

RESPONSE FROM GEBERIT TO THE PANEL STATEMENT

Geberit thanks the members of the stakeholder panel for the constructive discussions and valuable suggestions. Geberit wants to consistently further expand its positioning as a sustainability leader and uses the input provided by the panel to optimise its sustainability strategy, reflect on material topics and further develop its sustainability communication. The statements made by the panel are commented on individually below, with the content structured according to the Panel Statement.

SUSTAINABILITY STRATEGY

Geberit's mission of achieving sustained improvement in the quality of people's lives with innovative sanitary products illustrates our aspiration to use social challenges for our further development. The acquisition of the Sanitec Group in 2015 saw Geberit enter into the ceramic sanitary appliance and bathroom furniture business. This has allowed us to complement the innovative and reliable sanitary technology behind the wall with elegant and highly functional Geberit bathroom series in front of the wall. The wisdom of this integrated approach is becoming increasingly apparent. Our newly developed, integrated products strengthen our positioning according to the motto "only Geberit can do it", especially among end users interested in sustainable solutions.

We are pleased with the panel's confirmation that a restructuring of the modules of the sustainability strategy in the categories People, Planet and Profit is well received. In line with the recommendation of the panel, we have included the key topic of water as a new strategy module entitled "Intelligent water management". In this module, we have now set ourselves a long-term goal of reducing water consumption in ceramic production. Measures for strengthening a circular economy are now assigned to the strategy module "Conservation of resources" and we have developed a long-term goal in this regard. We are also expanding the module on occupational safety to include the aspect of employee health. Overall, the terminology in all strategy modules was further refined in order to express the underlying ambition.

With regard to the UN Sustainable Development Goals (SDGs), we stand by our belief that our main contributions lie in goal number 6 (Clean water and sanitation) and goal number 11 (Sustainable cities and communities) as well as also in goal number 8 (Decent work and economic growth) and goal number 9 (Industry, innovation, and infrastructure). We have refined the SDG Reporting and enhanced it by adding more facts about Geberit's contribution.

MATERIALITY ANALYSIS

The selection of material topics was developed further based on the input from the panel. This process saw material topics of the GRI Standards complemented by freely chosen topics that are relevant to Geberit. Like in the sustainability strategy, all material topics are assigned to the categories People, Planet and Profit. In the People category, the occupational safety topic was expanded to include the health aspect. In the Planet category, the resources topic was expanded to include the circular economy aspect. In the Profit category, the topics product management and innovation, quality as well as production and digitalisation/BIM were added as material topics. Furthermore, the topic of data protection was identified as relevant in connection with the introduction of the EU's General Data Protection Regulation (GDPR).

KEY TOPICS CIRCULAR ECONOMY AND DIGITALISATION

As part of the European vision for a resource-saving circular economy, efforts are being made to identify and, where possible, gradually implement options in the area of closed material cycles. This includes the search for further high-quality plastic regranulates and options for closing internal material cycles and making production waste useful for others as secondary materials. We have included the circular economy aspect in the resource conservation strategy module and have now set ourselves the goal of improving resource efficiency in ceramic production (kg ceramic waste/kg ceramic) by 10% by 2021.

Digitalisation is a topic that mainly affects Geberit in the area of market cultivation and customer relationship management. Digital tools are playing an increasingly important role here. Tools such as the Geberit Pro app for sanitary engineers have become indispensable in everyday life. In order to respond to the needs of end users as effectively as possible, various digital tools were recently launched or further developed, including an "inspiration app" for end users and a 3D planning tool, the latter of which provides a creative platform for end users to design their future bathroom. Geberit just recently further expanded the Digital team at Group level, with the aim of developing and launching digital tools more efficiently in future according to the needs of the respective target groups. This also includes the interdisciplinary planning method BIM (Building Information Modelling), which is relevant for the optimisation of the entire planning and building process as well as from a sustainability perspective.

SUSTAINABILITY COMMUNICATION

When it comes to its annual reporting activities, Geberit has for years been consistently focusing on online reporting featuring comprehensive reporting on sustainability. This contains different information categories: easy-to-understand highlights, summary results for shareholders in the business and financial review, comprehensive GRI reporting as well as key performance indicators. We deduce from the panel's feedback that reporting in all its different forms can be more actively communicated to the outside world.

Geberit gratefully takes up the suggestion that it show the "courage to leave gaps". As many topics are material, we try to more comprehensively describe the most material topics, whereas material topics where there is little need for action are presented in a concise manner.

With the twelve modules of the sustainability strategy, Geberit sets itself pragmatic goals and consistently reports on the achievement of objectives. The focus is on continuous improvement, such as the continuous improvement of the environmental impact. In addition to the two existing long-term goals with regard to CO₂ emissions and occupational safety, two new goals with regard to resource efficiency and water consumption were defined for ceramic production.

FINAL REMARKS

Geberit thanks all of the panel members for their work. The next stakeholder panel is planned for 2020.