CEO statement on sustainability



«For us, sustainability means being oriented towards the future and being successful over the long term. We want to create added value for everyone affected by our activities. By doing so, we contribute to sustainable development – also in the spirit of the new UN Sustainable Development Goals.»

Christian Buhl, CEO

Sustainability has been an integral part of our identity for a long time. For us to be successful over the long term, a balance has to be struck between economic, ecological and social aspects in all our decision-making processes and concrete added value has to be generated for the key stakeholders. This also became clear in the recently conducted stakeholder panel. Geberit generates added value in a number of ways: innovative, design-oriented and sustainable products; training and education of plumbers, sanitary engineers and architects; the smallest possible ecological footprint along the entire value chain; production plants with prospects for numerous regions; a cooperation with suppliers and business partners that is based on fairness; and leadership for sustainable development in the sanitary industry. We realise our social responsibility within the scope of our global social projects relating to the topics of water and sanitary facilities, as well as in cooperation with partners

A concrete contribution to solving global challenges

The UN 2030 Agenda, which was launched at the beginning of 2016 and contains 17 Sustainable Development Goals (SDGs), shows the major challenges the world is facing. Sustainability leaders like Geberit are called upon to make concrete contributions to solving these problems. In this regard, goal number 6 – "Clean Water and Sanitation" – is very closely linked to our products and services. Intelligent water management is very much needed, particularly in regions where water shortages are a growing problem and the quality of drinking water is poor, as well as in the ever-increasing number of megacities. The biggest environmental contribution of Geberit therefore still lies in the conservation of water.

Integrated products in front of and behind the wall

Our expanded product portfolio was a key focus for us in 2016. The integration of products in front of and behind the wall opens up new opportunities for Geberit. For example, our expertise in the area of hydraulics, statics and hygiene complement each other perfectly, thus enabling the creation of integrated systems and solutions. The new urinal system Preda is a perfect example of what can be achieved with integrated technology: a first-rate product that is beautiful, easy to service and resource-efficient. Thanks to closer cooperation in all areas, we can react to global trends and develop pioneering products. For example, increasing urbanisation means that bathrooms are generally getting smaller in several important markets. Thanks to forward-looking product development, we can offer integrated and comfortable products in this growth segment.

A common denominator at 33 production sites

Thanks to the Geberit Production System (GPS 2.0), all production sites worldwide have a modern and future-oriented foundation. Continuous improvements are made by means of "lean manufacturing". The clearly defined and central objective of the Geberit Production System is the shift in production philosophy from the workshop principle of step-by-step manufacturing to a comprehensive system of continuous flow production. The manufacture of ceramic sanitary appliances is our most resource- and energy-intensive process in this regard. We are therefore investing in cutting-edge technology here in particular: Five tunnel kilns for ceramic production have already been equipped with state-of-theart burner technology, with the equipping of a further six planned. Each kiln can bring about energy savings of over 20%.

We are sticking to our ambitious goals of improving eco-efficiency by 5% per year and reducing relative CO_2 emissions by 5% per year. Furthermore, new absolute target values – based on the two-degree target set out in the Paris Agreement (science-based) – were approved in 2016. By doing do, we are aiming to play our part in limiting global warming to under two degrees. This can only be achieved through optimised processes, investments in an energy-efficient infrastructure and facilities, intensive exchanges on best practice and an integrated and certified management system.

Integration of the former Sanitec Group making good progress

The integration of the former Sanitec Group was resolutely pressed ahead with in 2016 – something which places great demands on our some 12,000 employees every single day. The high level of participation and great commitment shown by the employees when it came to last year's employee survey are particularly pleasing. The employee survey shows that sustainability and occupational safety are considered important and rated as good. The health and safety of employees continues to have the highest priority and is guided by concrete long-term objectives. The very good results achieved in the area of quality and innovation, team and personal goals show that the integration process is making good progress.

Statement of continued support for the UN Global Compact

Geberit has been a member of the UN Global Compact since October 2008 and is engaged in the area of environmental protection, responsible labour practices, human rights and the prevention of corruption. We provide customers, employees, investors and other interested parties with information on our sustainability goals and performances in a transparent manner. This year's report is once again prepared in accordance with the GRI G4 guidelines and fulfills the "comprehensive" transparency grade. The Communication on Progress UN Global Compact (COP) on 2016 can be found at \rightarrow www.geberit.com > Company > Sustainability > UN Global Compact.



Christian Buhl, CEO