

Articles of Incorporation
(Free English Translation)

Articles of Incorporation of Geberit AG

I. NAME, REGISTERED OFFICE, DURATION AND PURPOSE OF THE COMPANYArt. 1

Name, Registered
Office, Duration

Under the name

Geberit AG

there exists a company in accordance with Art. 620 et seqq. Swiss Code of Obligations (CO) with unlimited duration having its registered office in Rapperswil-Jona, Canton of St. Gallen.

Art. 2

Purpose

The purpose of the Company is the direct or indirect participation in companies of all kind in Switzerland and abroad, in particular in the field of sanitary technology and related consumer durables as well as other related fields. It may establish companies, participate in existing companies and finance such companies.

The Company may engage in all activities and take all actions which are appropriate to directly or indirectly promote the purpose of the Company. The Company may acquire, charge or sell real estate property in Switzerland and abroad.

II. SHARE CAPITAL AND SHARESArt. 3

Share Capital

The share capital of the Company shall amount to CHF 3,704,142.70, divided into 37,041,427 registered shares with a par value of CHF 0.10 each. The share capital is fully paid in.

Registered shares may be converted into bearer shares and bearer shares into registered shares by way of resolution of the general meeting.

Art. 4

Form of Shares

Subject to the following provisions, the registered shares of the Company are issued as uncertificated securities and registered as intermediated securities.

Transfers of intermediated securities, including the granting of security interests, are subject to the Intermediated Securities Act. If uncertificated shares are transferred by assignment, this requires for its validity the notification to the Company.

The Company may withdraw shares issued as intermediated securities from the custodian system.

The shareholder may request from the Company a confirmation evidencing his or her shareholding at any time. The shareholder has no right to request the printing and delivery of share certificates or the conversion of registered shares issued in a certain form into another form. The Company may, however, at any time print and deliver share certificates (individual certificates, certificates or global certificates) or convert uncertificated securities and share certificates in another form and cancel issued share certificates that are returned to the Company.

Art. 5

Share Register and Registration Restrictions

The Company shall keep a share register in which the owners, usufructuaries and nominees of registered shares are registered with name, address and nationality (in case of companies with the registered office). Only the person entered in the share register shall be deemed to be the shareholder, the usufructuary or nominee in relation to the Company. The Company only recognises one proxy per share.

Acquirers of shares are, upon request and presentation of evidence of the transfer, registered as shareholder with voting right in the share register if they explicitly declare to hold the shares in their own name and for their own account.

The board of directors may register nominees as shareholder with voting rights in the share register up to a maximum of 3% of the share capital. Nominees are persons who in the registration request do not explicitly declare to hold the shares for their own account and with whom the Company has entered into respective agreements. The board of directors may register nominees as a shareholder with voting rights in excess of such registration limitation provided the nominees disclose the names, addresses, nationality and shareholdings of the persons for which they hold 0.5% or more of the share capital.

The board of directors has the power to delete entries in the share register retroactively as of the date of the entry if the registration has been made on the basis of false information. It may give the concerned shareholder in advance the opportunity to comment. In any case, the concerned shareholder is informed without delay about the deletion.

The board of directors shall give the necessary directions for the carrying of the share register. It may delegate such duties.

In the invitation to the general meeting, the board of directors shall announce the record date for registration in the share register that is authoritative with respect to the right to attend and vote.

III. BODIES OF THE COMPANY

Art. 6

Corporate Bodies

The bodies of the Company shall be:

- A) the general meeting,
- B) the board of directors,
- C) the auditors.

A) The General Meeting

Art. 7

Powers, Ordinary and Extraordinary General Meeting

The general meeting is the supreme corporate body of the Company.

The ordinary general meeting shall take place annually within six months after the end of the business year. Extraordinary general meetings are called for if the board of directors or the auditors deem it necessary or if the general meeting so resolves. Further, one or more shareholders representing together at least 3% of the share capital may jointly in writing by indicating the agenda items and the motions, in case of elections the name of the proposed candidates, request that an extraordinary general meeting is called for.

Art. 8

Calling

The notices of any general meeting shall be made by way of official publication of the Company not less than 20 days prior to the date of the meeting. Notices may also be mailed to the shareholders registered in the share register.

The calling shall state the day, time and place of the meeting, the agenda items as well as the motions of the board of directors and of the shareholders who have requested the holding of the general meeting or the inclusion of an item in the agenda.

No resolutions may be passed on motions concerning agenda items which have not been duly announced; excepted are motions for the calling of an extraordinary general meeting and the initiation of a special audit.

Shareholders representing shares of a par value of CHF 4,000 may request items to be included in the agenda. Such request must be made at least 45 days prior to the meeting in writing by stating the items of the agenda and the motions.

Art. 9

Powers

The general meeting shall have the following inalienable

powers:

1. The adoption and the amending of the articles of incorporation;
2. The election and removal of the members of the board of directors, the chairman of the board of directors, the members of the compensation committee, the independent proxy, and the auditors;
3. The approval of the management report and of the consolidated financial statements;
4. The approval of the annual financial statements as well as the resolution on the use of the balance sheet profit, in particular the declaration of dividends;
5. The discharge of the members of the board of directors;
6. The approval of the compensations of the board of directors and of the group executive board;
7. The passing of resolutions on matters which are by law or by the articles of incorporation reserved to the general meeting.

Art. 10

Voting Right, Proxy,
Independent Proxy

In the general meeting each share registered in the share register of the Company shall have one vote.

Shareholders may be represented in the general meeting only by their statutory proxy, another shareholder with voting rights or by the independent proxy.

The general meeting annually elects an independent proxy. His or her term of office ends at the closing of the following ordinary general meeting. Re-election is possible. If the Company does not have an independent proxy, the board of directors shall appoint the independent proxy for the next general meeting.

The board of directors determines the requirements for proxies and instructions in accordance with the laws and regulations and may establish corresponding rules.

Art. 11

Resolutions and
Elections

Unless otherwise required by law or the articles of incorporation, the general meeting passes resolutions and carries out elections by absolute majority of the share votes cast, excluding any abstentions or invalid votes. Elections shall be held separately.

If in case of elections no person is elected in the first election and several candidates are proposed, the votes shall be casted for a second time in which the relative majority shall be decisive.

Resolutions shall be passed and elections shall be carried out openly, unless the general meeting or its chairman resolves to cast votes in writing. The chairman may also resolve to cast votes by electronic means. The chairman may at any time order to repeat a resolution or an election carried out openly by casting votes in writing or by electronic means if he doubts the result of the vote. In this case, the preceding resolution or election carried out openly is deemed not to have occurred.

A resolution of the general meeting passed by a at least $\frac{2}{3}$ of the votes represented shall be required for:

1. the change of the Company's purpose;
2. the creation of shares with privileged voting rights;
3. the restriction of the transferability of registered shares;
4. an increase of capital, authorised or subject to a condition;
5. an increase of capital out of equity, against contributions in kind, or for the purpose of acquisition of assets and the granting of special benefits;
6. the limitation or withdrawal of pre-emptive rights;
7. the change of the domicile of the Company;
8. the dissolution of the Company.

Art. 12

Chairman and Minutes

The general meeting shall be chaired by the chairman of the board of directors or, if he is not able to attend, another member of the board of directors.

The chairman appoints the secretary and the tellers who must both not be shareholders; these functions may be assigned to one and the same person.

The minutes shall record the resolutions and the elections and the declaration of shareholders given for the record. The minutes shall be signed by the chairman and the secretary and shall be available for review by the shareholders at the registered office of the Company.

B) Board of Directors

Art. 13

Composition and Term

The board of directors shall be composed of at least four and in the maximum of eight members. Should the board of directors be composed of less than four members, the following ordinary general meeting shall at the latest elect the additionally required members of the board of directors.

The members of the board of directors, the chairman of the board of directors as well as the members of the compensation committee are each elected annually and individually. The term of office ends at the closing of the following ordinary general meeting. Re-election is possible.

If the post of chairman of the board of directors is vacant the board of directors shall appoint a new chairman for the remaining term of office.

The members of the board of directors, the chairman of the board of directors as well as the members of the compensation committee shall retire at the ordinary general meeting following their 70th birthday.

Art. 14

Organisation

Except for the election of the chairman of the board of directors and the members of the compensation committee by the general meeting, the board shall organise itself. It shall appoint a vice-chairman and a secretary who need not be member of the board of directors.

Art. 15

Notice of Meetings

The board of directors shall convene upon notice by the chairman or the vice-chairman as often as the business affairs require and whenever a member is requesting it.

Art. 16

Resolutions

The board of directors may pass resolutions if the majority of its members are attending. Attendance may also be made by phone or electronic media. No quorum is required, if exclusively resolutions regarding the implementation of a capital increase and subsequent amendments of the articles of incorporation have to be passed.

Resolutions are passed by the majority of the votes cast. The chairman shall have the casting vote.

Resolutions may also be adopted in writing respectively by telefax or electronic communication by consenting to a proposal, unless a member requests discussion in a meeting.

Discussions and resolutions of the board of directors shall be recorded in minutes which shall be signed by the chairman of the board of directors and the secretary and despatched to all members of the board of directors.

Art. 17

Duties, Committees

The board of directors shall take decisions on all matters which by law or the articles of incorporation are not allocated or reserved to the general meeting or another body of the Company.

The board of directors has the following non-transferable and inalienable duties:

1. Ultimate management of the Company and the giving of the necessary directives;
2. The establishment of the organisation;
3. The structuring of the accounting system and of the financial controls as well as the financial planning;
4. The appointment and removal of the persons entrusted with the management and the representation;
5. The ultimate supervision of the persons entrusted with the management, in particular, in view of compliance with the law, articles of incorporation, regulations and directives;
6. The preparation of the annual report and the remuneration report as well as the preparation of the general meeting and the implementation of its resolutions;
7. The notification of the judge in case of overindebtedness.

The board of directors may delegate the preparation and the execution of its resolutions as well as the supervision of the business activities to committees or individual members. It shall provide for an appropriate reporting to its members.

Art. 18

Compensation
Committee and
Principles regarding
Powers and Duties of
the Compensation
Committee

The compensation committee is composed of three or more members of the board of directors. The organisation, functioning and reporting of the compensation committee shall be governed by regulations enacted by the board of directors. The chairman of the compensation committee shall be appointed by the board of directors.

The powers and duties of the compensation committee are as follows (principles):

1. Establishment and periodical review of the Geberit Group's compensation policy and principles and the performance criteria related to compensation and periodical review of their implementation as well as submission of proposals and recommendations to the board of directors;
2. Preparation of all relevant decisions of the board of directors in relation to the compensation of the members of the board of directors and of the group executive board as well as submission of proposals and recommendations to the board of directors.

The board of directors may delegate further powers and duties to the compensation committee, in particular with respect to the nomination of members of the board of directors and the members of the group executive board and related matters.

Art. 19

Organisational
Regulations

The board of directors may in the organisational regulations delegate fully or partly the management of the Company to certain of its members or to other natural persons.

The organisational regulations shall organise the management, determine the positions required therefore, define its duties and regulate in particular the reporting.

C) Auditors

Art. 20

Election and Duties

The general meeting shall elect each year an audit firm under state oversight in accordance with the Swiss Federal Act on Licensing and Oversight of Auditors (Revisions-aufsichtsgesetz, RAG). The auditors shall be responsible for carrying out all functions and duties incumbent upon them by law.

IV. COMPENSATION OF THE BOARD OF DIRECTORS AND THE GROUP EXECUTIVE BOARD, MANDATES OUTSIDE GEBERIT GROUP, AGREEMENTS WITH MEMBERS OF THE BOARD OF DIRECTORS AND THE GROUP EXECUTIVE BOARD, LOANS AND CREDITS

Art. 21

Principles for

In addition to a fixed compensation, members of the board of

Performance-based Compensation and Compensation in Shares, Options or Similar Instruments

directors and members of the group executive board may be paid a variable compensation which may include short- and long-term compensation elements and which is linked to the achievement of one or several performance criteria. Performance criteria may include individual targets, targets in relation to the Company and the Geberit Group, the market, other companies or comparable benchmarks, taking into account the function and level of responsibility of the concerned member of the board of directors or member of the group executive board. The board of directors, or where delegated, the compensation committee, shall determine the applicable performance criteria, their relative weighting and achievement.

In case of compensation in shares, options or similar instruments, the board of directors, or where delegated, the compensation committee, shall determine the terms and conditions in one or more plans/regulations including in particular the time of allocation/grant, the fair valuation, the applicable blocking, vesting or exercise periods (including their acceleration, reduction or removal in the event of pre-determined events such as a change of control or the termination of an employment agreement), the maximum award limit of shares or options, any claw back mechanism and discount on grant of shares or options.

Compensation to the members of the board of directors and of the group executive board may be paid by the Company or companies controlled by it, provided such compensation is consolidated on a Company level.

Art. 22

Approval of the Maximum Aggregate Compensations of the Board of Directors and the Group Executive Board

The general meeting shall approve annually and separately the proposals of the board of directors in relation to the maximum aggregate compensation of:

1. the board of directors, for the period until the following ordinary general meeting; and
2. the group executive board, for the following business year.

The board of directors may divide each of the maximum aggregate compensations to be proposed for approval into a maximum fixed and maximum variable compensation and submit the respective proposals for separate approval by the general meeting. Further, the board of directors may divide its respective proposals into other compensation elements and/or submit them for approval by the general meeting with respect to different periods.

If the general meeting denies approval, the board of directors may convene a new general meeting.

Additional Amount for
the Group Executive
Board

Art. 23

There exists an additional amount which may be used for the compensation of members of the group executive board who are appointed only after the maximum aggregate compensation for the group executive board was approved. The additional amount may also be used for payment of compensation for disadvantages incurred by a new member of the group executive board as a result of his/her change of employment (sign-on bonuses).

The additional amount may only be used if the aggregate compensation approved by the general meeting for the group executive board until the next general meeting is not sufficient for the compensation of the new members.

The additional amount shall be 40% of the maximum aggregate compensation amount for the members of the group executive board last approved by the general meeting.

Art. 24

Mandates of Members
of the Board of
Directors and the
Group Executive
Board Outside the
Geberit Group

A member of the board of directors may hold up to five and a member of the group executive board up to two mandates in profit-seeking legal entities outside the Geberit Group. In addition, a member of the board of directors may hold up to five and a member of the group executive board up to four mandates in non-profit-seeking or charitable legal entities (such as associations and other charitable, social, cultural, or sports organisations, foundations, trusts and pension funds) outside the Geberit Group.

Mandates of a member of the board of directors or the group executive board in legal entities which are controlled by the Company or which control the Company as well as mandates held by such member in his/her capacity as member of the board of directors or the group executive board of the Company, or held by order and on behalf of the Company or legal entities controlled by it shall not count as mandates in legal entities outside the Geberit Group.

Mandates of a member of the board of directors or of the group executive board of the Company in legal entities outside the Geberit Group which are under common control as well as mandates which are held by such member in his/her capacity as a member of the supreme governing body or of the group management of a legal entity outside the Geberit Group or held by order and on behalf of such legal entity or legal entities controlled by it shall be deemed one mandate outside the Geberit Group.

Mandates held by a member of the board of directors in his/her main activity as a member of the group management of a legal entity outside the Geberit Group or held by order

and on behalf of such legal entity or legal entities controlled by it shall not count as mandates within the meaning of this provision.

Members of the board of directors or the group executive board who at the time of their election/appointment do not fulfill the requirements of this provision shall until the next ordinary general meeting reduce the number of their mandates to the number permitted under this provision. During this time, they are members of the board of directors or the group executive board, respectively, with all powers and duties.

Any mandate of a member of the group executive board in a legal entity outside the Geberit Group shall be subject to prior approval by the board of directors, or where delegated to it, the compensation committee.

Mandates shall mean mandates in the supreme governing body or an advisory board of a legal entity which is required to be entered in the commercial register or a corresponding foreign register.

Art. 25

Contracts with
Members of the Board
of Directors or the
Group Executive
Board

Duration and termination of agreements with members of the board of directors shall comply with the term of office and the law. Fixed term agreements with members of the group executive board may have a term not exceeding one year. The maximum termination period of indefinite contracts with members of the group executive board is twelve months.

The Company or companies controlled by it may enter into non-compete agreements with members of the group executive board for a term of up to three years following termination of their employment agreement. The total consideration of such non-compete agreement may for the entire duration not exceed 150% of, and per year not exceed 100% of, the total annual compensation paid to the relevant member of the group executive board in the average over the last three business years completed since notice of termination has been given.

Art. 26

Loans and Credits

No loans or credits shall be granted to the members of the board of directors or the group executive board.

V. **DISTRIBUTION OF PROFITS**

Art. 27

Distribution of Profits

Subject to the statutory provisions regarding distribution of profits, in particular art. 671 et seqq. CO, the balance sheet

profit shall be at disposal of the general meeting.

Dividends may only be determined after the corresponding allocation to the statutory reserves as required by law have been deducted. All dividends for which within five years after the due date no payment has been requested shall accrue to the Company and shall be allocated to the general reserves.

VI. BUSINESS YEAR AND FINANCIAL REPORTING

Art. 28

Business Year and
Financial Reporting

The business year shall end annually as of December 31.

The financial statements shall be drawn up in accordance with the applicable laws and accounting standards.

VII. DISSOLUTION AND LIQUIDATION

Art. 29

Dissolution and
Liquidation

The general meeting may resolve at any time in accordance with the law and the articles of incorporation the dissolution and liquidation of the Company.

The Company shall be liquidated by the board of directors unless the general meeting has appointed liquidators.

VIII. NOTICE

Art. 30

Official Publications,
Notices to Shareholders

Official publications of the Company shall be made in the Swiss Official Commercial Gazette (SOCG). The board of directors may designate further means for official publications.

Notices of the Company to shareholders shall be made by official publications of the Company. Notices to shareholders may also be made in writing to the addresses of the shareholders recorded in the share register.