

Stakeholder Panel 2014: Panel Statement

Materiality analysis

The results of the internal and external survey on the materiality analysis made by Geberit showed a high degree of consensus between the internal standpoint of the company and the assessment of the stakeholder panel.

Geberit and the panel agree that the most material aspects include the topics of economic performance, energy, water, products and services, occupational health and safety, education and further training, anti-competitive behavior and customer health and safety.

Economic performance

For the panel, sustainability and economic success go hand in hand. It thus recommends that Geberit make the business model for sustainable business management an even greater topic of discussion and point out areas where opportunities or conflicting goals exist.

Energy, climate change and water

The links between energy, climate change and water are important to the members of the panel. Water shortages are a key global issue, and Geberit can make a valuable contribution to saving water and hygiene with its products. The strategy for reducing the water consumption of products and systems is deemed correct.

It would be interesting to see what financial benefits an end user could gain by using water-saving products from Geberit. The costs of consumption and the possible economic advantages for customers should be presented more effectively by Geberit.

The panel further suggests that Geberit outline in a transparent manner whether and to what extent it influences standardization processes in sanitary technology, and that it describe its collaboration with standardization bodies in this area.

Products and services

Geberit already does a great deal with respect to eco-design, meaning there is little need for action in this area.

Green building is opening up a future market with major potential for Geberit. The use of recycled materials instead of virgin materials is a possible field of action.

Despite its focus on the upper price segment, the panel feels that Geberit should not neglect opportunities in the middle and lower price segments. Trends in the middle classes of society show changes in daily living behavior and a growing willingness to invest in sanitary installations.

Occupational health and safety

The vision of an accident-free company is of great importance, but poses a challenge in developing countries in particular that should not be underestimated.

Further topics discussed with the panel were green procurement and areas identified as requiring little or no action.

Green procurement

Green procurement is an important trend for Geberit. The panel welcomes Geberit's Code of Conduct for suppliers, the audits that Geberit and external partners carry out, and also the methods provided for filing grievances informally. There is no specific need for action with respect to the inclusion of local suppliers.

Corruption is a delicate subject in connection with suppliers. The panel suggests including a function on the homepage to enable the informal filing of grievances in addition to the Integrity Line.

Non material topics or topics requiring little or no action

Biodiversity, security practices, protecting customer privacy, marketing communications and indigenous communities are all subjects of little or no relevance to Geberit's business activities at present. The panel notes that indigenous communities could become more important in relation to the procurement of raw materials in the supply chain.

Geberit makes no political contributions and issues no political statements, meaning these issues are irrelevant.

The panel believes that Geberit does a good job of meeting its social and local responsibilities, that the company enjoys open and good employer/employee relations, and that Geberit's communication culture is candid with regard to operational changes. Given these strengths, there is currently no need for additional action in these areas.

Sustainability strategy

The panel observed a high degree of consensus between the results of the materiality analysis and the current sustainability strategy at Geberit. The material topics are well reflected by the eleven modules in the sustainability strategy.

The panel is interested in finding out more about the long-term vision of Geberit. It expects that the topics of water, climate change and green building will continue to gain in importance. Focusing on these topics and their interaction could open up new market opportunities for Geberit and strengthen its position as a pioneer in the industry. This approach could also benefit end users in the long term and make it easier for Geberit to tap into new markets.

In addition, the sustainability strategy should explicitly refer to the UN Guiding Principles on Business and Human Rights.

Sustainability communication

Geberit cultivates a good and transparent communication culture and practices comprehensive reporting. The panel urges the company to retain these strengths and further develop them on an ongoing basis.

The panel also recommends that Geberit present key topics more distinctly. Internally and externally, the company should communicate the added value and benefit of the sustainability strategy, citing quantitative or qualitative data whenever possible as verification. Innovative flagship solutions could be used to show that Geberit is part of the solution and is contributing toward saving water.

Final remarks

The panel members welcome Geberit's openness and confirm the positive impression they already had before undertaking this review.

Implementing the issues raised by the panel should help Geberit to maintain its leading position in the future.

The panel notes that this assessment of material topics and the sustainability strategy is a snapshot and recommends that it be repeated at regular intervals with external experts.