2.6 million (prior year CHF 2.0 million).

EC9 (Additional)

Understanding and describing significant indirect economic impacts, including the extent of impacts.

Sustainability Report 2007, pages 8-11, 41-42.

6. Environmental Performance Indicators

Disclosure on Management Approach (DMA-EN):

Sustainability Report 2007, pages 8-11, 29-32, 35-38.

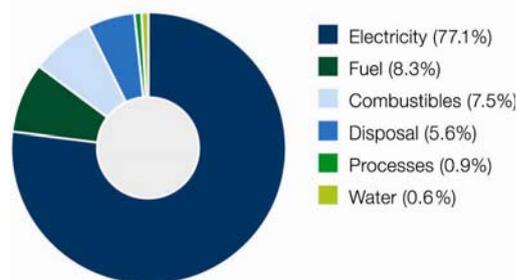
As part of its corporate strategy, Geberit has for a long time been placing its faith in environmentally friendly products as well as energy and resource-efficient production. This is also set out in the Geberit Code of Conduct. The continuous improvement of the environmental performance is an important goal in this connection, both in product development and with respect to internal environmental management, which is implemented in monitored processes.

The environmental certification of the production sites continued to be pursued as planned. The three sites in the US and both sites in China were certified for the first time in accordance with ISO 14001. This means that the significant milestone has been achieved, according to which all of the sites worldwide have received uniform environmental certification. This is an important basis for further improvements and for Group-wide learning processes for the handling of resources and risks. The training is not limited to individual representatives at the respective sites.

The annual preparation of corporate ecobalances has been an established part of Geberit's environmental strategy since 1991. In 2008, all 15 production sites throughout the world as well as 9 sales companies were assessed and calculated. These units assessed cover 91% of the total gross valued added (note: with the sales companies, only the most important energy factors for Geberit were recorded and taken into account). All data for 2006 and 2007 concerning energy and emissions was adjusted in order to take account of the extended assessment limits.

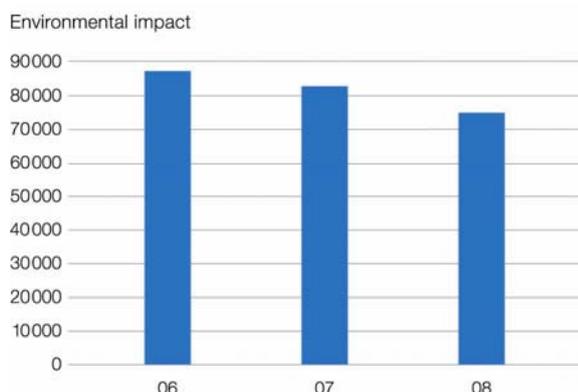
Current inventory data (Ecoinvent version 2.0) was taken as the basis for the assessment and the current Swiss life cycle assessment method of ecological scarcity, version 2006, used. This also enables detailed calculation of the total environmental impact of the Geberit Group in terms of eco-points, as well as an analysis of which groups of resources are the main contributors to the environmental impact. At 77.1%, electricity consumption has by far the greatest environmental impact. Fuel occupies second place at 8.3% with combustibles (7.5%) third. At 5.6%, disposal is the fourth largest source of impact. The shares of water/waste water and process emissions are in the one-percent range.

Distribution of environmental impact 2008



Development absolute environmental impact 2006-2008

Environmental impact expressed in millions of eco-points:



The absolute environmental impact fell by 8.2% in 2008 compared with the prior year. The relative environmental impact based on value added improved by 9.7% compared with the prior year. This figure is considerably higher than the target figure of 5%.

Aspect: Materials

EN1

Materials used by weight or volume.

See EN27 for packaging material used.

Consumption of

materials [t]	2008	2007	2006
Raw material plastics	52,139	55,691	56,340
Raw material metal	32,323	33,956	34,316
Other raw materials	1,025	1,047	1,016
Semi-finished products	29,552	30,364	29,619
Finished products	45,795	42,066	36,017
Total	160,833	163,124	157,308

Restatement: Due to a correction concerning metal data from the USA, there is a change in the figures for 2006 and 2007 in the category "Raw material metal".

EN2

Percentage of materials used that are recycled input materials.

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

External sources:

The proportion of recycled metals purchased (most important categories) are relatively high. The data is based on Geberit's product life cycle assessment for supply pipes for buildings (2009).

Raw material metal	Quantity consumed in 2008 [t]	Recycled materials [%]
Carbon steel	2,739	55
Stainless steel	1,133	85
Steel	23,002	55
Aluminium	2,856	25
Copper	546	55
Total	30,276	

Projected, the raw material metal bought in contains around 53% or 16,135 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 blowing it is around 42%, for fitting injection molding around 15%, and for pipe extrusion around 3%.

Aspect: Energy

EN3

Direct energy consumption by primary energy source.

Geberit only purchases energy. It does not produce or sell energy. For Geberit, only heating oil extra light, natural gas and the fuels diesel and gasoline are of relevance as direct energy carriers. Consumption of end energy in common units of energy is:

Final energy demand of direct energy carriers

	2008	2007	2006
Heating oil extra light [t]	151	208	212
Natural gas [m ³]	4,192,326	4,075,122	4,628,907
Gasoline [l]	300,019	341,014	389,048
Diesel [l]	1,476,895	1,356,100	1,269,266

The final energy demand, uniformly in the unit TJ, is:

Final energy demand of direct energy carriers [TJ]			
	2008	2007	2006
Heating oil extra light	6.5	8.9	9.1
Natural gas	153	148	168
Fuels	64	62	61

The conversion to primary energy demand was realized on the basis of eco-inventory data sourced from Ecoinvent (Version 2.0).

Primary energy demand of direct energy carriers [TJ]			
	2008	2007	2006
Heating oil extra light	8.3	11.5	11.7
Natural gas	183	178	202
Fuels	84	81	80

EN4 Indirect energy consumption by primary source.

Only electricity consumption is of significance for indirect energy consumption at Geberit, and simultaneously represents the greatest environmental impact. In terms of end energy, electricity consumption fell by 4.6% compared with the prior year thanks to various saving measures (see also EN16).

The table shows results for the year under review based on consumption of end energy and primary energy (conversion based on ecological inventory data from Ecoinvent (version 2.0)), whereby a continental mix was assumed for the composition of the electricity in Europe, China and the USA.

Electricity demand	2008	2007	2006
Based on final energy [GWh]	107.3	112.4	115.1
Based on final energy [TJ]	386.1	404.7	414.3
Based on primary energy [TJ]	1,139	1,194	1,222

EN5 (Additional) Energy saved due to conservation and efficiency improvements.

Sustainability Report 2007, page 36.

In addition to insulation of buildings, important measures include increasing the efficiency of the production facilities, optimizing cooling systems by using natural ambient cooling (free-cooling), making better use of waste heat (heat recovery) and using compressed air carefully.

In the context of the corporate ecobalance, the energy saved due to improvements of energy efficiency can be calculated by energy source ex post. A breakdown of the energy savings in conjunction with measures taken is not available.

Energy savings [TJ]	2008	2007	2006
Electricity	23.8	28.9	69.4
Combustibles	0.7	23.9	26.2
Fuels	-1.9	2.5	-3.8
Total	22.6	55.2	91.8

EN6 (Additional) Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.

Sustainability Report 2007, pages 8-11, 29-32 as well as description under EN26.

The basis for the use of the most energy efficient materials possible is a systematic innovation process in which environmental potential is analyzed at an early stage in the development process within the scope of Ecodesign workshops and optimized accordingly. Product life cycle assessments provide a detailed basis for identifying effective levers in the new and further development of products.

EN7 (Additional) Initiatives to reduce indirect energy consumption and reductions achieved.

- Use of energy-intensive materials: The Ecodesign analysis in product development means the general pursuit of an approach of using as few energy-intensive materials as possible (see Sustainability Report 2007, page 30).
- Business travel: Travel using company vehicles is covered by EN3. Local initiatives are implemented in order to reduce consumption (e.g. ecodrive courses). A fuel-reduction scale for new vehicles has been defined as part of the CO₂ strategy (see also EN18).
- No data is available concerning work travel (commuting) of the employees.

Aspect: Water

EN8 Total water withdrawal by source.

Geberit uses mainly fresh water from the public water system and some rain water.

Water consumption by source [m ³]	2008	2007	2006
Fresh water	138,843	155,115	216,372
Rainwater	7,734	12,195	8,930

Targeted saving measures allowed reducing water consumption in 2008 again by 11% compared to the previous year.

EN9 (Additional)
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 (Additional)
Percentage and total volume of water recycled and reused.

No cumulative figures are available for the Geberit Group. Taking the production plant in Givisiez as an example (see Sustainability Report 2007, page 37), it has been determined that the water recycled internally in the autoclaves corresponds to approx. 70% of the total quantity of process water consumed.

Aspect: Biodiversity

EN11
Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside 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.

EN12
Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.

See EN11.

EN13 (Additional)
Habitats protected or restored.

See EN11.

EN14 (Additional)
Strategies, current actions, and future plans for managing impacts on biodiversity.

See EN11.

EN15 (Additional)
Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.

See EN11.

Aspect: Emissions, Effluents, and Waste

EN16
Total direct and indirect greenhouse gas emissions by weight.

Within the annual compilation of the corporate ecobalance, the CO₂ emissions are calculated. Direct emissions from the combustion of combustibles and fuels as well as indirect emissions resulting from electricity demand are included in the calculation. Parallel to the development of the corporate ecobalance, cumulative CO₂ emissions all the way up to the well are considered. Six lead substances (CO₂ fossil, CH₄, N₂O, HFC, PFC and SF₆) were used according to the Kyoto Protocol and presented as an aggregate parameter (CO₂ eq. or simply CO₂). The calculation was based on the latest eco-inventory data by Ecoinvent (version 2.0). The electricity mix is based on a continental mix for Europe, China and the USA. All 15 production plants as well as a further 9 sales companies were assessed, thus covering 91% of the gross value added.

In absolute terms, CO₂ emissions have fallen by 6.3% to 77,548 metric tons. If one relates these emissions to the value added, there is an improvement of 7.8%. This means that the target figure of 5% has been exceeded. At 76%, electricity consumption is by far the largest source of CO₂, followed by combustibles and fuel. Buying in just 6 GWh of "green electricity" in Pfullendorf produced a reduction of 3,125 metric tones in CO₂ emissions.

CO ₂ emissions [t]	2008	2007	2006
Electricity	59,126	64,735	65,992
Combustibles	11,443	11,313	12,753
Fuels	6,978	6,670	6,577
Total	77,548	82,718	85,322

The following results are obtained for the relative CO₂ emissions based on the value added:

Relative CO ₂ emissions [t CO ₂ / TCHF]	2008	2007	2006
Electricity	0.0593	0.0660	0.0708
Combustibles	0.0115	0.0115	0.0137
Fuels	0.0070	0.0068	0.0071
Total	0.078	0.084	0.092

EN17
Other relevant indirect greenhouse gas emissions by weight.

At Geberit, other relevant emissions of greenhouse gases affect primarily external logistics and air travel by employees as part of their work. There is

currently no data available for either of these aspects. A logistics key-figure system currently in development will enable the collection of additional information in future.

**EN18 (Additional)
Initiatives to reduce greenhouse gas emissions and reductions achieved.**

Geberit has drawn up a comprehensive CO₂ strategy for the targeted management and reduction of CO₂ emissions. By 2009, relative CO₂ emissions (metric tons of CO₂ per TCHF of gross value added) should be reduced by a total of 15% compared with 2006. The reductions achieved in the year under review (see EN16) mean that Geberit is on target.

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 will be 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.

The share of electricity from renewable energy carriers is to be increased by 5% every 3 years. As planned, 6 GWh or approx. 5% of the electricity consumption was replaced by certified “green electricity” of the “naturemade basic” and “naturemade star” quality in 2008. With combustibles, suitable solutions are being sought to enable the increased use of renewable energy carriers. In terms of fuels, a reduction scale has been defined for the fuel consumption of new vehicles. Relative fuel consumption should be reduced by 10% every 3 years. In addition, alternative fuels such as gas and bio-ethanol are used.

Geberit supports the sensitization of all employees for the promotion of environmentally friendly behavior. It was for this reason that the CO₂ monitor was launched at the end of 2008, a climate project which calls upon the employees to practice voluntary climate protection in their everyday lives. With the aid of an easy-to-operate Internet platform, CO₂ emissions and the results of concrete measures can be calculated. Employees in Germany, Austria and Switzerland were introduced to the problems involved during road shows. Over 350 employees are already actively participating in the platform.

**EN19
Emissions of ozone-depleting substances by weight.**

Emissions of ozone depleting substances, NO_x, SO₂, as well as NMVOC (non-methane VOC) and dust can be calculated based on the Geberit Group’s corporate ecobalance. Emissions are calculated using the Dutch life-cycle-assessment method Eco-Indicator 95 and include all direct and indirect emissions from the consumption of electricity (continental electricity mix for Europe, China and the USA), combustibles and fuels, from the disposal of waste and waste water as well as from process emissions (solvents). Emissions of ozone depleting substances have remained almost constant:

Ozone depleting potential [kg]	2008	2007	2006
CFC11 equivalents	42.7	43.9	45.0

**EN20
NO_x, SO₂, and other significant air emissions by type and weight.**

Calculation see also EN19.

The following values were calculated in the corporate ecobalance for emissions of NO_x, SO₂, non-methane VOC (NMVOC) and particles:

Air emissions [t]	2008	2007	2006
NO _x	125.0	128.6	132.4
SO ₂	339.6	355.3	364.7
NMVOC	146.6	149.1	157.1
Particles (PM10)	43.3	45.0	46.0

**EN21
Total water discharge by quality and destination.**

120,979 m³ of waste water were incurred in 2008 (prior year 129,006 m³ of waste water). This represented a further reduction in the amount of waste water. 69% (prior year 61%) was domestic waste water that passes into the waste water sewage plant. 9% (prior year 10%) is domestic waste water that is pre-treated and fed to receiving waters. The remaining 22% (prior year 29%) is waste water that is pre-treated and fed to a sewage plant.

**EN22
Total weight of waste by type and disposal method.**

83% of the total of 11,600 metric tons of waste in 2008 was fed to external recycling processes. Future measures will focus above all on the further separation of waste and the reduction in mixed waste and hazardous waste.

Waste [t]	2008	2007	2006
Incineration	691	648	779
Incineration of hazardous waste	113	133	218
Recycling of hazardous waste	1,920	1,706	1,447
Inert waste landfill ¹	449	558	455
Mixed waste landfill ²	679	890	1,205
Recycling ³	7,748	7,049	5,400
Total	11,600	10,983	9,504

Restatement 1: Part of the waste at the production site in Langenfeld is being reported as waste to the mixed waste landfill retrospectively.

Restatement 2: The conversion from volume into weight of the waste in China and the USA for the mixed waste landfill has been adapted.

Restatement 3: Only external and no internal recycling amounts are now assessed under recycling.

EN23

Total number and volume of significant spills.

There were no incidents of any kind at 14 sites during the period under review. An incident with no consequences for the environment occurred at the Langenfeld site where the bursting of a water hose resulted in the flooding of the collecting tub for cooling lubricants with subsequent penetration of the cooling lubricant/water mixture into the rainwater sewage system. The hazardous substance was held back in the sewage system internally. The channel was cleaned by a specialist company.

EN24 (Additional)

Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.

The amounts of hazardous waste disposed of by recycling or incineration are shown under EN22. At Geberit, all waste is disposed of and recycled by licensed disposal companies. No further data is available on the breakdown by imported and exported hazardous waste by destination.

EN25 (Additional)

Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.

This indicator is not relevant to Geberit as no waters are affected by significant water discharge from Geberit facilities.

Aspect: Products and Services

EN26

Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.

Sustainability Report 2007, pages 8-11, 29-32.

See also EN6.

The initiatives in terms of sustainability have a positive effect not least on Geberit's innovative activities, for example in the development of water-saving, quiet and durable products. Examples from the product range:

- Extension of the range of concealed cisterns by special models with a lower flush volume (4.5/3 liters instead of 6/3 liters), thus achieving a further reduction in water consumption.
- Pushing of the replacement business for internal assemblies in ceramic cisterns. This results in fewer leaks and thus in less loss of water.

Ultimately, this systematic approach also pays off in making it possible to comply in advance with increased statutory requirements. Thus, for example Geberit products made by Chicago Faucets in the US market are already optimally tailored to the strict limit values in California for lead content in piping systems and faucets that will go into effect in 2010.

EN27

Percentage of products sold and their packaging materials that are reclaimed by category.

On the product side, approx. 10 metric tons of primarily electrical appliances were taken back and disposed of professionally in 2008. In some markets (Germany, Switzerland), sections of multilayer drinking water pipes (Mepla) are also taken back. The precise quantity is not known, but is estimated at several metric tons Group-wide. In 2008, approximately 12,000 metric tons of packaging material were used, roughly 40% of which was collected and recycled by Geberit itself or financed contract partners. The rest is disposed of and recycled on a country-specific basis.

Aspect: Compliance

EN28

Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.

According to a survey of all companies, there were no legal cases in 2008 in the environmental area and no accusations of failure to adhere to standards or agreements. No fines were imposed.

Aspect: Transport

EN29 (Additional)

Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.

See also EN3 and EN7 for the energy consumption of fuels in company vehicles. The emissions form a constituent part of EN16, EN19 and EN20.

With respect to goods logistics, Geberit does not have an own fleet, but works with external logistics services providers instead. The majority of all transports are undertaken by truck. The main transportation legs occur 83% of the time on roads and the remaining 17% by way of railway. Due to the new distribution strategy, a further bundling of distribution lots is possible via a central warehouse delivery in Pfullendorf. With this, many small delivery lots can be packaged into larger delivery bundles, and delivery routes and transport performance can be further improved. Priority measures for reducing the environmental impacts from logistics are the use of low emission truck fleets, the partial use of bio diesel, driver training for efficient driving behavior, avoidance of empty mailage via cyclic routes, and a more intense use of combined road/rail traffic. A system of key performance indicators for logistics currently under development shall make further information available in the future.

Aspect: Overall

EN30 (Additional)

Total environmental protection expenditures and investments by type.

Approx. CHF 1.4 million was spent on environmental protection and preventative environmental management in 2008. This involved external advising and training, external certification and human resources expenditure on environmental management activities. The costs of disposal of hazardous and other waste amounted to approx. CHF 0.84 million in 2008. No further data is available on emissions treatment and redevelopment costs.

7. Social: Labor Practices and Decent Work

Disclosure on Management Approach (DMA-LA):

Sustainability Report 2007, pages 8-11 and 23-27
The employees play an extremely important role in determining how customers and the interested public perceive Geberit. They should represent the Geberit values in an authentic and convincing manner. This requires detailed understanding of which values are important, how they have developed, what they mean and where they should lead Geberit in future. After a comprehensive dialog was held in 2007 with all of the employees as part of the "Living Geberit" workshops, in 2008 the emphasis was on evaluating the results and implementing measures at local level. In addition to the positive feedback concerning the process itself, and a multitude of valuable encounters and experiences, one major realization was that the numerous innovations were not being communicated to the employees with sufficient effectiveness. To correct this, one of several immediate measures taken was the development of a film which used three concrete examples to demonstrate how work on new products, production processes or research methods is being done every day at Geberit. Also planned for 2009 is the next systematic employee survey, which is carried out regularly at longer intervals.

Acting on their own responsibility by all employees constitutes a fundamental pillar of the Geberit corporate culture. This is also part of the Code of Conduct. It reflects the views and ethical values of Geberit on sensitive subjects such as discrimination, workplace bullying or conflicts of interest. The Code forms the guidelines for entrepreneurial actions and employee conduct, and offers the possibility of speaking to defined, local contact persons in confidence in the event of suspicion or conflict.

Aspect: Employment

LA1

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

The Geberit Group employed a total of 5,697 persons worldwide at the end of 2008. This was 353 persons or 6.6% more than in the prior year. An increase in direct production personnel at various plants was responsible for the rise on the one hand, primarily in China and Slovenia. On the other hand, the market presence in smaller Geberit markets – e.g. in South Africa or in the Adriatic region – and in countries without representation of their own was built up locally.

Data on the financial year 2008 (as of December 31, 2008)

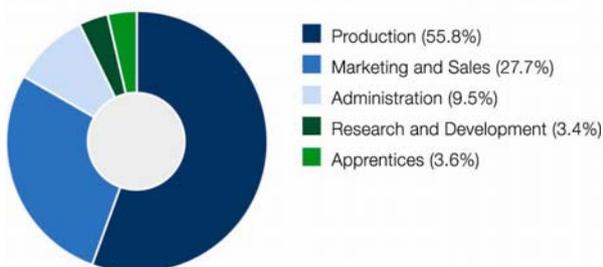
Form of employment	Employment	Proportion
Total in job percentage	5,697	100%
Full time	5,426	95%
Part time	271	5%

Employment relationship	Employment	Proportion
Total in job percentage	5,697	100%
Indefinite	4,413	77%
Limited period	1,284	23%

Employees by countries (as of December 31, 2008)

	2008	Share in %	2007	Share in %
Germany	2,232	39	2,054	38
Switzerland	1,034	18	1,066	20
China	722	13	633	12
Austria	456	8	456	9
USA	267	5	253	5
Slovenia	240	4	200	4
Italy	105	2	100	2
United Kingdom	77	1	69	1
Others	564	10	513	9
Total	5,697	100	5,344	100

Employees by business processes (as of December 31, 2008)



In the breakdown of employees by business process, the main increase was in production, from 54.8% to 55.8%, which was offset primarily by administration employees (down from 10.2% to 9.5%). Although the absolute figures increased slightly, the percentages for the marketing and sales area (from 27.8% to 27.7%) and for research and development (from 3.6% to 3.4%) declined somewhat. The share for apprentices (3.6%) remained at the prior year level.

LA2 Total number and rate of employee turnover by age group, gender, and region.

The average fluctuation rate of the Geberit Group in the year under review was 9.0% (defined as the number of people leaving the company times 100 in relation to the average number of employees (indefinite employees only)).

Data on the financial year 2008 (as of December 31, 2008)

	Number of employees
Total as of 12 / 31 / 2008	5,697
Total as of 12 / 31 / 2007	5,344
Change	353
New employees	1,158
Staff reductions	803

LA3 (Additional) Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.

In principle, Geberit grants the same benefits to full-time and part-time employees. Employees with limited-period contracts are in part excluded from this. Geberit also bases its employee benefits on country-specific standards.

Aspect: Labor / Management Relationships

LA4 Percentage of employees covered by collective bargaining agreements.

A survey of the companies within the Geberit Group as part of the personnel and social reporting showed that over 75% of all employees are currently covered by collective agreements (e.g. overall work contracts, tariff agreements). There are no collective agreements with the employees in the USA and China (18% of all employees).

LA5 Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.

There are no formal regulations as to when and how frequently the employees are to be informed. In cases of major structural changes, Geberit makes every effort to involve the employees at an early stage.

Aspect: Occupational Health and Safety

LA6 (Additional)

Percentage of total workforce represented in formal joint management–worker health and safety committees that help monitor and advise on occupational health and safety programs.

Each production company 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. 90% of the employees at all production sites have an Occupational Health and Safety Committee or Safety Committee on which employer and employee representatives can discuss occupational health and safety topics. Generally speaking, national standards for the country concerned are implemented.

LA7

Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.

In 2008, the absenteeism rate remained stable at the low level of 2.5% (prior year 2.4%). Only 0.1% (prior year 0.1%) was the result of work accidents and the remaining 2.4% (prior year 2.3%) was caused by illness. The statistics show only those work accidents that occur during working hours or business travel. Target working hours were 11,364,000. In total there were 154 accidents (prior year 184 accidents), none of which was fatal. In 2008, Geberit achieved a milestone in the field of work safety and health protection in China with the certification of both sites in accordance with OHSAS 18001 – the first anywhere in the Group.

LA8

Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.

At many sites, 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 such as diabetes. In addition, the company also provides an internal social counseling service at its headquarters that provides employees in difficult situations (e.g. stress, addiction, debt, relationship and family problems, etc.) with counseling and help in finding solutions.

LA9 (Additional)

Health and safety topics covered in formal agreements with trade unions.

Geberit attaches importance to a high level of health and safety for its employees. To this end, it cooperates on a country-specific basis with authorities and employer's liability insurance associations to ensure the respective standards. At the largest site in Pfullendorf (DE), for example, special occupational health and safety topics are agreed with the labor union (IG BCE).

Aspect: Training and Education

LA10

Average hours of training per year per employee by employee category.

Education and further training is a central theme at Geberit. In 2008, employees attended internal and external education and further training events for around 19 hours on average (prior year 15 hours). Emphasis is also on a positive general environment for the further development of the rising overall number of 203 apprentices (prior year 190). These young people can contribute, for example, to Geberit's social commitment and enhance not only their professional but also their social competence while so doing.

LA11 (Additional)

Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.

In addition to general professional further training at various levels, emphasis is also placed on individually targeted programs for promoting employee advancement. The "Potentials Management" program was expanded in the year under review. It pursues the goal of increasing in-house promotions to management positions in the future. The main objective is to prepare the participants for the next career moves.

Initial human resources marketing measures were implemented in the year under review. Already, around 120 employees have participated in "Job Flash" and thus gained insights into other divisions of the company. Thanks to the very good feedback, the program will be expanded further. Its intention is to contribute to an increase of mutual understanding between different areas. In addition, 2008 also saw the re-launch of the "Welcome to Geberit" program. In addition to their job familiarization activities, all new employees go through an introductory program tailored to their function during their first three months on the job. This is intended to provide them with wide-ranging insights into the workings of the Geberit Group. At the same time, the newcomers receive the support of a mentor for three to six months under the

auspices of a sponsor system to help them settle in well at Geberit.

LA12 (Additional)

Percentage of employees receiving regular performance and career development reviews.

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. According to a survey as part of the personnel and social reporting, more than 80% of all employees conducted half-yearly or annual appraisal interviews or objective-agreement meetings in 2008 at which development opportunities were identified. Subsequently, objectives and implementation measures are defined together with the supervisor.

Aspect: Diversity and Equal Opportunity

LA13

Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.

The share of female employees as of the end of 2008 was 28% (prior year 31%), in upper management this figure was 6% (prior year 6%). The distribution by management functions was as follows as of the end of 2008:

Management levels as of December 31, 2008

Group executives / leadership levels (LL) 1-4	2.7%
Senior management excl. Group executives	9.4%
Employees	87.9%
	100.0%

LA14

Ratio of basic salary of men to women by employee category.

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. Consequently, fair and equal pay for men and women is a matter of course. No further data is available so far.

8. Social: Human Rights

Disclosure on Management Approach (DMA-HR):

Sustainability Report 2007, pages 9, 10, 23, 38
 In 2007, Geberit introduced a new, internal Code of Conduct which, among other things, excludes child and forced labor, as well as a Code of Conduct for all suppliers in order to ensure high, global procurement standards. Both documents can be downloaded from www.geberit.com in the section Info Service/ Downloads.

Aspect: Investment and Procurement Practices

HR1

Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.

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.

HR2

Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.

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 intended to ensure that Geberit's suppliers act in accordance with internal (Geberit Code of Conduct) and external guidelines (internationally recognized standards on human rights, working conditions, the environment and integrity). This Code is applicable for all Geberit suppliers worldwide.

Adherence to this Code is a compulsory aspect of all forms of business relation between Geberit and its suppliers. The standards and guidelines contained therein must be accessible to all employees of the supplier. Upon request by the supplier, Geberit will also provide this Code in the corresponding national language. 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. In the event of failure by the supplier to comply with the regulations laid down in

this Code, corrective measures will 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 with immediate effect.

By the end of 2008, 191 suppliers had signed the Code of Conduct, among them 40 of the European and 12 of the Asian Top 50 suppliers. This means that approximately 60% of the procurement value of the Geberit Group is provided by suppliers who have signed the Code of Conduct. The long-term goal is to work exclusively with suppliers who have signed the Code. Centralized audit planning is part of the more extensive monitoring systems. The supplier and materials portfolio will be divided up into risk categories on the basis of risk analyses and periodically checked. New suppliers undergo a multistage inspection process before a contract is concluded.

**HR3 (Additional)
Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.**

The Geberit Code of Conduct (available in 14 different languages) has been sent electronically to all employees with PC connection as pdf file and forwarded via the superiors. The binding, internal personnel and social reporting showed that approx. 98% of all employees received training concerning topics of the Code of Conduct by the end of 2008. For further details see also indicator SO3.

Aspect: Non-Discrimination

**HR4
Total number of incidents of discrimination and actions taken.**

One case of sexual harassment and three cases of workplace bullying were reported in 2008. All cases were clarified, those involved heard and appropriate measures taken. These included one written warning, one dismissal and departure by mutual consent in two cases. In one case, a person concerned made use of the offer of personal and anonymous consultation.

Aspect: Freedom of Association and Collective Bargaining

**HR5
Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.**

Employees are completely free to join labor unions, associations and similar organizations.

Aspect: Child Labor

**HR6
Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.**

In its Code of Conduct, published in 2007, Geberit commits itself to the protection of human rights. Child labor is categorically rejected. Adherence was checked as part of the personnel and social reporting carried out in all Geberit Group companies.

Aspect: Forced and Compulsory Labor

**HR7
Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.**

In its Code of Conduct, published in 2007, Geberit commits itself to the protection of human rights. Forced and compulsory labor is categorically rejected. Adherence was checked as part of the personnel and social reporting carried out in all Geberit Group companies.

Aspect: Security Practices**HR8 (Additional)**

Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.

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

Aspect: Indigenous Rights**HR9 (Additional)**

Total number of incidents of violations involving rights of indigenous people and actions taken.

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

9. Social: Society**Disclosure on Management Approach (DMA-SO):**

Sustainability Report 2007, page 42.

For Geberit, high ethical standards are a matter of course. The Code of Conduct introduced in 2007 concretized the orientation framework for conduct with integrity in the social environment. Fair competition throughout the world is an important principle in this respect. Price agreements, other forms of cartels or other competition-distorting activities are rejected. As an active member of the international organization Transparency, Geberit is committed to high standards in combating corruption. Comprehensive internal training is provided on these guidelines and adherence checked by the internal corporate audit department.

Aspect: Community**SO1**

Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.

The potential for conflict with public interests in the vicinity of Geberit facilities is generally regarded as low. A stakeholder analysis is being performed at all production sites within the scope of the environmental management as per ISO 14001. It includes the relations with important interest groups, including, in particular, neighbors. Geberit maintains good relations with its neighbors and carries out appropriate measures at its sites such as open doors day, membership in associations, etc.

Aspect: Corruption**SO2**

Percentage and total number of business units analyzed for risks related to corruption.

The propensity for corruption is taken into account when realizing an internal audit at all production as well as distribution sites. In the event of Transparency indicating an increased risk of corruption for a country, the company concerned is subjected to a particularly intensive audit. This means that the internal audit routine officially addresses the topic of corruption and interviews are conducted accordingly. Likewise, internal audit serves as the primary point of placement for raised suspicions in this regard.

**SO3
Percentage of employees trained in organization's anti-corruption policies and procedures.**

After the Geberit Code of Conduct was launched in 2007 in 14 different languages, Geberit found new ways of communicating its content to the employees in 2008. In order to ensure that it could be understood and practiced in everyday working life by every employee, four short cartoon films have been available on DVD since July 2008 which address the topics of sexual harassment, workplace bullying, bribery and IT misuse. The films encourage the employees to confront their own behavior and highlight behavioral patterns in gray areas. The short films manage without resorting to the spoken word and can thus be used without difficulty in other countries as part of standardized introduction programs or internal training courses. By the end of 2008, supervisors and their employees had viewed the films and held discussions together throughout the Group. A feedback sheet provided the supervisors with the opportunity of informing the responsible Group officials of the results of the training, along with both positive and critical responses. The binding, internal personnel and social reporting showed that approx. 98% of all employees received training concerning topics of the Code of Conduct by the end of 2008.

**SO4
Actions taken in response to incidents of corruption.**

According to an internal survey carried out in January 2009 at the companies of the Geberit Group within the scope of the personnel and social reporting, there were no known cases of any form of corruption in 2008. The internal audits likewise found no cases of corruption in 2008.

Aspect: Public Policy

**SO5
Public policy positions and participation in public policy development and lobbying.**

Geberit does not make donations to parties or politicians, issues no political statements as a rule and does not involve itself in political lobbying. This was documented as part of the personnel and social reporting carried out in all Geberit Group companies.

**SO6 (Additional)
Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.**

All donations and related commitments are neutral from a party political point of view. This was documented as part of the personnel and social reporting carried out in all Geberit Group companies.

Aspect: Anti-Competitive Behavior

**SO7 (Additional)
Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.**

Annual Report 2008, page 102.

The cartel investigation "Bathroom equipment" by the EU Commission, opened in 2004, is still ongoing. In April 2008, the EU Commission requested Geberit to provide specific information on sales. Geberit considers the accusations made against it to be unjustified. Geberit still believes that the outcome of these proceedings will have no significant effect on the financial position or the results of operations. Nevertheless, on the basis of the information currently available, it is not possible to make any conclusive statement on the outcome of these proceedings. The decision of the Commission is expected in 2009. The financial statements as of December 31, 2008, do not include any provision for possible fines resulting from these proceedings.

Aspect: Compliance

**SO8
Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.**

Geberit incurred no significant fines in 2008 resulting from violations of statutory requirements.

10. Social: Product Responsibility

Disclosure on Management Approach (DMA-PR):

Sustainability Report 2007, pages 17-20 and 29-32.

Geberit strives towards the zero-error principle. Measures and procedures that are designed to be proactive in preventing defects are developed on the basis of systematic analyses. The company orients itself towards customer requirements, statutory regulations and standards. The objective is to exceed these time after time. All products pass through a defined process.

Aspect: Customer Health and Safety

PR1

Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.

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 comprehensive quality planning in order to test and ensure the health and safety requirements of all products from the product development to certification and manufacture, to implementation. Among other things, Quality or Safety Management includes the use of a FMEA (Failure Mode and Effects Analysis) as a precautionary measure to prevent errors and increase the technical reliability of products. The eco-design approach is implemented in the course of product development in order to optimize the use of suitable and ecological materials. If a dangerous aspect should be associated with the products or their use, Geberit's technical editorial staff ensures that this is communicated appropriately to customers.

PR2 (Additional)

Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.

Group-wide, no court judgments have been issued 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

Type of product and service information required by procedures and percentage of significant products and services subject to such information requirements.

Most of the installation instructions are non-verbal, consisting of detailed illustrations in order to provide the customer with the most important 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.

PR4 (Additional)

Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.

No cases are known.

PR5 (Additional)

Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.

Geberit measures customer satisfaction in accordance with the needs of the regional markets. In the past year, for example, a customer survey was carried out among wholesalers, planners and craftsmen in the US market in order to determine developments since the most recent larger study in 2007. Generally speaking, all of the customer satisfaction indicators show positive development; the success of the implemented measures is already apparent. Additional potential for improvement exists above all with respect to product availability and the implementation of customer requirements in new products or product features. Those surveyed declared themselves to be less satisfied with the service quality of the so-called representative offices – the sales channels for part of the product range in the US – than they had been in the previous study. Significant progress was made in terms of brand recognition – particularly also in comparison with the competition. The results of the current study have confirmed the correctness of the path taken up by Geberit's US subsidiary. The importance of the remedial measures introduced at the time was corroborated once again.

Aspect: Marketing Communications

PR6

Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.

Sustainability Report, pages 17-20.

In accordance with its business model, Geberit focuses on partnership-like relations with wholesalers, plumbers, sanitary engineers, architects and building owners. In its education of and marketing to these customer groups, Geberit practices honest and appropriate communication; legal aspects of marketing campaigns are clarified if necessary.

PR7 (Additional)

Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.

No incidents were reported in 2008.

Aspect: Customer Privacy

PR8 (Additional)

Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.

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

Aspect: Compliance

PR9

Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.

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

GRI application in Geberit sustainability communication

This report is part of a systematic and long-term oriented communication by Geberit on sustainability. The company publishes a comprehensive sustainability report every three years. The last was in 2007 and the next will be in 2010. This report discusses Geberit's strategy and performance in terms of sustainability with figures and examples, whereby the presentation follows the interests of the major stakeholder groups and includes chapters on the following main topics: Overview of the Group, markets and customers, employees, innovation, production and procurement, social commitment and corporate governance. A supplementary GRI Report also presents the fundamental information for especially interested parties in the sequence of the GRI indicators. The Geberit Sustainability Report 2007 as well as the GRI Report 2007 comply with the GRI G3 guidelines at the **"A level: GRI checked"** level from the graduated GRI reporting system which enables companies to make step-by-step progress in sustainability reporting (see following chart). Application level A, which Geberit has achieved, requires the most comprehensive coverage of all requirements. Information concerning all points contained in the GRI guidelines must be disclosed. This concerns the report profile (points 1.1-4.17), as well as management approaches and performance indicators in terms of economics (EC), environment (EN), labor practices (LA), human rights (HR), society (SO) as well as product responsibility (PR).

Report Application Level		C	C+	B	B+	A	A+
Standard Disclosures	G3 Profile Disclosures	Report on: 1.1 2.1 - 2.10 3.1 - 3.8, 3.10 - 3.12 4.1 - 4.4, 4.14 - 4.15		Report on all criteria listed for Level C plus: 1.2 3.9, 3.13 4.5 - 4.13, 4.16 - 4.17		Same as requirement for Level B	
	G3 Management Approach Disclosures	Not Required	Report Externally Assured	Management Approach Disclosures for each Indicator Category	Report Externally Assured	Management Approach disclosed for each Indicator Category	Report Externally Assured
	G3 Performance Indicators & Sector Supplement Performance Indicators	Report on a minimum of 10 Performance Indicators, including at least one from each of: social, economic, and environment.		Report on a minimum of 20 Performance Indicators, at least one from each of: economic, environment, human rights, labor, society, product responsibility.		Respond on each core G3 and Sector Supplement* Indicator with due regard to the materiality Principle by either: a) reporting on the indicator or b) explaining the reason for its omission.	

*Sector supplement in final version

The following table shows the application level A in the context of the possible application stages:

		2002 In Accordance	C	C+	B	B+	A	A+
Mandatory	Self Declared			Report Externally Assured		Report Externally Assured		Report Externally Assured
	Third Party Checked			Report Externally Assured		Report Externally Assured		Report Externally Assured
Optional	GRI Checked			Report Externally Assured		Report Externally Assured		Report Externally Assured

This GRI Report 2009 is an update of the GRI Report 2007 checked by GRI. It has not been checked separately by GRI and therefore conforms formally to application level "A-Level: Self declared." The next GRI check of Geberit's sustainability communication is scheduled for the Sustainability Report 2010 and the accompanying GRI Report.