

Code of Conduct

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Foreword

Dear Employees,

As an international company, we provide top-quality products and services in sanitary technology across the globe. Our success – both present and future – is determined by our commitment. In our commitment to sustainable development, we take our social, economic and environmental responsibility into account in equal measure.

Our value as a company and long-term success depend on our reputation and our ability to maintain the trust of all our stakeholders. It is therefore vital that we follow the highest ethical standards and act with integrity.

Each of you has a hand in shaping our corporate culture. This requires that we all recognise and are aware of our responsibility. The updated Code of Conduct specifies what Geberit as an employer expects of you. This builds on and replaces the first Code of Conduct that was published in 2007. This Code of Conduct must be used by all Geberit employees across the globe as guidelines to ensure that we behave ethically and in accordance with the law. It contains practical guidelines and links to additional useful information.

This Code of Conduct forms the basis of how we work on a day-to-day basis in a dynamic international environment. We expect every employee in this company to know and understand this Code and to follow it without exception.

We are aware that words cannot describe every possible daily situation and provide corresponding instructions. Please seek advice from your supervisor should you have doubts regarding the correct behaviour. Be open about any concerns you may have regarding compliance with the Code of Conduct. We will ensure that breaches are investigated – with the appropriate consequences for the parties responsible.

We do not just measure our performance by our results, but also by the way in which they have been achieved. If we all follow the concepts specified in this Code of Conduct, we can be proud of how we behave and carry out our tasks.

Please take the time to read our Code of Conduct so that you are aware of its content and can follow it during your everyday work.

I am counting on your support.

On behalf of the Board of Directors of Geberit



1. Geberit pledges

As the world's leading company in the sanitary industry, we take our responsibility very seriously. Geberit complies with the national and international laws on creating free and fair world trade and strives to be a role model for ethical, environmentally friendly and socially acceptable business activity.

1.1. Values and principles

We have compiled our key guiding principles and core values in the Geberit Compass, which gives our international organisation a framework to follow to achieve our vision and our goals. Transparent information, an intensive dialogue and the integrity of every individual are not just desirable, but essential. The Compass is a concrete expression of our corporate culture and a key component in our success.

1.2. Compliance with laws

We follow all local, national and international laws, directives, norms and standards that are relevant to our economic activity and frequently even go above and beyond what is legally required as a minimum. This not only concerns our business operations within a certain country or region, but also matters outside the country if these significantly affect the competition for the country or region.

1.3. Targets and target groups of the Code of Conduct

The business world is growing increasingly complex and our business decisions are determined by a multitude of legislation and other regulations. As a multi-national group that provides top-quality products and services in sanitary technology, we require a clear behavioural code in order to work successfully with internal and external parties and institutions. This code is described in this fully revised Code of Conduct, which builds on and replaces the first Code of Conduct of 2008.

This Code expresses what the Geberit Group expects as an employer. It applies to all Geberit employees, including managers, the Executive Board and the Board of Directors.

This code is intended to guide us in our everyday activities in the company and to ensure that we conduct business in compliance with our high ethical standards and the applicable law.

1.4. Role models and training

Managers are role models, but so is every single employee. They must therefore always follow our Code of Conduct and act accordingly.

Knowing the correct way to handle ethical concerns relies on continuous training for all employees in order to raise awareness of these issues. This ensures that we are aware of our responsibility and can work together to fulfil these requirements – at any time and anywhere in the world. Our managers must therefore ensure that their employees have read and understood the Code of Conduct and integrate it into their daily activities.

We have developed an interactive support programme that aims to help emphasise the importance of integrity in business operations. It deals with the key requirements that underlie our Code of Conduct.

1.5. Integrity Line

Employees who openly address incidents that violate applicable laws, ethical standards or this Code of Conduct are acting correctly and in compliance with our values and the Geberit Group principles. The Geberit Group management must be informed of problems concerning integrity so that they can be dealt with quickly and reliably. By openly addressing concerns, these Geberit employees help protect themselves, their colleagues and the rights and interests of Geberit. As a general rule, employees should seek a personal meeting with their supervisor.

In the event of serious breaches, we also provide the Geberit Integrity Line. This is a way to anonymously report cases, such as sexual harassment by a supervisor or the concealment of a bribery payment. The Integrity Line is run by an external company that has experience in this area. It is available 24 hours a day, seven days a week. It can be accessed by phone or via a secure website in every country where our company is represented.

Reports are of course treated confidentially. If a report is made, we will carry out a thorough investigation to determine whether a breach has actually taken place. If this is the case, suitable measures are taken.

(Our employees can find additional information on the Geberit Integrity Line on the Geberit Intranet.)

1.6. Breaches and consequences

This Code is binding for all employees. Breaches result in consequences that are determined by the severity of the breach of the Code of Conduct. In addition to warnings, in the event of serious breaches, the offending party may be dismissed.

1.7. Regular inspection

Compliance with the Code of Conduct is checked as part of the annual external report on the respective business year. This takes place by means of an extensive survey that must be answered by the managing directors of the respective companies. The results are included in the sustainability report.

(http://www.geberit.com/master/content/media/global_media/group/unternehmen/nachhaltigkeit/Sustainability_performance_report_fy2013_en.pdf)

1.8. Validity

This Code is valid for five years. If significant changes are required, it can be amended before the end of this five-year period. Related documents, regulations and directives associated with this Code are not affected by this period of validity and can be adapted on an individual basis.

2. Rights and working conditions

We comply with all laws regarding employment as well as local, national and international behavioural codes and conventions. Furthermore, we are committed to adhering to the principles of the Universal Declaration of Human Rights and the conventions of the International Labour Organization (ILO).

2.1. Corporate culture

Our success is based on high ethical standards, a strong sense of team spirit, passion for the company, modesty and willingness to continuously adapt to change.

Only a healthy, living corporate culture can ensure our long-term success in today's demanding business world. Our employees around the world are the backbone of this culture. That is why we take our responsibility and function as a role model seriously as an employer. We are transparent and aware of our responsibility and adhere to the applicable law. Our behaviour is defined by trust, mutual respect, and open and honest communication. These standards determine how we act on a daily basis and how we deal with each other and our stakeholders.

2.2. Human rights

We are categorically against any form of child or forced labour and expect the same from our suppliers and other business partners.

We therefore do our utmost to minimise this risk and require our suppliers to adhere strictly to extensive standards and the provisions governing occupational law. (See also our Code of Conduct for Suppliers,

http://www.geberit.com/media/local_media/publikationen/allgemein/Supplier_Code_of_Conduct.pdf
)

We are committed to respecting human dignity and human rights and to protecting the individuality of every single person in the workplace.

Employees shall be allowed to organize themselves in unions or associations, free of any restrictions or consequences.

2.3. Diversity

As a company, we place great value on promoting diversity and a culture that allows every employee to bring their full potential to the company.

We strive for diversity and are committed to equal opportunities regardless of gender, ethnicity, skin colour, age, religion, nationality or any other possible reason for discrimination.

In accordance with the applicable national and international law, we operate a fair and discrimination-free employment practice. Only individual performance, skills and potential regarding the job requirements are important when it comes to employment, training and promotion.

2.4. Discrimination, harassment, bullying

Due to our worldwide business activity, we value diversity as a part of our inspiring work environment. Diversity has many advantages but also requires care in dealing with one another to avoid misunderstandings and conflicts.

We do not tolerate discrimination or bullying on the grounds of race, gender, religion, creed, nationality, invalidity, age, sexual orientation, physical or mental disability, marital status, political views or other characteristics protected by law.

We aim to maintain a safe working environment for our employees. Geberit does not tolerate any form of violence in the workplace. This includes threats, threatening gestures, intimidation, assaults and similar behaviour.

Our top priority is fairness. We encourage all employees who are victims of discrimination or harassment or who witness cases of harassment to report it to their supervisors or via the Integrity Line.

2.5. Pay and further training

Geberit pays market-driven wages and adheres to the minimum wage stipulated by law. We also encourage our employees to take part in personal and professional further development. We offer our employees potential programmes at various levels for prospective and experienced managers.

We offer young people a wide range of basic training programmes with a view to keeping them on once they have successfully completed their training period. We not only give young people specialist knowledge, but also encourage them to develop their own initiative, a sense of self-responsibility and team work skills, and support them in their early development.

2.6. Sharing in company success

Employees can share in the economic success of the company through shareholding programmes with attractive conditions.

2.7. Having a voice

Employees should be able to have an active hand in shaping the company. Of course, they are free to exercise their rights to employee participation as stipulated by law and in the collective agreement. Geberit proactively seeks to engage in dialogue with the professional associations and employee representatives.

3. Competition law

Our company is fully and unreservedly committed to fair competition. Geberit employees are expected to adhere to all applicable provisions prescribed by competition and anti-trust laws.

We ensure that our business practices towards suppliers, customers and competitors comply with the anti-trust and competition laws regardless of where business is being done.

We follow the anti-trust and competition laws in all business activities and in all business agreements. Price rigging, cartels and other activities that distort competition are categorically forbidden.

4. Bribery, corruption, favours

We strictly adhere to all relevant provisions against corruption and bribery. As a member of Transparency International, we are committed to the high standards of fighting corruption.

Geberit is committed to adhering to the most stringent integrity standards in all relationships with business partners. We neither accept that employees bribe others nor that they are bribed by others nor any other form of corrupt business behaviour.

Nobody working for Geberit may offer or grant individuals or companies any unfair advantages, neither directly nor indirectly, to make business deals. Unfair advantages include unauthorised discounts, bribes, payoffs, underhand payments and all other comparable unfair material advantages. This principle applies worldwide to all business transactions in which Geberit is involved.

Breaches of provisions and laws that forbid unfair competition can result in prosecution in the civil and criminal courts against Geberit and the responsible employees.

There are internal donation guidelines in place to help fight corruption and our employees are trained in this area. Corruption considerations are taken into account during inspections of the production plants and sales companies by the internal auditing department. If Transparency International states that a country has an increased corruption risk, the company in question will undergo a particularly intensive inspection.

Our employees are only permitted to receive gifts, services and invitations as part of an appropriate, legal business activity. Third parties must not be used to circumvent the existing regulations.

5. Health, occupational safety, environment

The health and safety of our employees is our top priority. We strictly adhere to all relevant occupational health laws and safety standards and we are committed to ensuring a safe workplace. We strive to strike the right balance in terms of our commercial, environmental and social objectives. We categorically refuse to put pure profit before the environment.

5.1. Health, occupational safety and prevention

We place great value on high health and safety standards for our employees and strive to achieve a zero accident rate. If, however, accidents do occur, we carry out a systematic analysis and put measures in place to prevent them from happening again. The effectiveness of these measures is then also checked. As part of our Geberit Safety System (GSS), we formulate objectives and strive for continual improvement.

Our employees must ensure that their workplace is safe and free from health risks. They must follow all environmental and occupational safety conditions. Any shortcomings or breaches must be reported immediately and dealt with as quickly as possible.

As a precautionary and preventative measure, we regularly give our employees health and safety training. We ensure a workplace and working environment that promotes physical and mental well-being. In difficult situations or cases of social distress, we offer our employees the best possible advice and support and also refer them to external specialists if necessary.

5.2. Environmental protection and use of resources

Geberit has a global reputation for being one of the most advanced companies with regard to sustainability. We endeavour to keep achieving these high standards of sustainability in the future too.

As a green company, we have already been committed to the careful use of energy, water and natural resources for many years. Our many different activities and our forward-thinking approach enable us to contribute towards reducing the global CO₂ problem. We endeavour to keep our impact on the environment to a minimum, by consistently complying with all applicable laws, international directives and industry standards. In the many initiatives that we implement, we go above and beyond the legal and official regulations.

As part of our environment and energy management scheme, we set ourselves clear objectives in our sustainability strategy, allowing us to improve our environmental performance and reduce our energy consumption on a continual basis. We include environmental criteria in all activities and decision processes and along the entire value chain, and ensure that they are presented transparently. We also do this during the product development phase as part of ecodesign workshops (cf. Product responsibility), which allows us to ensure that our products satisfy the most stringent environmental standards and are suitable for sustainable buildings.

We train our employees all around the world with regard to environmental issues and take steps to raise their awareness. As part of this commitment, we also seek the involvement of customers, suppliers and other stakeholders. This is because we can only effectively bear this responsibility and achieve genuinely sustainable development in the long term by working together.

6. Society

We are part of society and want to make a positive contribution towards it. We openly deal with the concerns of the many different stakeholders in the community, seek to engage in dialogue with

them and take a proactive approach to conflict. As the leading company in this industry, we take our function as a role model very seriously.

6.1. Local environment

We think it is important to make positive contributions to the communities in which we are active by supporting cultural and sporting activities and social enterprise schemes.

We create economic, health and social benefits in our local environments. We respect the local conventions and customs and seek to engage in dialogue with the community. We also take local environmental issues into consideration and look for solutions if there are problem areas.

6.2. Dialogue with stakeholders

We endeavour to engage in open, fair dialogue and exchange information with our stakeholders (including investors, the media, regulatory authorities, governments) in accordance with our company values. For us, it is essential that we build long-term relationships and trust with these stakeholders.

6.3. Social commitment

We believe that we are socially committed to making a sustainable contribution to improving quality of life. We want our social projects to help the people in the developing regions of the world get access to better basic sanitary care and knowledge. This ensures that they gain important tools for life and also makes a contribution towards fulfilling the UN millennium goals.

Geberit not only supplies funds and materials for the social projects – we also plan, manage and coordinate the entire project with our own employees and trainees. In addition, we offer specific support to organisations and projects that tackle the issues of water, hygiene and sanitary facilities (e.g. Helvetas). To give our employees the chance to engage in these social schemes, we offer a volunteering programme and a social project with trainees.

6.4. Code of Conduct for suppliers and business partners

As an international company, we see it as our duty to incorporate our ethical principles into our relationships with business partners too – especially suppliers, subcontractors and sales partners.

What we expect from our employees is also the basis for our business partners. Our suppliers are required to consistently comply with the Geberit principles set forth in the Code of Conduct for Suppliers. They must maintain records that prove their compliance with these requirements and they must be able to provide these records at any time upon our request. We consider non-compliance from a supplier to be a serious breach of the contractual agreements, which may result in the termination of the business relationship.

(http://www.geberit.com/media/local_media/publikationen/allgemein/Supplier_Code_of_Conduct.pdf)

7. Integrity – employees and companies

Fairness, honesty and integrity are key components of our corporate culture. They determine how we act on a daily basis and how we deal with each other and our stakeholders (including customers, suppliers, the public). In this sense, we contribute to society and encourage our employees to set a good example.

7.1. Using modern information technology

Our employees worldwide are required to adhere to the Geberit Group guidelines when using modern information technology. These guidelines define a clear and binding framework of what is appropriate use of information technology.

Social media has opened up new ways of working with customers, colleagues and the outside world. For us, it is important that every employee is personally responsible for ensuring that they use this media appropriately. These guidelines therefore give our employees recommendations on how they can use social media to their own benefit and for the good of the company.

7.2. Data protection, confidentiality and company property

We require our employees to treat company property with care and to protect it against damage, destruction and theft.

Geberit is dedicated to data protection and has adopted principles that must be adhered to without exception for every form of data processing within the Geberit Group and when working with third parties.

The personal data of our employees is treated with the utmost confidentiality and we strictly adhere to the data protection regulations that apply in the relevant countries.

The processing of personal data in any form (e.g. information on employees, customers and suppliers) must be carried out in line with the data protection laws and the Geberit principles.

Confidential information in any shape or form must be handled with care. All confidential information, including technical, commercial and legal information, as well as business secrets are important company assets. They warrant the same protection as all physical commodities. Our employees must ensure that information of this nature is not disclosed to unauthorised persons inside or outside the company. They must also ensure that this information remains confidential to third parties, such as customers and suppliers. Confidential information includes but is not limited to technical information about products and processes, customer information and business relationships with customers, unpublished profitability reports and other financial reports, as well as cost, price, marketing and service strategies.

This obligation will continue to apply even after the end of the employment for an indefinite period of time.

7.3. Conflicts of interest, donations

All business must always be carried out in the interest of Geberit.

As Geberit employees, we must avoid situations in which our personal interests conflict with or appear to conflict with the interests of the company.

Activities of our family and friends can lead to conflicts of interest. We should not put ourselves in situations in which our personal or family interests can conflict with the interests of Geberit. We must not misuse our employment at Geberit to gain unfair personal advantages or advantages for our family and friends.

Our employees are required not to do any business that leads to a conflict of interest. They are not permitted to take on any external employment, do business or invest in anything that adversely affects their obligations to the company.

Third parties, regardless of whether it is an individual or a company, are not permitted to benefit unfairly from their business relationship with us. Employees are also forbidden to accept or grant unfair advantages as part of business relationships with third parties. Regardless of the amount, employees are not permitted to accept or give monetary or non-monetary gifts that could raise doubts about the personal integrity or independence of Geberit. This is based on the donation guidelines that are binding for all employees (see also donation guidelines on the Geberit Intranet).

Many actual or potential conflicts of interest can be resolved in a manner that is acceptable for both the employees concerned and the company. Should a conflict of interest arise, the employee concerned should report it to his/her line manager so that an appropriate solution can be found.

7.4. Representation of interests, lobbying

The representation of interests at Geberit complies with local laws and follows the principles of honesty, completeness, respect, accuracy of information and transparency. Our lobbying activities are subject to a strict internal monitoring procedure.

Representatives of external agencies or associations must base their activities regarding the political representation of interests on the same principles that also apply to Geberit.

7.5. Communication, media contacts, investor relations

We communicate openly and honestly. Our Code of Conduct is publicly accessible on the Internet. For us, it is important that our customers, investors, suppliers and other external partners know how we see ethical business operations and what they can expect from our company.

We communicate with media representatives in a uniform, open and respectful manner. As far as possible, our employees receive the same information at the same time as the media and other stakeholders. Our Corporate Communications / Investor Relations department is responsible for communication with the media, analysts and investors. All employees are required to forward all requests from the media and investors to this department.

7.6. Advertising, marketing and sales

We run our marketing, advertising and sales strategies in compliance with our ethical standards and all applicable laws and behavioural codes.

We are honest about the quality and efficiency of our products and services. Comparisons with competitors' products in countries where this is permitted by law are based exclusively on facts.

7.7. Protection of assets

We reliably protect all assets, property and resources that belong to the company and exclusively use these for business dealings and activities. They must not be used for personal gain under any circumstances.

We handle our business secrets confidentially, protect them and use them solely for business purposes.

Internal company information created by us regarding research and development, production data, costs, prices, turnover, profits, markets, customers and business methods are our property and are not disclosed to external parties without the required approval unless this is required by law.

7.8. Contractual obligations and documentation standards

We work diligently to fulfil our contractual obligations. We ensure that all business deals are appropriately and correctly documented according to the legal regulations and the applicable accounting standards.

We keep accurate and complete business records and ensure that all company reports, records and accounts are created and stored in accordance with the applicable law and the relevant standards used by the company.

We document all business processes correctly and completely. Document management at Geberit comprises the creation, saving and destruction of documents. We store all business-related documents (including electronic files and microfilms) for the duration specified by law.

Incorrect or misleading entries in books and records belonging to the Geberit Group are strictly forbidden. Our employees must ensure that they do not exceed their internal authorisations and are not involved in activities that lead to forbidden actions.

7.9. Fraud and theft

We ensure that all cases of fraud, embezzlement and theft associated with our company are immediately reported and investigated internally (supervisor, HR manager or Integrity Line) and that the people concerned are prosecuted and removed from the workplace, if necessary. Even suspected cases must be reported immediately.

7.10. Insider trading / Insider dealing

We respect the rights of our employees to make business investments and encourage them to buy shares in the company.

All employees are required to comply with the insider trading laws. Our employees are forbidden to use confidential information as the basis for trading shares in Geberit or another company for personal gain or to the benefit of another person.

We do not disclose important, private information to third parties. This also applies to friends, relatives, customers and suppliers. If an employee receives important, private information, he/she may not use this information to trade shares or generate profit from it in any other way.

Breaches of these principles will be prosecuted in the civil and criminal courts.

7.11. Donations, sponsorship, political donations and positions

We do not make any donations to political parties, political organisations or to individuals who occupy political offices.

We do, however, support non-political institutions – in the social sector or in the environmental protection sector, for example – with monetary and non-monetary donations to an appropriate and reasonable extent. Above all, our aid projects focus on the principle of "helping others help themselves": we make our materials available to those in need and teach them what we know. We do this because we want to help improve their situation in the long term.

7.12. International trade restrictions and boycotts

We fully adhere to the bans and requirements of all international trade regulations.

We respect the restrictions and boycotts regarding trade on the world market enforced by various countries and international organisations such as the United Nations (UN).

All employees must be familiar with the applicable local and international regulations that are relevant for their business activities. In case of doubt, our employees are encouraged to seek advice from the responsible export and customs expert or from the internal legal department.

7.13. Dealing with totalitarian regimes

We fundamentally and categorically do not violate the sanctions and embargoes imposed by the United Nations (UN).

If the UN has classified a country as a country with a repressive regime, we will check on an individual basis whether it is in the wider interest of that country's population that we continue to supply products and services in order to improve the quality of life of the people.

8. Product responsibility

We use changes in the markets, science and society as an opportunity to develop new products, services and procedures. In doing so, we give the careful use of natural resources top priority. We develop innovative, reliable and top-quality products which we hope will improve people's quality of life in a sustainable manner.

8.1. Product responsibility – product liability

When developing our products, we strive for top-quality performance. We therefore develop products that offer ideal solutions to the needs of our customers, contract partners and consumers. For us, top quality means satisfying functionality, reliability and application safety requirements to the best possible extent. In doing so, we are guided by the zero-error principle.

The Product Development department is in charge of ensuring that products are safe and user-friendly and that they comply with all standards and legal requirements. We are careful to identify all dangers and to evaluate the risks associated with using these products.

Generally speaking, Geberit products and services pose little risk to customers in terms of health and safety. However, we follow a preventative approach as part of our comprehensive quality planning process to check and ensure the healthy and safety requirements of all products at every stage – from development, certification, manufacture and storage through to use and disposal of the product.

We guarantee the safety and the suitable and responsible use of our products across their entire life cycle. Our employees and customers receive thorough training in this area.

If some products or the use of some products pose an increased health and safety risk, our Technical Authoring department ensures that this is transparently communicated to the customers accordingly.

8.2. Intellectual property – patents

The expertise developed by Geberit and our intellectual property are key resources that must be protected by every single employee. Intellectual property and business secrets are subject to the most stringent non-disclosure requirements. Intellectual property includes but is not limited to copyright, patents, utility models, designs, brands and business secrets.

All employees are required not to disclose information concerning our technical, technological and business expertise to third parties.

By the same token, our company policy states that we respect the rights of third parties to their intellectual property and will not breach the valid patent rights of others.