

ANNUAL REPORT 2023

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Geberit Group

Business Report

Business Report

Editorial



Dear shareholders,

An extremely difficult year is behind us. Volumes were significantly lower due to the declining building construction industry in Europe and the high volume level in the prior year. Furthermore, the sanitary industry in some countries was negatively impacted by the shift in demand from sanitary to heating solutions. However, the global and regional supply chains eased somewhat in the reporting year. There was good availability of raw materials and components, and the delivery times were much shorter than in the previous year. Despite the very difficult market environment, operating margins were significantly higher compared to the previous year. This was primarily due to the high level of operational flexibility, especially in the plants and logistics, the significant fall in energy prices, and consistent price management. As a result, it was also possible to absorb most of the impacts of the Swiss franc, which was significantly stronger compared to most currencies. All in all, this is reference to our structural and financial strength as well as the resilience of our business model. This enabled us to further consolidate our position as leading supplier of sanitary products and gain market shares.

Decline in sales due to very high levels in previous year and declining building construction industry

In 2023, the Geberit Group's net sales fell by 9.1% to CHF 3,084 million. This decrease was strongly influenced by negative currency effects of CHF 147 million as a result of the Swiss franc, which was significantly stronger compared to most other currencies. In local currencies, this resulted in a decline of 4.8%. Price increases of around 8% had a positive impact on the development. Volumes were significantly lower due to the declining building construction industry in Europe and the high prior-year level. Furthermore, the sanitary industry in some countries was negatively impacted by the shift in demand from sanitary to heating solutions.

Operational flexibility and cost discipline lead to significant increases in operating margins

Despite the very difficult market environment with significantly lower volumes and considerable wage inflation, we were able to increase our profitability. This strong performance was made possible primarily by the high level of operational flexibility, especially in the plants and logistics, the fall in raw material and energy prices, and consistent price management.

In Swiss francs, all results were heavily impacted by the negative currency development. In total, operating cashflow (EBITDA) increased by 1.4% to CHF 921 million. After currency adjustments, this corresponded to an increase of 7.8%. The EBITDA margin increased significantly by 310 basis points to 29.9% compared to the same period in the previous year. Mainly due to a positive one-off tax effect in the previous year and a more negative financial result compared with the previous year, net income declined by 12.6% to CHF 617 million (currency-adjusted -6.3%), corresponding to a return on net sales of 20.0% (previous year 20.8%). Earnings per share fell by 10.2% to CHF 18.39 (previous year CHF 20.48). However, due to the positive effects of the share buyback programme the decrease was less than proportional compared to the development of net income. Currency-adjusted, this resulted in a decrease of 3.7%.

Free cashflow increased significantly by 11.3% to CHF 625 million. This was due to higher operating cashflow and a positive year-on-year development in net working capital. In contrast, the significantly higher investment volume had a negative impact. The free cashflow margin reached 20.3% (previous year 16.6%).

Significantly higher investments

In 2023, investments in property, plant and equipment and intangible assets amounted to CHF 197 million – CHF 42 million or 27.1% more than in the previous year. As a percentage of net sales, the investment ratio was 6.4% (previous year 4.6%). The significantly higher investments compared to the previous year were attributable to strategic plant expansions as well as the construction of a new customer centre in Germany. As part of the strategic stability, all important, larger investment projects were carried out as planned.

Diverse face-to-face and digital marketing and sales activities

The most important part of the diverse market cultivation activities is carried out by our employees in field service at the various local sales companies. They are in daily contact with wholesalers, plumbers, sanitary engineers, architects and investors. In an extraordinarily difficult market environment with a declining building construction industry, they intensified customer contacts compared to the previous year. They increasingly used the possibilities offered by hybrid sales, where personal contact is combined with digital resources such as video calls or video conferences.

In the reporting year, we were able to provide around 60,000 professionals with face-to-face training on products, tools, software tools and installation skills at the 30 Geberit Information Centres in Europe and overseas. At the same time, counter days and local and digital events were organised in numerous markets – often together with wholesalers – to inform craftsmen about new products. More than 61,000 customers took part in such events. Web-based seminars and training courses now occupy a firm and important place in Geberit's training offer. 18,000 people took part in the past year.

Geberit know-how for drinking water supply, roof and building drainage and for the construction of sanitary facilities is implemented in numerous major projects. The durable, space-saving and installation-friendly systems offer significant advantages in planning and design for the responsible parties and craftsmen. Advantages also include expert technical support on topics including sound insulation, fire protection, statics and hygiene. Manufacturers of prefabricated bathrooms or prefabricated buildings are becoming increasingly important in individual markets, particularly due to the skills shortage. This is because industrial prefabrication allows for uncomplicated installation, faster work processes and higher economic efficiency. Our customers in the prefabrication industry are looked after by a specialist sales team. Additionally, the prefabrication industry is supplied with specific product solutions in order to further simplify and accelerate the prefabrication process. We have also been active in industrial prefabrication for years and produce prefabricated frame constructions for sanitary installations and completely furnished prefabricated bathrooms for new buildings and renovations at our sites in Lichtenstein (DE) and Matri (AT).

Our professional customers are offered support in their daily work that meets their needs as much as possible with digital tools. Fourteen applications are now available for assisting in the planning and calculation of sanitary installations or in the commissioning and maintenance of devices. In the reporting year, the focus was on further enhancing the profile of these applications and launching them in additional Geberit markets. Our end users can find inspiration for their bathroom design in six applications, such as the Washplace Configurator, 3D bathroom planner or virtual showrooms for actuator plates. In 2023, there were concerted efforts towards making these tools available in additional markets. The different tools are now in use in 38 markets.

New products for our markets worldwide

In 2023, we once again expanded our product range, launching numerous new products on the market. On the new Acanto WC with TurboFlush, the geometry of the inner bowl has been redesigned and hydraulically optimised. This leads to a more efficient flushing out that significantly exceeds the prescribed standards and thus also ultimately leads to water savings. The new CleanLine50 shower channel impresses with its slim design and requires over 50% less material in production compared to its predecessor. Moreover, further bathroom products for end users and a wide range of technical products for the trade were introduced.

In order to protect our know-how, we applied for 25 patents in the reporting year – and a total of 159 patents over the past five years.

Strategic stability despite significant volume decline

The global and regional supply chains eased somewhat in the reporting year. There was good availability of raw materials and components, and the delivery times were much shorter than in the previous year. Customers were supplied with the entire product range at the usual high level.

However, the significant volume decline in the reporting year meant that our plants and logistics network were faced with some major challenges. Despite this, we were able to maintain productivity in both areas at a very high level. This was again achieved through numerous measures and projects that optimised production processes and the use of energy and materials and increased efficiency. This was also achieved through a high degree of operational flexibility, in particular by adjusting the capacity of temporary and fixed-term employees, and through natural fluctuation.

In ceramic production, the implementation of a specialisation strategy initiated in the previous year was continued. At the same time, the further automation of individual production processes was promoted. In the plants where plastic and metal are processed, numerous investment projects were continued with strategic stability in mind to build up the capacities needed in the medium and long term in good time and to further improve the efficiency of the processes.

Environmental performance significantly improved again – substantial reduction in CO₂ emissions

The absolute environmental impact of the Geberit Group decreased in 2023 by a further 17.6%. Currency-adjusted net sales fell by 4.8% in the same period. As a result, we were able to decrease the environmental impact in relation to currency-adjusted net sales (eco-efficiency) by 13.4%. Since the integration of the energy-intensive ceramics production in 2015, eco-efficiency has improved by 62.6%. As regards the long-term target, which is based on an average improvement of 5% per year, we therefore remain very well on course.

We also significantly exceeded our medium-term goal of reducing relative CO₂ emissions by 5% per year in the reporting year. In relation to currency-adjusted net sales, CO₂ emissions decreased by 15.6%. Compared to the previous year, absolute CO₂ emissions fell by 19.6% to 121,014 tonnes and have therefore been reduced significantly more than volumes. This reduction is due to targeted operating measures and the continuous increase in the share of electricity from renewable energy sources, plus a decline in production volumes. Since the acquisition of the energy-intensive ceramics production in 2015, we have succeeded in reducing CO₂ emissions in relation to currency-adjusted net sales (CO₂ intensity) by 63.2%.

Again honoured with EcoVadis award

We have once again been recognised for our sustainability management by EcoVadis. Gold is the second-highest rating awarded following the annual evaluation. Geberit thus finds itself in the top five percent of rated companies. EcoVadis is one of the world's largest providers of business sustainability ratings and has created a global network of over 100,000 companies in around 180 countries. The comprehensive analysis takes into account 21 criteria in the areas Environment, Labor & Human Rights, Ethics and Sustainable Procurement, and contributes towards ensuring transparency in sustainability performance of the companies. The Gold rating shows both customers and suppliers that we have a comprehensive, systematic sustainability management in place.

ESG governance

The value- and future-oriented corporate governance strengthens the resilience of our business model and thus the long-term value creation of Geberit. A sustainability-oriented business management philosophy was defined as one of the strategic success factors of the company. This includes the long-term planning of investment projects taking an internal CO₂ reference price into consideration, checking whether the defined measures have achieved their targets, and integrating the CO₂ reduction target as one of five equally weighted criteria in the calculation of the bonus for management and some of the employees.

All positions involved in the sustainability strategy and its implementation, with the corresponding tasks and responsibilities, are clearly defined; ultimate responsibility lies with the Board of Directors (see also → [ESG governance](#)).

Targeted expansion of sustainability reporting

Geberit reports comprehensively on the subject of sustainability. Since 2006, a sustainability performance report has been presented annually in accordance with the guidelines of the Global Reporting Initiative (GRI). Sustainability reporting now also meets the requirements regarding non-financial reporting in the revised Swiss Code of Obligations (CO Art. 964a ff.). The corresponding reporting on climate, social and employee matters, adherence to human rights and fighting corruption has been integrated into existing reporting, which has been developed according to the GRI Standards over the course of many years. The climate reporting which is mandatory from 2024 onwards, is already covered today in Geberit's TCFD report.

Focus on water consumption

Careful, sparing use of water as a valuable resource is one of our core areas of focus. The consistent focus on reducing water consumption both in production and in the product use phase is our greatest lever for contributing to sustainable development.

In the reporting year, water consumption in production totalled 850,178 m³ (previous year 908,407 m³). In comparison with 2015, the year of the integration of the ceramics business, water consumption fell by 27.4%. Geberit consistently applies measures to successively reduce water consumption. In particular, this includes measures such as reusing water in laboratories and the production process. At around 80%, ceramic production accounts for the biggest share of water consumption; in this area, water consumption fell by 5% compared to the previous year and savings of 31% have been achieved since 2015.

With eco-design, we also check and improve the products with regard to water consumption. Our innovative sanitary products help to systematically optimise water consumption in buildings. Rimless ceramic appliances, optimised TurboFlush technology and water-saving taps, urinals and flush valves help customers handle water sparingly. According to a model calculation, water consumption for toilet flushing, for example, has decreased since 1952 by around 80% from 70 litres to 14 litres per person per day thanks to several innovations such as the flush-stop cisterns and Geberit dual flush.

The optimisation of water efficiency continues to be of the highest importance to us. The new WC system launched in the reporting year is a perfect example of this: if the Acanto WC ceramic appliance – equipped with the latest TurboFlush flush technology – is combined with the water-saving flush valve 212 and the dual flush actuator plate, the required flush volume is reduced to 2.6 litres for the partial flush and 4 litres for the full flush. Due to the optimally coordinated components, the flush performance is up to ten times higher than the requirements of international standards.

Circular economy and longevity

The aim of the circular economy is to operate an economic cycle in the most resource and environmentally friendly way possible. The greatest lever here is the service life of a product. The longer a product can be used, the lower the resource input per use. One of Geberit's key contributions to the circular economy is therefore to achieve the longest possible product life due to high-quality materials and strict quality requirements. Our products typically have a service life spanning several decades.

The service life often exceeds 50 years, for example in the case of plastic drainage pipes. An important contribution to the longevity of Geberit products and systems is that a significant proportion of the product range also has a spare parts availability of 25 years. In the reporting year, we increased the spare parts availability for all mechanical components on concealed cisterns from 25 to 50 years. Furthermore, many of our products can be cleaned, maintained and repaired easily. The fact that new products and innovations are backwards-compatible – for example in the case of actuator plates – is also an important contribution to a longer service life of a previously installed product.

Information Technology (IT)

At Geberit, we are continually working to increase and further develop our IT security. This includes taking defensive measures against cyberthreats as well as detecting and dealing with any cyberattacks efficiently. Extensive measures have been established in the interests of business continuity. In terms of organisation, an IT security committee headed up by the CFO takes care of all relevant aspects of IT security. Our IT systems undergo a comprehensive and detailed security check – including the ongoing assessment of newly emerging risks – involving the input of external specialists on a regular basis. The latest checks confirmed a good level of security. All in all, we are thus comparable to industrial companies of a similar size and complexity.

The current operational focus in IT is on increasing efficiency and creating added value for the customers. Examples of increased efficiency include using artificial intelligence to answer customer enquiries in Germany, the AI-based payment workflow, the new EWM logistics solution based on SAP S/4 HANA, and equipping the first factory with a Manufacturing Executive System (MES). Examples of added value for customers include the new online catalogue and the first version of the system for identifying compatible products (product relationship management, PRM). Moreover, we also started an initiative for the improved use of AI within the various functions at the end of 2023.

Continued attractive distribution policy

The Geberit share price started the trading year 2023 at CHF 435.50. In the first half of the year in particular, the share price partially recovered from the significant valuation adjustment in the previous year. The share price then recorded a significantly stronger increase than the Swiss Market Index (SMI) in the final two months of the reporting year and closed at CHF 539.00, corresponding to an increase of 23.8% across the year 2023. In the same period, the SMI posted gains of 3.8%. Viewed over the past five years, the Geberit share posted an annual average increase of 7.1% (SMI +5.7%). Since going public (IPO) in 1999, the average annual increase was +11.7% (SMI +1.9%). The Geberit Group's market capitalisation reached CHF 19.0 billion at the end of 2023. As in previous years, we will maintain the attractive distribution policy. Therefore, we will propose to the General Meeting an increase in the dividend of 0.8% to CHF 12.70. The payout ratio of 70.1% of net income is just above the 50% to 70% corridor defined by the Board of Directors.

In 2023, we distributed CHF 424 million to shareholders as part of the dividend payment. As part of the share buyback programme launched on 20 June 2022, a total of 493,150 shares were acquired at a sum of CHF 238 million in the reporting year. As a result, we distributed CHF 662 million, or 106% of the free cashflow, to shareholders as part of the dividend payment and the share buyback programme in the reporting year, which equates to 3.5% of Geberit's market capitalisation as of 31 December 2023. Over the last five years, around CHF 3.2 billion has been paid back to shareholders in the form of distributions or share buybacks, which corresponds to 96.6% of the free cashflow in this period.

Sincere gratitude

Our customers again deserve special thanks for their trust and constructive collaboration. Taking into account the very challenging environment, we owe the good results in the reporting year to the high degree of motivation, commitment and flexibility of our employees. We wish to express our thanks and appreciation to them. Last but not least, we also wish to express our gratitude to you, esteemed shareholders, for your continued trust in our company.

Outlook for the year 2024

Due to the challenging macroeconomic conditions and the ongoing geopolitical risks, we expect the building construction industry to decline overall in the current year.

In the past two years, increased construction costs and interest rates have significantly dampened demand in the European building construction industry – especially in the new building sector. Driven by the weak development in residential construction, the number of building permits in Europe decreased by around 20% in the first nine months of 2023, leading to a corresponding decline in new building activities in 2024. We expect the most pronounced decline in Northern Europe and Germany. Conversely, new building activities in Switzerland are expected to develop more positively due to the lower inflation and lower interest rates. In contrast, we expect a more robust development in the global renovations business, which accounts for around 60% of Geberit sales. This is primarily due to the following reasons:

- a fundamental need for renovations in several European countries, and
- no additional pressure caused by the shift in demand from sanitary to heating solutions, as seen in the previous year.

Despite the negative overall forecasts for the European building construction industry in 2024, the expected reduction in interest rates during the course of the year and the structural trend towards higher sanitary standards should positively stimulate demand. In the markets outside Europe in which Geberit is active, we expect a mixed picture for this year, with strong demand in India, the Gulf Region and Egypt, for example, and with a decline in China and Australia.

Regardless of the challenging market environment, the objective for 2024 remains to gain further market shares. This should be achieved by the two guiding principles of 1) strategic stability and 2) operational flexibility. The objective is to overcome the challenges caused by the uncertain volume development without harming the medium-term potential. As part of strategic stability and despite the declining market environment, various strategic growth initiatives and investment projects – for example, in selected growth markets outside Europe – will be continued or newly launched as planned in 2024. In line with the Geberit strategy, these measures shall be accompanied by efforts to continuously optimise business processes in order to be able to achieve continued high margins and a strong free cashflow also in 2024. Based on the strong foundation already built up over the past decades, the sustainability performance should continue to improve.

Both the Board of Directors and the Group Executive Board are convinced that the Geberit Group is very well equipped and positioned to meet current and upcoming opportunities and challenges. This assessment is based on the stable and long-term strategy, the proven business model with strong customer relationships and the industry-leading financial stability. Experienced and highly motivated employees, a number of promising growth initiatives, the products that have been launched in recent years and the promising development pipeline, a lean and customer-oriented organisation, an established cooperation based on trust with the market partners in both commerce and trade, and the Group's continued very solid financial foundation are vital to our future success.

Yours sincerely,

Albert M. Baehny
Chairman of the Board of Directors

Christian Buhl
CEO

Business Report

10-year key figures

		2023	2022	2021	2020	2019
Key figures						
Net sales	MCHF	3,084	3,392	3,460	2,986	3,083
Change on previous year	%	-9.1	-2.0	+15.9	-3.1	+0.1
Change on previous year c.a./org.	%	-4.8	+4.8	+14.7	+1.3	+3.4
Operating profit (EBIT) ¹	MCHF	769	755	902	772	757
Margin in % of net sales ¹	%	24.9	22.3	26.1	25.8	24.5
Net income ¹	MCHF	617	706	756	642	647
Margin in % of net sales ¹	%	20.0	20.8	21.8	21.5	21.0
Operating cashflow (EBITDA) ¹	MCHF	921	909	1,069	925	904
Margin in % of net sales ¹	%	29.9	26.8	30.9	31.0	29.3
Free cashflow ²	MCHF	625	562	809	717	644
Margin in % of net sales ²	%	20.3	16.6	23.4	24.0	20.9
Financial results, net ¹	MCHF	-27	-14	-13	-17	-14
Capital expenditures	MCHF	197	155	169	150	167
Research and development expenses	MCHF	70	72	78	75	77
In % of net sales	%	2.3	2.1	2.3	2.5	2.5
Earnings per share ¹	CHF	18.39	20.48	21.34	17.95	17.97
Distribution per share	CHF	12.70 ³	12.60	12.50	11.40	11.30
Employees						
Number of employees (31.12.)		10,947	11,514	11,809	11,569	11,619
Annual average		11,189	11,809	11,821	11,552	11,631
Net sales per employee	TCHF	276	287	293	258	265
Balance sheet (31.12.)						
Total assets	MCHF	3,556	3,429	3,772	3,751	3,725
Cash and cash equivalents, marketable securities, short-term investments	MCHF	357	206	511	469	428
Net working capital	MCHF	196	237	157	181	202
Property, plant and equipment	MCHF	976	948	956	934	920
Goodwill and intangible assets	MCHF	1,340	1,410	1,493	1,577	1,597
Total debt	MCHF	1,321	1,030	784	779	837
Equity	MCHF	1,320	1,497	1,988	1,922	1,899
Equity ratio	%	37.1	43.7	52.7	51.2	51.0
Gearing	%	73.1	55.0	13.7	16.1	21.5
ROIC ¹	%	23.6	26.5	27.1	23.2	23.1

¹ 2015–2018: Adjusted for costs in connection with the Sanitec acquisition and integration (EBITDA 2018 not adjusted)

² 2016–2017: Adjusted due to an internal reclassification

³ Subject to approval of the General Meeting 2024

		2018	2017	2016	2015	2014
Key figures						
Net sales	MCHF	3,081	2,908	2,809	2,594	2,089
Change on previous year	%	+5.9	+3.5	+8.3	+24.2	+4.5
Change on previous year c.a./org.	%	+3.1	+3.5	+6.4	+2.7	+5.9
Operating profit (EBIT) ¹	MCHF	744	706	687	591	577
Margin in % of net sales ¹	%	24.2	24.3	24.4	22.8	27.6
Net income ¹	MCHF	626	604	584	493	499
Margin in % of net sales ¹	%	20.3	20.8	20.8	19.0	23.9
Operating cashflow (EBITDA) ¹	MCHF	868	821	795	694	657
Margin in % of net sales ¹	%	28.2	28.2	28.3	26.7	31.5
Free cashflow ²	MCHF	582	476	557	484	460
Margin in % of net sales ²	%	18.9	16.4	19.8	18.7	22.0
Financial results, net ¹	MCHF	-20	-9	-9	-17	-2
Capital expenditures	MCHF	162	159	139	147	105
Research and development expenses	MCHF	78	78	72	63	56
In % of net sales	%	2.5	2.7	2.6	2.4	2.7
Earnings per share ¹	CHF	17.21	16.43	15.85	13.23	13.28
Distribution per share	CHF	10.80	10.40	10.00	8.40	8.30
Employees						
Number of employees (31.12.)		11,630	11,709	11,592	12,126	6,247
Annual average		11,803	11,726	11,972	12,477	6,303
Net sales per employee	TCHF	261	248	235	208	331
Balance sheet (31.12.)						
Total assets	MCHF	3,502	3,743	3,601	3,554	2,432
Cash and cash equivalents, marketable securities, short-term investments	MCHF	282	413	510	460	750
Net working capital	MCHF	206	173	147	147	169
Property, plant and equipment	MCHF	829	813	727	715	551
Goodwill and intangible assets	MCHF	1,652	1,749	1,681	1,757	645
Total debt	MCHF	837	895	971	1,139	11
Equity	MCHF	1,745	1,837	1,635	1,482	1,717
Equity ratio	%	49.8	49.1	45.4	41.7	70.6
Gearing	%	31.8	26.3	28.2	45.9	-43.0
ROIC ¹	%	22.6	22.4	21.5	20.1	35.5

¹ 2015–2018: Adjusted for costs in connection with the Sanitec acquisition and integration (EBITDA 2018 not adjusted)

² 2016–2017: Adjusted due to an internal reclassification

³ Subject to approval of the General Meeting 2024

Business Report

Geberit share information

Share price performance in the reporting year

The Geberit share price started the trading year 2023 at CHF 435.50. In the first half of the year in particular, the share price partially recovered from the significant valuation adjustment in the previous year. The share price then recorded a significantly stronger increase than the Swiss Market Index (SMI) in the final two months of the reporting year and closed at CHF 539.00, corresponding to an increase of 23.8% across the year 2023. In the same period, the SMI posted gains of 3.8%. Viewed over the past five years, the Geberit share posted an annual average increase of 7.1% (SMI +5.7%). Since going public (IPO) in 1999, the average annual increase was +11.7% (SMI +1.9%).

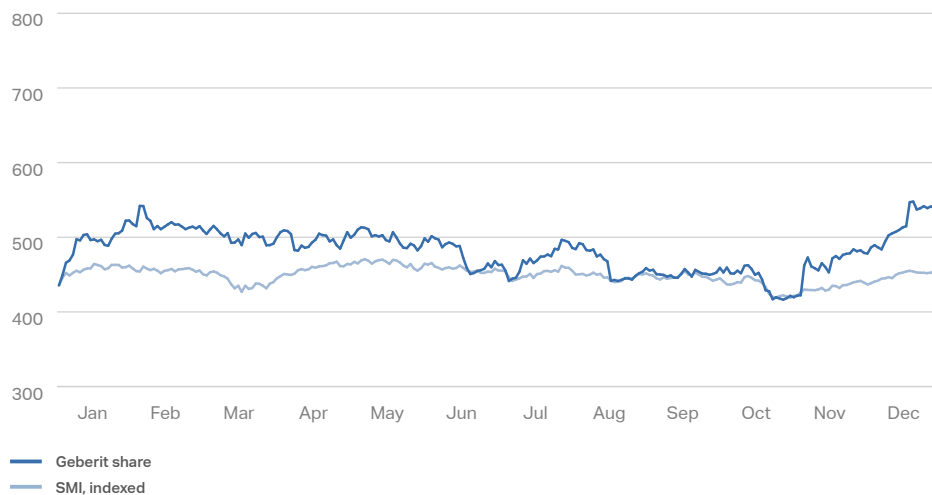
The Geberit Group's market capitalisation reached CHF 19.0 billion at the end of 2023.

The Geberit shares are listed on the SIX Swiss Exchange, Zurich.

At the end of 2023, the free float as defined by the calculation method of the SIX Swiss Exchange regulation for stock and real estate indices was 95%.

Share price development

1.1.–31.12.2023



Source: Refinitiv

Share price development
22.6.1999 (IPO)–31.12.2023



Basis: 1:10 stock split implemented on 8 May 2007
Source: Refinitiv

Distribution

Given a stable market environment, Geberit achieves high free cashflow, which is used to repay debts, applied towards any acquisitions or distributed to shareholders. The capital structure is prudently maintained, and the company strives for a solid balance sheet structure with a sufficient buffer of liquidity for the operating business. On the one hand, this policy guarantees the financial flexibility necessary to achieve growth targets, and, on the other hand, it offers investors security. Surplus liquid funds are distributed to shareholders. Geberit continued this shareholder-friendly distribution policy last year as well.

In 2023, CHF 424 million was distributed to shareholders as part of the dividend payment. As part of the share buyback programme launched on 20 June 2022, a total of 493,150 shares were acquired at a sum of CHF 238 million in the reporting year. As a result, CHF 662 million, or 106% of the free cashflow, was distributed to shareholders during the reporting year as part of the dividend payment and the share buyback programme, which equates to 3.5% of Geberit’s market capitalisation as of 31 December 2023.

Over the last five years, around CHF 3.2 billion has been paid back to shareholders in the form of distributions or share buybacks, which corresponds to 96.6% of the free cashflow in this period.

Total distribution to shareholders and share buybacks

(in CHF million)

	Total	2023	2022	2021	2020	2019
Distribution	2,055	424	433	405	404	389
Share buyback	1,188	238	570	166	167	47
Total	3,243	662	1,003	571	571	436

The Board of Directors will propose to the ordinary General Meeting of Geberit AG on 17 April 2024 an increase in the dividend of 0.8% to CHF 12.70. The payout ratio of 70.1% of net income is just above the 50% to 70% corridor defined by the Board of Directors.

Distribution paid

(in CHF per share)

	2023	2022	2021	2020	2019
Dividend	12.60	12.50	11.40	11.30	10.80

Major data relating to the Geberit share

	31.12.2023
Registered shareholders	49,711
Capital stock (CHF)	3,518,908.20
Number of registered shares	35,189,082
Registered shares	17,219,879
Treasury shares	1,889,965
Stock exchange	SIX Swiss Exchange, Zurich
Swiss securities identification number	3017040
ISIN code	CH0030170408
SIX Financial Information	GEBN
Refinitiv	GEBN.S
Bloomberg	GEBN.VX

Key figures

(in CHF per share)

	2023	2022
Net income	18.39	20.48
Free cashflow	18.63	16.28
Equity	39.34	43.40
Distribution	12.70 ¹	12.60

¹ Subject to approval of the General Meeting 2024

Communication

Geberit publishes current and comprehensive information simultaneously for all market participants and interested parties on the website → www.geberit.com, including ad hoc announcements. Among other things, the current version of the investor presentation is available on the website at any time. In addition, interested parties may add their names to a mailing list → www.geberit.com/maillinglist in order to receive the most recent information relating to the company.

CEO Christian Buhl, CFO Tobias Knechtle and the Head Corporate Communications & Investor Relations Roman Sidler are in charge of communication with shareholders, the capital market and the general public. Contact details can be found on the website in the relevant sections. Information relating to Geberit is provided in the form of regular media information, media and analysts' conferences, as well as financial presentations.

Contact may be established at any time at → corporate.communications@geberit.com

Comprehensive share information can be found at → www.geberit.com > Investors > Share

Time schedule

	2024
General Meeting	17 Apr
Dividend payment	23 Apr
Interim report first quarter	7 May
Half-year report	15 Aug
Interim report third quarter	31 Oct
	2025
First information 2024	17 Jan
Results full year 2024	6 Mar
General Meeting	16 Apr
Dividend payment	24 Apr
Interim report first quarter	6 May
Half-year report	20 Aug
Interim report third quarter	4 Nov

(Subject to minor changes)

Business Report

Management structure

1 January 2024

Board of Directors

Chair Albert M. Baehny	Vice Chair Eunice Zehnder-Lai
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CEO	Sales Europe	Sales International	Marketing & Brands	Products	Operations	Finance
Chief Executive Officer Christian Buhl	Member Executive Board Clemens Rapp	Member Executive Board Ronald van Triest	Member Executive Board Martin Baumüller	Member Executive Board Andreas Lange	Member Executive Board Martin Ziegler	Member Executive Board Tobias Knechtle
Human Resources Roland Held	Germany Cyril Stutz	North America Dominic Rice	Digital Kai Hildebrandt	Quality Valentin Stalder	Purchasing Hansjörg Ill	Controlling Fabian Huber
Communications/ Investor Relations Roman Sidler	Switzerland Reto Bättig	Far East/Pacific	Installation and Flushing Systems/ Bathroom Systems Tobias Mayr	Technology/ Innovation Thomas Mattle	Logistics Gerd Hailfinger	Treasury Thomas Wenger
Strategic Planning Kogo Wolf	Nordic Countries Lars Risager	China Tony Zhang	Piping Systems Renato Di Rubbo	Accredited Test Laboratory Markus Tanner	Production Plants P & M* Robert Lernbecher	Information Technology Johan Engvall
Sustainability and Process Management Roland Högger	Italy Giorgio Castiglioni	NSEA Michael Allenspach	Marketing Operations Susanne Wyss	Products Installation and Flushing Systems Marcel Heierli	Production Plants C & M** Martin Ziegler	Taxes Kirstin Loew
Shower Toilets Margit Pfeifer	The Netherlands Menno Portengen	Pacific Frances Ngo	Pricing Frank Heuser	Products Installation and Flushing Systems Arnd Gildemeister	Production Plants CER*** Simon Imhof	Legal Albrecht Riebel
	Belgium José Wyns	Middle East/Africa Daniel Engelhard	Master Data Management Jürgen Lay	Products Piping Systems Jörn Ikels		Internal Audit Martin Reiner
	Austria Guido Salentinig	South Africa Mark Schurr	Technical Documentation Werner Trefzer			
	France Yves Danielou	India Abubaker Koya	Training & Education Florian Maurer			
	United Kingdom Mark Larden	Turkey Ufuk Algier	IP Management Ari Tervala			
	Poland Karolis Bacevicius					
	Ukraine Oleksii Rakov					
	Czech Republic/ Slovakia Vladimir Sedlacko					
	Adriatic Region Miran Medved					
	Iberian Peninsula David Mayolas					
	Hungary Tamás Kőszeghy					
	Romania Catalin Mitroi					
	Key Account Management Michael Albrecht					
	Business Development/OEM/ Industry Tobias Beck					

* P & M: Plastics and Metal
 ** C & M: Composite and Metal
 *** CER: Ceramics

Business Report

Business and financial review

Strategy and goals

Strategy

With its innovative solutions in the field of sanitary products, Geberit aims to achieve sustained improvement in the quality of people's lives. The proven, focused strategy for doing so is based on the four pillars "Focus on sanitary products", "Commitment to innovation and sustainability", "Selective geographic expansion" and "Continuous optimisation of business processes".



1. **Focus on sanitary products:** Geberit concentrates on installation and flushing systems for sanitary facilities, piping systems for transporting water in buildings, as well as bathroom systems. In these areas, Geberit has comprehensive know-how and supplies high-quality, integrated and water-saving sanitary technology as well as attractive design.
2. **Commitment to innovation and sustainability:** Continuously optimising and extending the product range is crucial for future success. Innovative strength is founded on research in areas such as hydraulics, acoustics, statics, fire protection and hygiene, as well as process and materials technology. With the insights gained, products are developed where expertise in front of and behind the wall is applied for the benefit of customers. The consistent focus here is on sustainability. For example, the reduction of water consumption in the product use phase is a core topic.
3. **Selective geographic expansion:** An important factor in the long-term success is stronger growth in markets in which Geberit products or technology are still under-represented. Outside Europe, Geberit concentrates on the most promising markets. These include, for example, China, South East Asia, Australia, the Gulf Region, South Africa and India. The company mainly engages in project business in these markets. The company always adheres strictly to the existing high standards in terms of quality and profitability.
4. **Continuous optimisation of business processes:** Efficient processes will help to establish a leading and competitive cost structure on a long-term basis. Process optimisation will be partly achieved through Group-wide projects and partly through employees identifying improvement potential in their day-to-day work, thus making a major contribution toward positive development.

The following growth and earnings drivers are crucial to implementing the strategy and achieving the ambitious → medium-term goals:

Growth

1 Focus on sanitary products

Go-to-market model, which concentrates on the key decision-makers in the sanitary industry (wholesalers, plumbers and sanitary engineers, architects, general contractors, investors, showroom operators)

Technology penetration, which involves replacing outdated technologies with new, more innovative sanitary products and systems

Value strategy to increase the proportion of higher-added-value products – particularly in markets in which Geberit products already have a high degree of penetration

2 Commitment to innovation and sustainability

Innovation leadership in the sanitary industry in order to set new standards and to get additional competitive advantages

Sustainability leadership in the sanitary industry through consistent integration of sustainability goals in all relevant business processes

3 Selective geographic expansion

Selective technology penetration of new markets where long-term, profitable and organic growth are possible through the introduction of or the market penetration with European sanitary technology

Profitability

4 Continuous optimisation of business processes

Continuous process and cost optimisation to protect the high operating margins and competitive advantages

Strategic success factors

The success of the Geberit Group is based on a series of success factors. The most important are:

- a clear and long-term strategy with a focus on sanitary products
- solid, long-term → growth and earnings drivers
- a strong competitive position
- an innovative product range, developed in accordance with customer needs
- a proven, customer-focused business model
- a → sustainability-oriented business management philosophy
- a stable management team
- a lean, functional organisation with clear responsibilities
- a result- and customer-oriented, partnership-based and down-to-earth → corporate culture

Medium-term goals

Geberit has set itself the goal of establishing new standards for sanitary products, continually developing these standards and thereby gaining market shares. Among other things, this approach yields sales growth that outstrips the industry average. Basically, Geberit is aiming to achieve its sales targets while at the same time maintaining its industry leadership in terms of profitability and the ability to generate high cashflows.

The growth in net sales in local currencies, after adjustments for acquisitions, is expected to be between 4 and 6 percent in the medium term as an average over one economic cycle. This growth results from the weighted average growth of the sanitary market in the markets where Geberit is active of around 2 percent (corresponding to the growth of the gross domestic product (GDP)) and a market overperformance of around 3 percent. Additionally, an operating cashflow (EBITDA) margin of between 28 and 30 percent is expected to be achieved, and the ROIC is expected to be at an industry-leading level in the medium term. Furthermore, an average reduction in CO₂ intensity of 5 percent per year was set as a further medium-term target as part of the [→ CO₂ strategy](#).

In order to cope with growth and to be prepared for upcoming major projects, greater investments are currently being made in property, plant and equipment – around CHF 200 million per year in the medium term.

Further growth through acquisitions has not been ruled out. However, any potential acquisition will have to satisfy strict strategic and financial criteria.

A net debt ratio of around 1.5x the operating cashflow is seen as adequate for our business.

Value-oriented management

Value orientation aspects are considered in all areas of the company.

The remuneration model for Group management as a whole (220 employees) involves a remuneration portion that is dependent on the company's performance and which is calculated on the basis of → five equally weighted key figures – including the value-oriented key figure "return on invested capital" (ROIC). In addition to the salary, there is an annual option plan for the Group Executive Board and other management members. Allotments under the option plan are also linked to a target figure for return on invested capital (ROIC). Details can be found in the → [Remuneration Report](#).

Investments in property, plant and equipment are approved only if strict criteria are met. In this context, it is imperative that an investment return be achieved that exceeds the cost of capital and thus includes a premium. Furthermore, an implicit CO₂ reference price has been an integral part of the economic efficiency calculation since the introduction of the new CO₂ strategy in 2022. This price is defined once a year by the Board of Directors as part of the budget process.

In the interests of value-oriented management, important investment projects are tracked over the long-term following project completion, and the achievement of objectives is evaluated annually by the Group Executive Board.

Risk management

For information on risk management, see also → [Corporate Governance, 3.7 Information and control instruments vis-à-vis the Group Executive Board, third paragraph.](#)

As part of the process of risk identification, risk analysis and risk management, the following risks have been rated as significant for the Geberit Group:

Performance of the European building construction industry

Renovations, which are less cyclical, account for a significant share of total sales. Consequently, the Geberit Group is less exposed to fluctuations in construction activity. Given that modern sanitary technology still has relatively low levels of penetration in many markets, there is also a considerable degree of long-term potential for sales growth – regardless of the economic climate. However, an increase or reduction in inventories at wholesalers can have a significant short-term impact on the sales figures at Geberit.

Availability of raw materials

A prudent procurement strategy with a strong regional and local orientation, institutionalised purchase processes and a strong focus on cooperative relationships with suppliers help to ensure that raw materials are available.

Changes in the competitive environment

Innovative products and the comprehensive product range ensure that the Geberit Group is able to maintain a leading market position. The company's strong partnership with the craft sector, sanitary engineers and investors, and its constructive collaboration with wholesalers also play a key role as part of the three-stage sales model.

IT security

The Geberit Group is continually working to improve its IT (information technology) security. This includes taking defensive measures against cyberthreats as well as detecting and dealing with any cyberattacks efficiently. Extensive measures have been established in the interests of business continuity.

In terms of organisation, an IT security committee consisting of the CFO (chair), Head of Operations of the Group, Head IT of the Group and Chief Information Security Officer of the Group is responsible for all relevant aspects of IT security.

The company's IT systems undergo a comprehensive and detailed security check – including the ongoing assessment of newly emerging risks – involving the input of external specialists on a regular basis. The latest checks confirmed a good level of security. All in all, Geberit is thus comparable to industrial companies of a similar size and complexity.

Compliance with laws

The Geberit Group is exposed to certain legal risks that arise from normal business activity. Comprehensive → [compliance processes](#) are in place for the purpose of preventing violations of the law or regulations.

Management of currency risks

In general, the effects of currency fluctuations are warded off as far as possible with an efficient natural hedging strategy. This entails making sure that costs in the various currency areas are incurred in the same proportion in which sales are generated. As a consequence of the natural hedging strategy, currency fluctuations have no significant impact on operating margins. Gains and losses result mainly from the translation of local results into Swiss francs (translation effects). In terms of a sensitivity analysis, the following changes can be assumed if the Swiss franc should be 10% weaker or stronger than all other currencies:

- Net sales: +/-9%
- EBITDA: +/-9%
- EBITDA margin: +/-0 percentage points

For more information on the management of currency risks, see also → [Consolidated Financial Statements Geberit Group, Note 4 and → Note 15.](#)

Financial Year 2023

Market environment

Market environment impacted by increased interest rates and construction costs as well as Covid-19 pull-forward effects in previous years

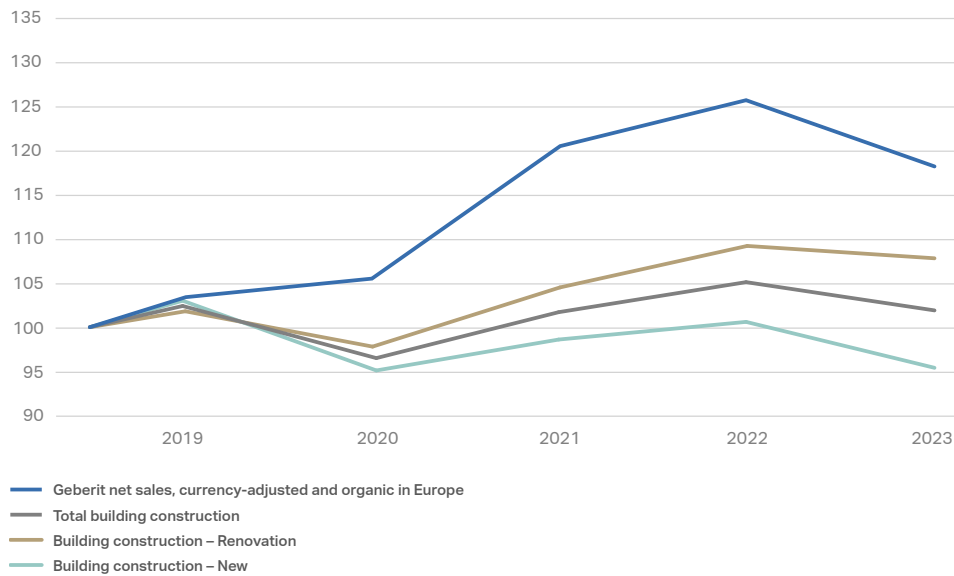
The building construction sector saw a decline in most regions in 2023 due to increased interest rates and construction costs.

In November 2023, the construction market research network Euroconstruct forecasted a decrease in building construction for **Europe** in 2023 of -3.1%, lower than the previous estimation made in mid-2023 (-2.0%). At -5.2%, new construction showed a sharper decline than renovations (-1.3%) in the November forecast. The decline was primarily due to residential construction (-4.9%), with non-residential construction remaining stable compared to the previous year. Countries that are important to Geberit in terms of sales developed slightly to significantly negatively in 2023: Switzerland -1.6%, Germany -2.8%, Austria -3.7%, Norway -3.9%, Italy -4.5%, Denmark -8.5%, Finland -11.3% and Sweden -14.8%. Only the Iberian Peninsula recorded positive growth (Spain +1.8%, Portugal +0.9%), while the Netherlands saw a stable development (+0.3%).

Construction output and Geberit net sales in Europe

2019–2023

(Index: 2018 = 100)

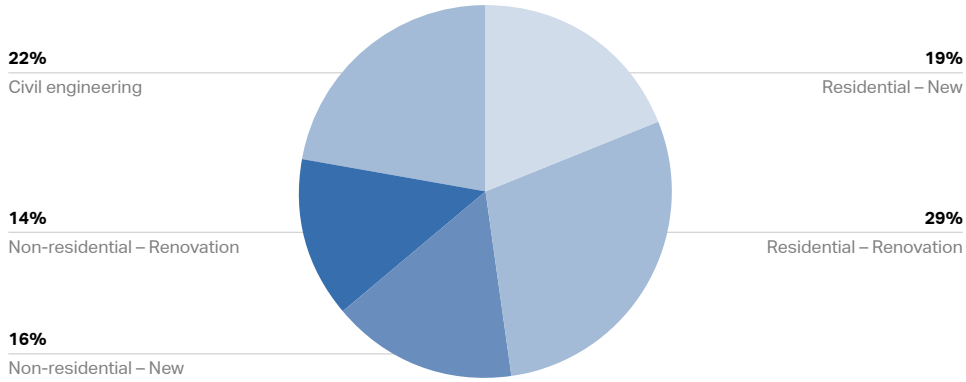


Of the total European construction volume of EUR 2,070 billion in 2023, around 80% was generated by building construction. The ratio of residential to non-residential building construction remained the same at around 60% to 40%. New construction as a share of total building construction continued to lag behind the renovation business in 2023.

Total construction output Europe

2023

(EUR 2,070 billion)



Source: 96th Euroconstruct conference in Dublin (IE), November 2023

According to estimates by the Bureau of Economic Analysis, real gross domestic product (GDP) increased by +2.5% in the **USA** (previous year +1.9%), while inflation declined to +3.4% (previous year +6.5%) according to the Bureau of Labor Statistics. According to figures from the United States Census Bureau, investments in building construction increased slightly year-on-year by +0.9%. Within building construction, investments in residential construction decreased by -5.6%, while investments in non-residential construction increased by +21.2%. The healthcare/hospitals and schools/universities segments, which are important for Geberit, developed with +14.9% and +13.4% more positively compared to the previous year (+8.8% and +1.1%, respectively).

In the **Far East/Pacific** region, economic growth amounted to +4.2% in the reporting year, above the global economic development of +2.6%. With a share of around 58%, the largest proportion of global economic growth again originated from the Far East/Pacific region. At +5.0%, China recorded stronger growth compared to the previous year (+3.0%), although this figure is lower than the average of recent years. The real estate crisis in China had a negative impact on residential construction in 2023.

In the **Middle East/Africa** region, economic growth in 2023 was +2.5% (previous year +5.4%).

(The aforementioned figures covering the world economy and the performance of the Far East/Pacific and Middle East/Africa regions were published in the October 2023 edition of the IMF World Economic Outlook)

Net sales

Decline in sales due to very high levels in previous year and declining building construction industry

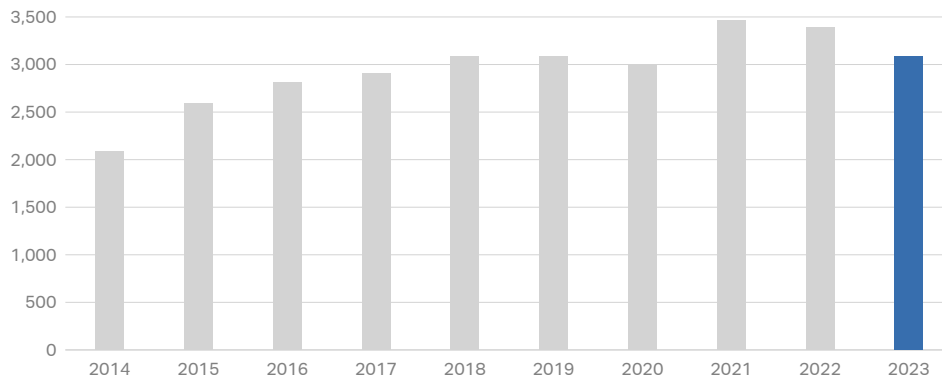
In 2023, the Geberit Group’s net sales fell by 9.1% to CHF 3,084 million. This decrease was strongly influenced by negative currency effects of CHF 147 million as a result of the Swiss franc, which was significantly stronger compared to most other currencies. In local currencies, this resulted in a decline of 4.8%. Price increases of around 8% had a positive impact on the development. Volumes were significantly lower due to the declining building construction industry in Europe and the high prior-year level. Furthermore, the sanitary industry in some countries was negatively impacted by the shift in demand from sanitary to heating solutions.

63% of net sales were generated in euros, 10% in Swiss francs, 7% in Nordic currencies (SEK, DKK, NOK), 5% in US dollars, 4% in British pounds and 11% in other currencies in 2023.

Net sales development

2014–2023

(in CHF million)



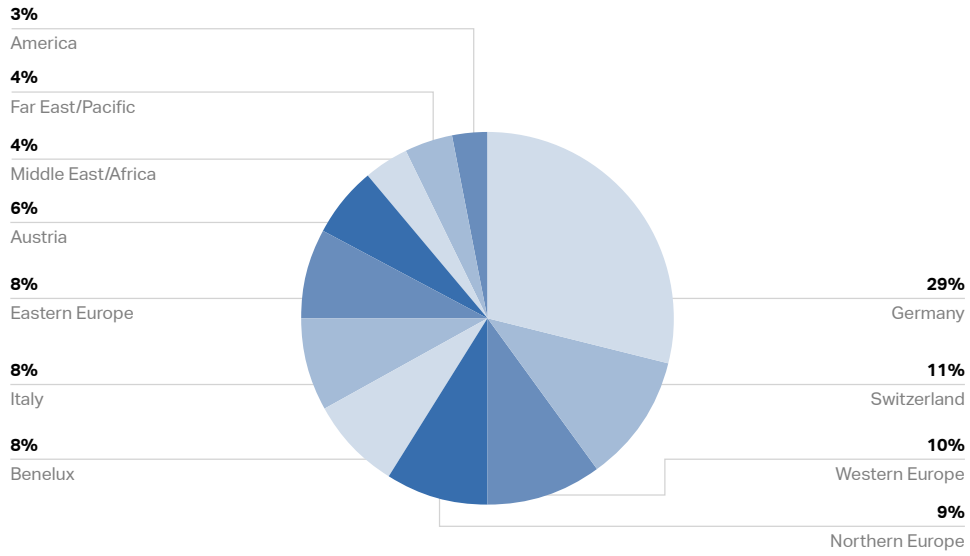
The following changes in net sales in the markets and product areas are currency-adjusted.

European markets particularly affected by difficult environment

In 2023, the European markets suffered the most from the extraordinarily difficult underlying conditions for the building construction industry. Currency-adjusted net sales in **Europe** decreased by 6.0% overall. Slight growth was seen in Italy and Western Europe (United Kingdom/Ireland, France, Iberian Peninsula) with +1.9% and +0.4%, respectively. In contrast, Benelux (-1.9%), Switzerland (-4.0%), Northern Europe (-6.0%), Austria (-8.4%), Eastern Europe (-9.4%) and Germany (-10.5%) recorded declines. Also in decline was the **Far East/Pacific** region (-3.8%). In contrast, growth was achieved in the regions **Middle East/Africa** (+17.1%) and **America** (+1.5%).

Net sales by markets/regions

2023

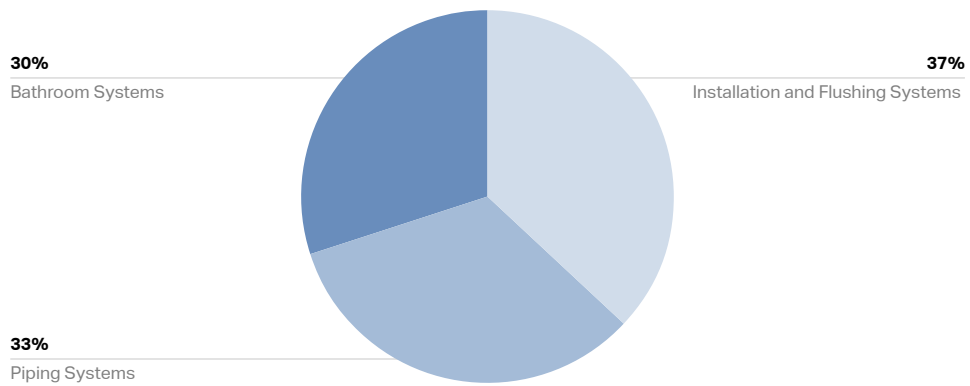


Decline in all product areas

In the product areas, currency-adjusted net sales decreased by 2.2% in Piping Systems, by 5.7% in Bathroom Systems and by 6.2% in Installation and Flushing Systems. The less negative development in Piping Systems was due to the continued great success of the launch of the new piping system Geberit FlowFit.

Net sales by product areas

2023



Results

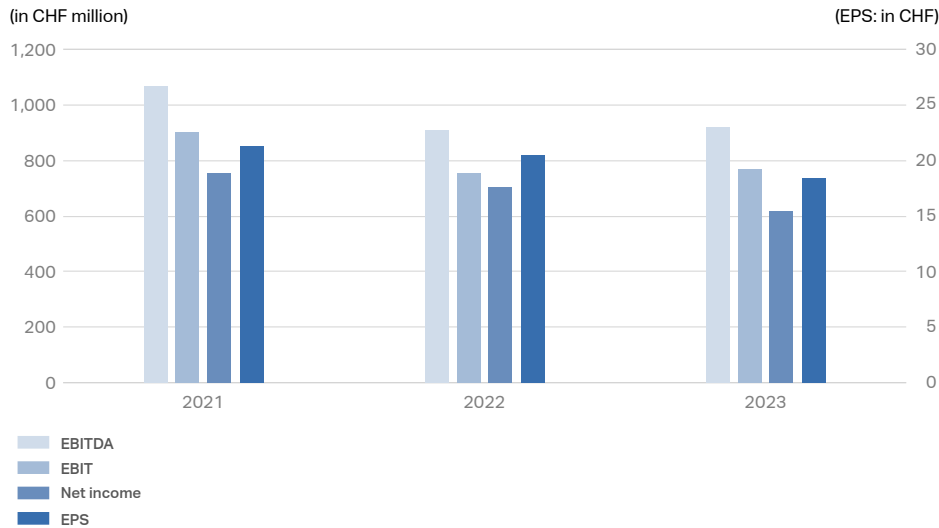
Operational flexibility and cost discipline lead to significant increases in operating margins

Despite the very difficult market environment with significantly lower volumes and considerable wage inflation, profitability could be increased. Operating margins rose significantly, while operating profit and operating cashflow increased slightly. This strong performance was made possible primarily by the high level of operational flexibility, especially in the plants and logistics, the fall in raw material and energy prices, and consistent price management.

In Swiss francs, all results were heavily impacted by the negative currency development. In total, operating cashflow (EBITDA) increased by 1.4% to CHF 921 million. After currency adjustments, this corresponded to an increase of 7.8%. The EBITDA margin increased significantly by 310 basis points to 29.9% compared to the same period in the previous year. Operating profit (EBIT) increased by 1.8% to CHF 769 million (currency-adjusted +8.8%), corresponding to an EBIT margin of 24.9% (previous year 22.3%). Mainly due to a positive one-off tax effect in the previous year and a more negative financial result compared with the previous year, net income declined by 12.6% to CHF 617 million (currency-adjusted -6.3%), corresponding to a return on net sales of 20.0% (previous year 20.8%). Earnings per share fell by 10.2% to CHF 18.39 (previous year CHF 20.48). However, due to the positive effects of the share buyback programme, the decrease was less than proportional compared to the development of net income. Currency-adjusted, this resulted in a decrease of 3.7%.

EBITDA, EBIT, Net income, Earnings per share (EPS)

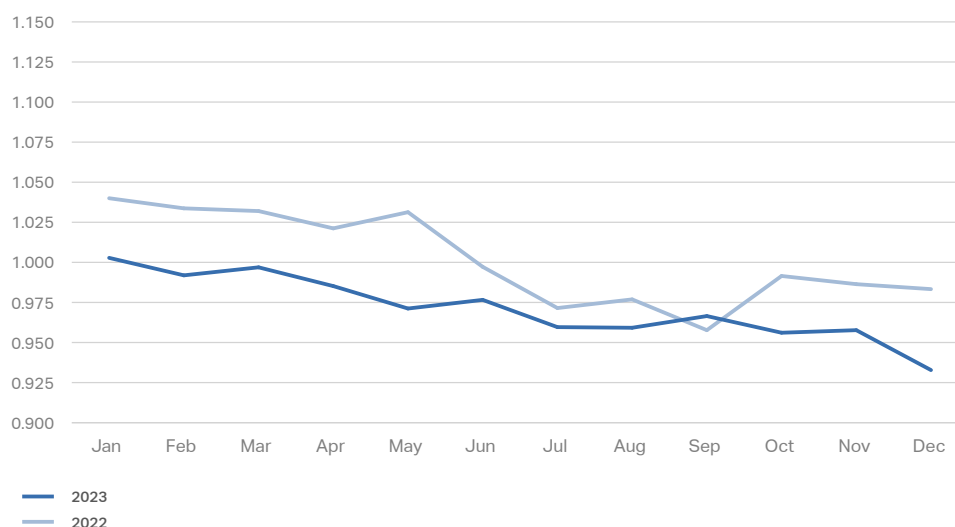
2021–2023



EUR/CHF exchange rates

2022/2023

Period-end exchange rates



Operating expenses under control despite inflationary pressure

All items within operating expenses were positively affected by currency effects. The cost of materials decreased by 17.5% to CHF 887 million, representing a significant decrease in share of net sales at 28.8%, compared to 31.7% in the previous year. This decrease was due to increased sales prices and – following an increase in the first quarter – continuously declining raw material prices throughout the rest of the year. Compared to the previous year, the impact of price changes for raw materials was -2.6% or CHF -25 million in local currencies. Despite tariff-related salary increases, personnel expenses fell by 3.4% to CHF 750 million, which equates to 24.3% of net sales (previous year 22.9%). The decline is due to the decrease in the number of staff across the year. Other operating expenses net decreased by 16.8% to CHF 526 million. This was largely due to the volume decline and the decrease in energy costs, which is included under this item, plus the lower marketing costs as part of operational flexibility. Depreciation increased by 3.5% to CHF 132 million, while the amortisation of intangible assets decreased to CHF 20 million (previous year CHF 25 million) as a result of the omission of impairments compared to the previous year.

The net financial result was CHF -27 million (previous year CHF -14 million). This lower value was the result of higher interest charges due to increased net debt and increased interest rates, plus exchange rate losses. Tax expenses increased from CHF 35 million to CHF 125 million due to a positive one-off effect in the previous year. This resulted in a tax rate of 16.8% (previous year 4.7%).

Increase in free cashflow

Despite the difficult market environment, free cashflow increased by 11.3% to CHF 625 million. This was due to higher operating cashflow and a positive year-on-year development in net working capital. In contrast, the significantly higher investment volume had a negative impact (see also → Consolidated financial statements Geberit Group, Note 27). The free cashflow margin reached 20.3% (previous year 16.6%). CHF 662 million, or 106% of the free cashflow, was distributed to shareholders during the reporting year as part of the dividend payment and the share buyback programme.

Financial structure

Continued strong financial foundation

The positive developments in free cashflow and the continuing healthy levels of debt allowed the attractive dividend policy and the share buyback programme to be continued while also maintaining the strong financial foundation of the Group.

Total assets increased from CHF 3,429 million to CHF 3,556 million. Liquid funds increased from CHF 206 million to CHF 357 million. In addition, the Group had access to an undrawn, firmly committed operating credit line for the operating business of CHF 500 million. Debt increased from CHF 1,030 million in the previous year to CHF 1,321 million. Overall, this resulted in an increase in net debt of CHF 141 million to CHF 965 million at the end of 2023.

Debt

(in CHF million; as of 31 December)

	2023	2022	2021
Total debt	1,321	1,030	784
Liquid funds	357	206	511
Net debt	965	824	273

Net working capital decreased by CHF 41 million year-on-year to CHF 196 million. Property, plant and equipment increased from CHF 948 million to CHF 976 million, while goodwill and intangible assets fell from CHF 1,410 million to CHF 1,340 million.

The ratio of net debt to equity (gearing) increased from 55.0% in the previous year to 73.1%. The equity ratio decreased to 37.1% (previous year 43.7%). The ratio of net debt to EBITDA increased slightly to 1.0x (previous year 0.9x). Based on average equity, the return on equity (ROE) came to 44.6% (previous year 42.7%). Average invested operating capital, comprising net working capital, property, plant and equipment, goodwill and intangible assets, amounted to CHF 2,724 million at the end of 2023 (previous year CHF 2,715 million). The return on invested capital (ROIC) decreased to 23.6% (previous year 26.5%), mainly due to the positive one-off tax effect in the previous year.

The Geberit Group held 1,889,965 treasury shares on 31 December 2023, which equals 5.4% of the shares entered in the Commercial Register. Of these, 1,120,750 (3.2% of the shares entered in the Commercial Register) originate from the ongoing share buyback programme, while the remaining 769,215 are earmarked for participation plans. The total number of shares entered in the Commercial Register stands at 35,189,082 shares.

The share buyback programme 2020–2022, started on 17 September 2020, was concluded on 16 June 2022. In total, 826,251 registered shares – equal to CHF 500 million and corresponding to 2.3% of the share capital entered in the Commercial Register at that time – were repurchased. The share buyback was conducted via a second trading line set up for the purpose of a capital reduction. The General Meeting of 19 April 2023 approved a reduction of the share capital to 35,189,082 registered shares at CHF 0.10 each through the cancellation of 685,251 treasury shares. The cancelled shares – originally 826,251 registered shares, of which 141,000 were already cancelled in June 2021 – originated from the share buyback programme 2020–2022.

Following the conclusion of the share buyback programme 2020–2022, a new share buyback programme was launched on 20 June 2022. Over a period of two years, registered shares amounting to a maximum value of CHF 650 million are to be repurchased. The registered shares will again be repurchased via a second trading line on the SIX Swiss Exchange for the purpose of a capital reduction. Since the start of the programme, a total of 1,120,750 shares had been acquired at a sum of CHF 524 million by the end of 2023.

In 2023, CHF 424 million was distributed to shareholders as part of the dividend payment. As part of the ongoing share buyback programme, a total of 493,150 shares were acquired at a sum of CHF 238 million in the reporting year. As a result, CHF 662 million, or 106% of the free cashflow, was distributed to shareholders during 2023 as part of the dividend payment and the share buyback programme.

Investments

Significantly higher investments

In 2023, investments in property, plant and equipment and intangible assets amounted to CHF 197 million – CHF 42 million or 27.1% more than in the previous year. As a percentage of net sales, the investment ratio was 6.4% (previous year 4.6%). The significantly higher investments compared to the previous year were attributable to strategic plant expansions in Pfullendorf (DE) and Lichtenstein (DE) as well as the construction of a new customer centre in Germany. As part of the strategic stability, all important, larger investment projects were carried out as planned.

41% of the total investments went towards capacity expansion. 42% was invested in the modernisation of property, plant and equipment and, hence, in further enhancement in production efficiency. Furthermore, 10% was used for rationalisation measures relating to property, plant and equipment, while 7% was used to acquire tools and equipment for new product developments.

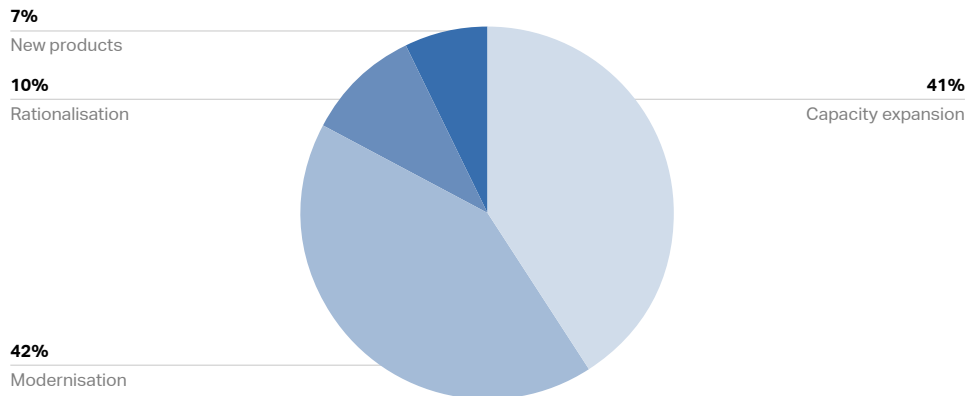
Expenditure for property, plant and equipment and intangible assets

(in CHF million)

	2023	2022	2021	2020	2019
	197	155	169	150	167
In % of net sales	6.4	4.6	4.9	5.0	5.4

Investments by purpose

2023



Employees

Number of employees decreased

At the end of 2023, the Geberit Group employed 10,947 staff worldwide, equivalent to a decrease of 567 employees or 4.9% compared to the previous year. The decrease was primarily due to capacity adjustments in the areas of production and logistics in connection with the significant volume decline of temporary and fixed-term employees and natural fluctuation. There was also a decline due to the adjustment of the activities in Russia. In contrast, additional employees were required in several markets outside Europe due to focused sales initiatives.

Employees by country (FTE)

(as of 31 December)

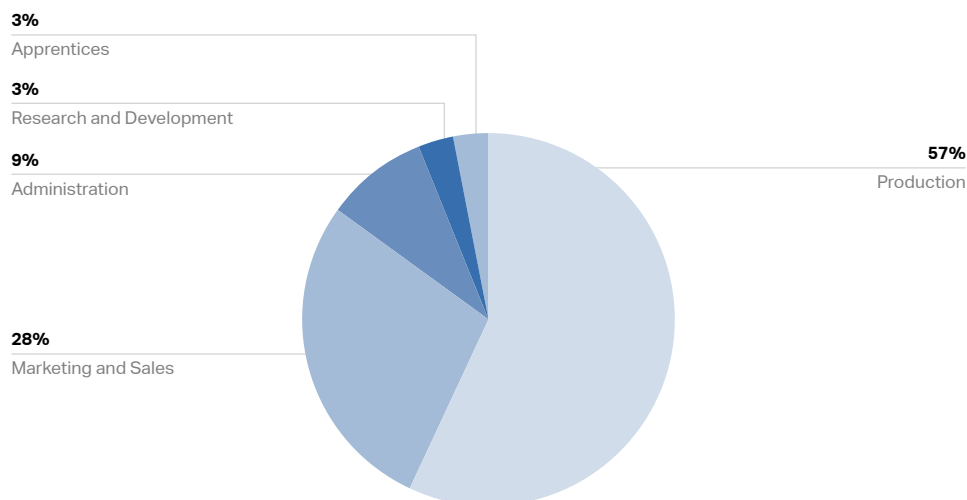
	2023	Share in %	2022	Share in %
Germany	3,131	29	3,377	29
Poland	1,535	14	1,685	15
Switzerland	1,487	14	1,514	13
Austria	536	5	575	5
Italy	493	5	529	5
Ukraine	462	4	491	4
China	359	3	377	3
Others	2,944	26	2,966	26
Total	10,947	100	11,514	100

Broken down by business process, staff numbers were as follows: production employed 57% of the staff members, with 28% in marketing and sales. Additionally, 9% of the employees worked in administration, and 3% in research and development. The share of apprentices was 3%.

Employees by business processes

2023

(FTE, as of 31 December)



Based on the average headcount of 11,189, net sales per employee amounted to TCHF 276 (-3.8% versus previous year).

In 2023, personnel expenses amounted to CHF 750 million. Once again, the employees were able to take part in share participation plans at attractive conditions, see → Consolidated financial statements Geberit Group, Note 17 and → Remuneration Report. In the reporting year, 2,895 employees took part in the employee participation plan at a discount of 35% (previous year 50%) on the share price. This corresponds to a participation rate of 27.2% (previous year 31.2%). The total costs borne by the company for the discount amounted to CHF 3.5 million. As of 31 December 2023, a total of 4,341 employees were Geberit shareholders.

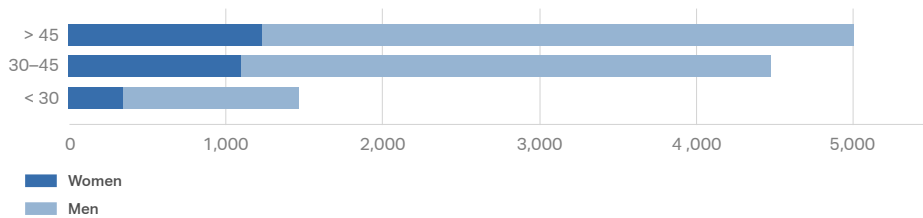
Diversity and inclusion

At the end of 2023, Geberit employed 76% men and 24% women (previous year 76% and 24%). In senior management, the proportion of female employees was 11% (previous year 11%). The six-member Board of Directors has two female members.

An equal pay analysis carried out in 2021 at all Geberit companies in Switzerland confirmed that equal pay between female and male employees is upheld. The results were audited and confirmed by the certified auditors PwC.

Female/male ratio by age group

2023



13% of the workforce is under 30 years of age, 41% between 30 and 45, and 46% over 45. The goal is to have a good mixture of ages. Senior employees pass on their knowledge to the next generation, and in turn benefit from the new perspectives offered by the young talents.

Geberit cultivates an inclusive culture in which jobs are created for people with disabilities. The share of inclusive jobs (internal jobs plus assembly and packaging jobs consciously outsourced to external workshops) amounted to around 3.5% of all full-time jobs in the last survey in 2021, see → [Social responsibility](#). This share should be further increased in the medium term.

The position as a responsible and attractive employer is to be further reinforced. Based on a strategic review carried out on the topic of diversity and equal opportunity, a Group-wide directive is currently being drawn up that reinforces the company's commitment towards an inclusive working environment and establishes guidelines for equal opportunity and the reconciliation of working, family and private life. The Group directive should be supplemented by local standards. Against this backdrop, further key figures on diversity and inclusive workplaces will be defined as part of personnel reporting.

High levels of employee satisfaction

An employee survey carried out in 2021 confirmed that Geberit offers very attractive working conditions and that the employees demonstrate an above-average level of both motivation and loyalty (see graphic for summary). The next global survey will be carried out in 2025. Until then, surveys will be carried out on a local basis. In order to use this instrument even more effectively, so-called pulse surveys will be launched in certain countries in 2024 with the help of a new survey platform.

79%

Participation rate

The Group-wide participation rate was a high 79%.

80%

Recommendation

80% of the participants would recommend Geberit as a good employer.

80%

Loyalty

80% of the participants plan to work at Geberit for at least another five years.

94%

Success

An overwhelming majority believes in the success of Geberit in the next two to three years.

92%

Innovation

92% of the participants credit Geberit for its high innovative strength in the development of new products and services.

Further efforts in training and education

Together with an external training provider, a leadership development programme was developed in 2022 with the goal of strengthening leadership skills and establishing a consistent management culture.

Partnerships with universities and institutes were further intensified in order to counteract the increasing skills shortage. The local companies are in contact with institutes of technology and universities regarding project-related collaborations to supervise Bachelor and Master theses and to gain students for internships. In the reporting year, 24 students were supervised at the company as part of project work or theses. Geberit is also part of international engineer networks such as UNITECH, which unites renowned European universities, corporate partners and engineering students.

As part of the Operations Development Programme, young talents from universities were again accompanied and supported on their career paths at various Geberit production sites in 2023. The goal of the programme is to ensure that the production locations and logistics sites also continue to have highly trained managers at their disposal in future, who have already gained experience at the respective site. The programme is aimed at talented external prospects with an engineering or technical background who want to head up strategic projects and take on responsibility during and following the four-year internal training.

The two internal development programmes GROW and LEAD are designed to specifically identify and promote talents in the company. In the reporting year, around 100 employees took part in these programmes. The development programmes are intended to help fill at least half of all vacant managerial positions with internal candidates. In 2023, this was achieved for 89% of all Group management vacancies (previous year 57%).

Geberit employed 274 apprentices at the end of 2023 (previous year 283). The transfer rate to a permanent employment relationship was 65% (previous year 83%). The apprentices should already be given the opportunity to get practical insights at other sites during their training. During a six-month assignment at a Geberit site abroad, they work on various projects or support day-to-day business there. Geberit is convinced that experience abroad and the transfer of know-how are an advantage for both young employees and the company alike.

With these training initiatives and the continuous development of its offering, Geberit makes an important contribution to ensuring inclusive and equitable quality education (Goal 4 of the 2030 Agenda of the United Nations).

New appraisal process fully rolled out

At the end of 2020, a new performance management process ("valYOU") was launched for performance assessment, professional development and compensation management. In the reporting year, valYOU was also rolled out at the last remaining sites. The managers at these sites took part in one- to two-day management training sessions carried out across the Group. The core element of these sessions was the combination of theory and practice through the simulation of practical examples. With this final step, the new appraisal process has been fully rolled out and now serves as the standard for all employees at the Geberit Group.

Guiding principles for all employees

Geberit aims to act as a role model for ethically unimpeachable, environmentally friendly and socially responsible operations. The → Compass – a guide for employees on the mission, values, operational principles and the success factors of Geberit – and the → Code of Conduct for Employees serve as the applicable guidelines. The Compass is reviewed as part of the annual strategy process of the Group Executive Board and updated, when required. The publication of a comprehensive, new version of the Compass is planned for 2024. The Code of Conduct for Employees, which was last updated in 2015, is currently being revised and will also be relaunched in 2024.

Focus on occupational health and safety

Occupational health and safety has a very high priority within the Geberit Group. The number and severity of accidents are to be halved by 2025 based on the reference year 2015. The AFR (Accident Frequency Rate) is to be reduced to a rate of 5.5 occupational accidents (with absences of one day or more) per million working hours. The ASR (Accident Severity Rate) is to be reduced to below 90 days lost per million working hours. In the reporting year, the accident frequency decreased to a value of 7.3 (previous year 8.2), which corresponds to a reduction of 11.0%. The accident severity decreased by 24.0% to 119.7 (previous year 157.5) in the same period. There were no fatal accidents. Since 2015, the AFR has fallen by 36.0% and the ASR by 41.9%.

All production plants and the central logistics centre in Pfullendorf (DE) are certified in accordance with the occupational health and safety standard ISO 45001. The Geberit Safety System defines occupational health and safety concepts as well as processes that are applicable throughout the Group. There are safety officers at all production plants and the central logistics centre. The Group-wide Geberit Safety Team also plays an active role in developing occupational health and safety systematically throughout the entire organisation. In the reporting year, the concepts developed in 2022 for applicable Group-wide safety standards and for safety audits across plants were introduced. The aim of these concepts is to increase the safety level.

The creation of safe and clean workstations at the production plants is pursued consistently. Equipment and processes are constantly being optimised, hazardous substances replaced and dust and noise emissions reduced. Additionally, the increasing use of robots or lifting aids improves the working conditions in terms of ergonomics. As the majority of occupational accidents and time lost are still attributable to carelessness, great importance is attached to long-term training and raising employee awareness. An eLearning programme supports these efforts and helps to identify danger areas in the workplace and rectify them consistently.

It is a matter of great importance to the Geberit Group that employee health should be actively promoted. With this in mind, diverse vitality programmes are offered at 18 production and sales sites in the fields of exercise, mental fitness, nutrition and the working environment. The most comprehensive programme in this respect – "Geberit Vital" – can be accessed by around 40% of the workforce.

Customers

Market cultivation intensified

The most important part of the diverse market cultivation activities is carried out by the employees in field service at the various local sales companies. They are in daily contact with wholesalers, plumbers, sanitary engineers, architects and investors. In an extraordinarily difficult → market environment with a declining building construction industry, customer contacts were intensified compared to the previous year. They increasingly used the possibilities offered by hybrid sales, where personal contact is combined with digital resources such as video calls or video conferences.

Close partnership with wholesalers

In Geberit's three-stage business model, wholesalers play a key role. Wholesalers offer plumbers the entire range of products across the various product categories in the field of sanitary technology and heating applications. They ensure product availability through warehousing and a comprehensive network of pick-up points as well as the logistics to plumbing companies and construction sites. Furthermore, in many countries they have showrooms where they can advise end users on selecting their sanitary products. The close cooperation between Geberit and its wholesale partners is demonstrated by the following examples:

- The Geberit FlowFit supply system continued on its successful path and was launched in France and the United Kingdom/Ireland in the reporting year. Additionally, the Geberit WC system with the new Acanto WC ceramic appliance – which caused a stir at the leading global trade fair ISH in Frankfurt – was launched in various markets. Prior to the sales launch in the respective markets, both innovations were introduced as part of personal visits to sales representatives and consultants at wholesalers. As a result, they were able to offer in-depth advice to customers from the very beginning and thus actively shape the market launch.
- The digital sales channel between wholesalers and plumbers has significantly increased in importance in the building technology industry in the last few years. To make use of this, wholesalers require standardised product data and documents with verified quality. Geberit actively supports wholesalers and constantly provides data in line with various standards here, including with the ETIM standard. In this context, the internal data exchange platform DEX was launched in 2023, which allows the Geberit sales companies to export complete product data automatically for the catalogues and ERP systems at their local wholesalers.
- An increasing number of wholesale customers demand transparency from suppliers in terms of their sustainability performance. This is offered by EcoVadis, for example, one of the world's largest providers of sustainability ratings for companies with a network of over 100,000 companies in around 180 countries. For its sustainability management, the Geberit Group was awarded the Gold rating in the reporting year, meaning it is among the top five percent of all companies rated by EcoVadis.

Strong partner for industrial prefabrication and project business

Geberit know-how for drinking water supply, roof and building drainage and for the construction of sanitary facilities is implemented in numerous major projects. The durable, space-saving and installation-friendly systems offer significant advantages in planning and design for the responsible parties and craftsmen. Advantages also include expert technical support on topics including sound insulation, fire protection, statics and hygiene.

Manufacturers of prefabricated bathrooms or prefabricated buildings are becoming increasingly important in individual markets, particularly due to the skills shortage. This is because industrial prefabrication allows for uncomplicated installation, faster work processes and higher economic efficiency. Customers in the prefabrication industry are looked after by a specialist sales team at Geberit. Additionally, the prefabrication industry is supplied with specific product solutions in order to further simplify and accelerate the prefabrication process. Geberit has also been active in industrial prefabrication for years and produces prefabricated frame constructions for sanitary installations and completely furnished prefabricated bathrooms for new buildings and renovations at its sites in Lichtenstein (DE) and Matri (AT).

In project business, Geberit attaches great importance to the strongly developed support in the area of BIM (Building Information Modelling) – a digital, interdisciplinary planning method for optimising the entire planning and building process. Architects, sanitary engineers and building owners use BIM to share information efficiently. This helps them to avoid planning errors and improve productivity, which brings advantages in major construction projects in particular. For a number of years now, Geberit has been providing BIM users with support in the form of product data and calculation modules. A special plug-in is available for the Autodesk Revit planning software, which combines all Geberit BIM tools in one central application and enables direct access to 3D models and planning parameters that are always kept up to date. So far, the plug-in has been downloaded by more than 12,000 planning and engineering companies worldwide.

Attendance at trade fairs

Geberit is convinced that attendance at trade fairs and looking for direct contact with customers is important – particularly in a challenging market environment. As a result, Geberit was present at selected trade fairs in the reporting year to foster and enlarge the network of contacts in the market and to introduce new products and innovations. The new, further expanded trade fair concept was used again: open, modular booths demonstrate know-how and solutions in front of and behind the wall, with the black Geberit GIS installation system used as standard when setting up the booth. Geberit was present with a large booth at the leading global trade fair ISH in Frankfurt (DE). In addition to this, other important presentations were made at VVS in Odense (DK), the Energiesparmesse trade fair in Wels (AT) and at BouwBeurs in Utrecht (NL).

Digital tools for sanitary engineers, plumbers and end users

Professional customers are offered support in their daily work that meets their needs as much as possible with digital tools. Fourteen applications are now available for assisting professionals in the planning and calculation of sanitary installations or in the commissioning and maintenance of devices. In the reporting year, the focus was on further enhancing the profile of these applications and launching them in additional Geberit markets.

End users can find inspiration for their bathroom design in six applications, such as the Washplace Configurator, 3D bathroom planner or virtual showrooms for actuator plates. In 2023, there were concerted efforts towards making these tools available in additional markets. The different tools are now in use in 38 markets.

Classroom training sessions and eLearning courses

In the reporting year, it was possible to provide around 60,000 (previous year 48,000) professionals with face-to-face training on products, tools, software tools and installation skills at the 30 Geberit Information Centres in Europe and overseas. At the same time, counter days and local and digital events were organised in numerous markets – often together with wholesalers – to inform craftsmen about new products. More than 61,000 customers (previous year 75,000) took part in such events, of which 1,300 in digital formats. Web-based seminars and training courses now occupy a firm and important place in Geberit's training offer. 18,000 people took part in the past year (previous year 19,000). This figure also includes those who participated in the Geberit Digital Campus, an online training platform that offers eLearning courses on a range of different skills as part of a self-study programme and was launched in the DACH markets last spring.

Marketing campaign for end users continued

Direct communication with end users helps establish the Geberit brand among this target group on a long-term basis. This target group should be supported or brought in contact with Geberit partners during specific projects. The end user campaign "Better bathrooms, better lives" has been running since 2019. The campaign consists of three digital elements: an advertising campaign on media portals, the websites of the local Geberit sales companies with various configurators and planning tools, and a customer relationship management (CRM) system. After they register in the CRM system, interested end users receive additional advice and support from qualified specialists.

The campaign was continued last year, but with significantly reduced expenditure due to the changed market environment. The campaign generated 2.2 million visits on local websites (previous year 3.6 million visits) and 30,000 end consumer registrations in the CRM system (previous year 34,000). The fact that the number of registrations only decreased minimally under these circumstances compared to the previous year underlines the increased efficiency and effectiveness of the refined focus on target groups in the campaign.

3.3 million e-newsletters sent out testify to the well-established customer relationships (previous year 2.7 million). The number of hits on Geberit's websites worldwide totalled over 14 million (previous year 18 million).

Targeting customers via social media

The social media presence was further expanded in 2023. The focal points included targeted support of sales activities. The target groups here were professional decision-makers and end users, who were addressed with advertising formats and editorial content. Geberit used the most popular social media channels for these activities and informed the constantly growing communities on LinkedIn (187,000 followers), YouTube (88,000 followers/46 million views), Instagram (213,000 followers), Facebook (388,000 followers), X (formerly known as Twitter, 17,000 followers), Pinterest (8,000 followers) and TikTok (2,000 followers).

Campaign for shower toilets continued

The strong presence of Geberit AquaClean in Europe was maintained. The shower toilet campaign ran in a total of 16 markets. Local celebrities from the worlds of sport, music and entertainment continued to be involved in the advertising campaigns in most of these markets. These local heroes not only addressed end users in print ads and TV commercials, but also took part in events and competitions.

The AquaClean truck, the exclusive AquaClean WC lounges and the AquaClean trailers were again deployed in the past year. The mobile showroom and test units offered interested parties the opportunity to try out a shower toilet at selected events – such as concerts and sporting events – in countries where the shower toilet campaign is in action.

Positive feedback was received at the launch event for → [AquaClean Alba](#), which is being launched in 2024. In the fourth quarter of 2023, selected customers, hoteliers, investors and architects from the DACH region, the Netherlands and Denmark received an informative and emotional preview of the new basic shower toilet model at headquarters in Rapperswil-Jona.

The international sales initiative for shower toilets at hotels made encouraging further progress. This meant that prestigious hotel projects could be acquired in the reporting year. The number of four- and five-star hotels equipped with AquaClean shower toilets in Europe is now 700.

Innovation

Innovation as the foundation for future growth

Geberit's innovative strength, which is above average for the sector, is founded on its own, wide-ranging research and development (R&D) activities. In the reporting year, a total of CHF 70 million (previous year CHF 72 million) – or 2.3% of net sales – was invested in the development and improvement of products, processes and technologies. Additionally, as part of the → investments in property, plant and equipment and intangible assets, considerable sums were invested in tools and equipment for the production of newly developed products. In the reporting year, 25 patents were applied for, in the last five years a total of 159 patents.

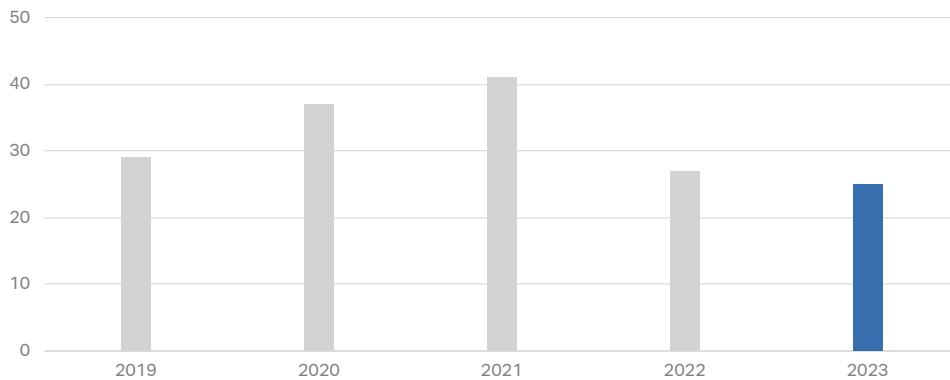
R&D expenditure

(in CHF million)

	2023	2022	2021	2020	2019
	70	72	78	75	77
In % of net sales	2.3	2.1	2.3	2.5	2.5

Number of new patents

2019–2023



All product developments at Geberit go through an established innovation and development process, which ensures that the creative potential and know-how are used to the optimum extent and that development activities focus on the needs of the markets. Customer benefits, quality, a system approach and sustainability as well as the consistent strengthening of the brand are of central importance here.

Geberit has industry-leading expertise in the fields of virtual engineering, hydraulics, materials technology, sound insulation, statics, fire protection, hygiene, electronics, surface technology and process engineering. Thanks to continuous investments in the laboratory infrastructure, the scientists and engineers at Geberit have the very latest systems and technologies at their disposal. Worthy of particular mention here are the comprehensive simulation possibilities – for example, for statics, hydraulics and production processes – plus prototyping and various laboratories for materials technology, sanitary technology and building physics.

New products for Geberit markets worldwide

Among others, the following products were newly launched on the market in 2023:

- The new wall-hung **Acanto WC with TurboFlush** impresses with an improved flushing-out performance. The geometry of the inner bowl has been hydraulically optimised. The water guide has been optimally coordinated with the Geberit concealed cistern, which leads to an efficient flushing out.
- The new version of the **Sigma70 actuator plate** is characterised by minimalist design for the highest aesthetic requirements. This innovative actuator plate features precision mechanics and selected colours and materials.
- The **CleanLine50** is a new addition to the Geberit shower channel range. It impresses visually with a slim design, has an integrated slope and requires over 50% less material in production compared to its predecessor.
- The revised **dual-flush unit type 208** for concealed cisterns with 8 cm installation depth enables the flush water volume and speed to be regulated. This in turn optimises water consumption and flushing out of the toilet. The valve is backwards-compatible, meaning it can also be used as a spare part for older concealed cisterns.
- The bathroom product range has been expanded with the addition of **matt colours**. The taps, drain covers and mirror cabinets in the Geberit ONE premium range are now available in black matt. Selected ceramic appliances in the iCon series and the AquaClean family were launched in white matt.

Several new product launches are planned for 2024. The most important products are as follows:

- The new **AquaClean Alba** combines proven shower toilet technology, first-class flush performance and easy cleaning. Thanks to its attractive price, this shower toilet addresses new customer segments.
- With **Geberit Connect**, sanitary installations can be networked easily. This allows for an automated, optimised system flush for maintaining drinking water hygiene for facility management in public and semi-public buildings (including the corresponding documentation). Integration in building management systems allows for complete control over the sanitary installations and saves both time and money.
- With **Geberit Silent-Pro SuperTube**, the successful drainage system with optimised hydraulics – which has been primarily used in skyscrapers up to now – will also be launched for sound-insulating drainage systems in multifamily and terraced houses. The system saves space and allows for room heights to be used to their full potential. Moreover, the planning of drainage systems is then easier and more flexible.
- The **Geberit Mix & Match** concept allows for different washbasins and furniture from the most important Geberit bathroom series (Geberit ONE, Acanto, iCon) to be combined freely. Standardised components also simplify the installation process.
- **Mapress Therm** is a reasonably priced supply system for cooling and heating applications. It is made of low-alloy stainless steel, which is much cheaper than Mapress Stainless Steel while still being corrosion-resistant.
- **Geberit Bambini** – child-friendly sanitary products for daycare centres and primary schools – is being launched in a new design. The Bambini toilets are also now available in a rimless design.

Procurement

Supply chains somewhat eased

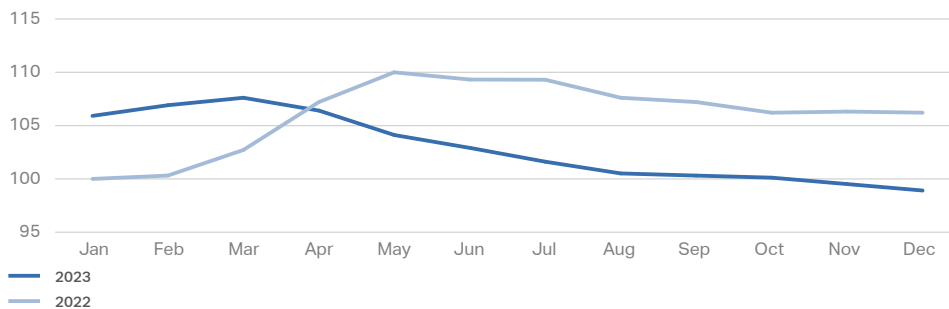
The Corporate Purchasing department is responsible worldwide for procuring raw materials, semi-finished and finished products, commercial products, and services. Besides minimising risks of downtime as well as costs, the primary purpose of comprehensive supplier management is to safeguard supplies.

The global and regional supply chains returned to normal in the reporting year. There was good availability of raw materials and components, and the delivery times were much shorter than in the previous year. Forwarders on land and sea were faced with increasing overcapacities due to the significant decline in global demand. Additionally, inventories in supply chains worldwide were reduced due to increased interest rates, among other reasons.

The situation with raw material prices eased somewhat in 2023. Following a further slight increase in the first quarter, prices fell continuously during the rest of the year – although still at a high level from a historic perspective (+24% in local currencies compared to the start of 2021). Compared to the previous year, the impact of price changes for raw materials on the income statement was -2.6% in local currencies or CHF -25 million.

Development of currency-adjusted raw material prices relevant for Geberit 2022/2023

(Index: January 2022 = 100)



Following the sharp rise in the previous year, energy prices fell in the first half of 2023 before stabilising at a level that remains high when viewed on a long-term basis (+56% compared to the start of 2021). Compared to the previous year, the price decrease in local currencies was -25.9% or CHF -26 million.

Compliance with Code of Conduct for Suppliers checked

All of Geberit’s business partners and suppliers are obligated to comply with → comprehensive standards. This applies to quality, socially responsible and healthy working conditions, human rights as well as environmental protection and the commitment to fair business practices. The basis for the cooperation is the → Code of Conduct for Suppliers. Last revised in 2016, this Code is aligned with the principles of the United Nations Global Compact and is available in 15 languages. As of the end of the reporting year, more than 90% of suppliers as measured in terms of purchasing volumes had signed the Code.

Corporate Purchasing and Sustainability jointly ensure that the standards found in the Code of Conduct are upheld by conducting regular EHS (Environment, Health and Safety) audits. The number of audits made and their content are selected with the help of a risk matrix. The goal of these audits is to check compliance with the Code of Conduct and local legal requirements regarding environmental aspects, occupational health and safety and social responsibility – including human rights – on site. The audits are carried out by an independent service provider. Appropriate measures are initiated where required. During the reporting year, five external EHS audits (previous year: four EHS audits) were carried out at suppliers in the area of procurement.

Supplier Integrity Line

Introduced in 2017, the Supplier Integrity Line from Geberit allows suppliers to anonymously report any violations of the guidelines set out in the Code of Conduct for Suppliers by Geberit employees or by competitors. The hotline is free of charge for users and is operated by an independent service company in a total of eleven languages. Violations can also be reported online via an external website. No violations of the guidelines set out in the Code of Conduct for Suppliers were reported in 2023 (previous year: no violations reported).

New due diligence obligations according to the Swiss Code of Obligations (CO Art. 964a ff.)

Risk management in procurement also forms the basis for checking adherence to the new due diligence obligations described in the Swiss Code of Obligations, which are aimed at preventing child labour and the use of conflict materials. As Geberit neither directly imports nor processes conflict minerals (tin, tantalum, tungsten, gold) in the EU or Switzerland, it is not deemed to be an “importer” within the meaning of EU Regulation 2017/821 or Art. 964a ff. of the Swiss Code of Obligations. Furthermore, there were no suspicions of cases of child labour in the supply chain. For further information, see → [chapter on procurement in SPR](#).

Production

Efficient production network

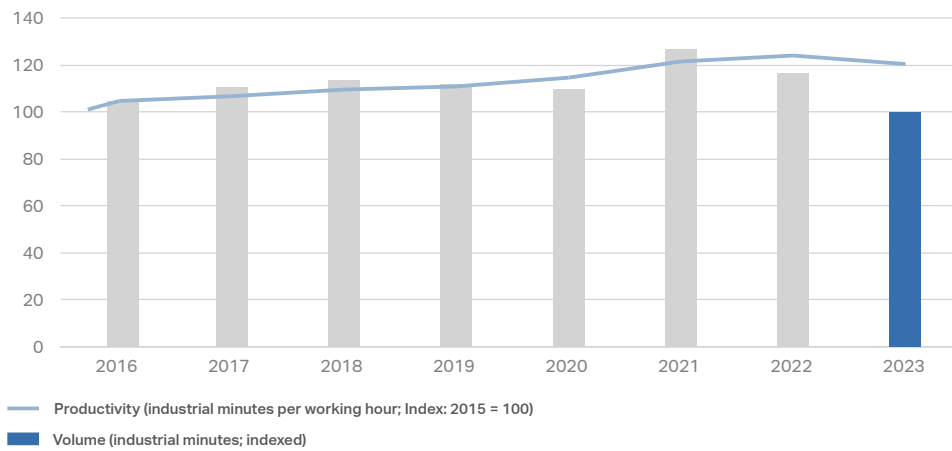
The Geberit Group operated 26 plants at the end of the reporting year, 22 of which are located in Europe, two in the US, one in China and one in India. The number of plants remained unchanged compared to the previous year. While the plant for shower cubicles and shower enclosures based in Mörrum (SE) was sold, Geberit now operates an additional plant for manufacturing bathroom furniture in the Polish town Stryków.

The 26 plants fall into the following three categories depending on the processed materials and production technologies:

- Ceramics (10 plants)
- Plastics & Metal (12 plants)
- Composites & Metal (4 plants)

Productivity and production volume

2016–2023



Despite the very challenging situation in the reporting year with a decline in volumes of 13%, productivity in the production sites remained at a very high level with a decline of 3%. This was achieved primarily through a high degree of operational flexibility, in particular by adjusting the capacity of temporary and fixed-term employees, and through natural fluctuation.

The war in Ukraine again led to a high degree of uncertainty regarding local Geberit operations. Geberit’s first priority is the safety of its employees and their families. Production at the ceramics plant in Slavuta (UA) was stopped for several weeks during the reporting year due to the war. However, for the majority of the year it was operated in line with market requirements. Around half of the ceramic appliances manufactured in Slavuta are sold directly on the Ukrainian market.

High investment volumes in the plants as a sign of strategic stability

The decline in volumes meant that the production network was faced with significant challenges. The required operational flexibility was very demanding for the plants and their employees. Instead, the time was used to optimise processes, improve energy and material efficiency and invest in the future of the plants and their capacities for handling future growth.

Specialisation and automation in ceramic production

In ceramic production, the implementation of a specialisation strategy initiated in the previous year was continued in the reporting year. At the same time, the further automation of individual production processes was promoted. The most important projects are as follows:

- Investments were made in process stability at various sites, leading to the continuous reduction of scrap rates while simultaneously improving the quality of the ceramic appliances and productivity while also reducing energy consumption.
- The two Scandinavian ceramics plants in Ekenäs (FI) and Bromölla (SE) focus primarily on the needs of the Nordic markets. Above all, ceramic cisterns and floor-standing WCs should be manufactured in Bromölla and wall-hung WCs and washbasins in Ekenäs in future. With this in mind, the relocation of production equipment was continued during the reporting year. In Ekenäs, twelve fully automated, state-of-the-art pressure casting cells were also put into operation.
- Specialisation by product family at the German and Polish plants was started and first measures implemented.
- In the Polish plants in Koło and Włocławek, there was a particular focus on promoting automation. In connection with this, the plant in Włocławek has taken over several pressure casting machines from the plant in Bromölla.
- In Carregado (PT), automation of the labour-intensive glazing process was further expanded. Moreover, work also began on the installation of a new energy-efficient tunnel kiln, which is planned to start operation in 2024.

Additional capacities and investments in process optimisation at plastic- and metal-processing plants

In the plants where plastic and metal are processed, numerous investment projects were promoted further to provide the capacities needed in the medium and long term and to further improve the efficiency of the processes. Some of the key projects included the following:

- The expansion in capacity at the Lichtenstein plant (DE) was continued in the reporting year. The goal of the project is to expand the plant by around 10,000 m² in order to create space for setting up a new, fully automated production line for installation elements made of strip steel, and also to gain additional space for logistics, technology and administration.
- At the largest production site in Pfullendorf (DE), the construction work on an additional factory building was continued, where the highly automated production lines for fill and flush valves will be located in future.
- At headquarters in Rapperswil-Jona (CH), efforts continued on the detailed planning of a new building for production logistics.
- At the plants in Pottenbrunn (AT) and Ruše (SI), production capacities for manufacturing Silent-PP and Silent-Pro fittings were expanded.
- At the plant in Givisiez (CH), investments were made in the expansion in capacities for the fully automated production of Geberit FlowFit pipes.
- In Langenfeld (DE), the welding machines for stainless steel were renewed.

Flow production principle as a guideline

All Geberit plants display an ongoing capability for renewal. Despite the diversity of the materials and production technologies used, the approach is determined uniformly: whenever appropriate, all measures for improvement are geared to the principle of flow production. Maximum efficiency and flexibility are targeted in this way, which is reflected in the reliable, timely supply of products to customers and savings in important resources such as working time and materials. The Geberit Production System (GPS 2.0) is the guideline for production processes in which the principles for efficient manufacturing are summarised.

Environmental management in production

As already mentioned, continuous improvements at the plants are aimed at increasing efficiency by saving resources. GPS 2.0 ensures that the goals associated with a continuous improvement in → sustainability are also taken into account.

Logistics

Delivery capability and product availability in logistics ensured

At the end of 2023, Group logistics comprised the central logistics centre for installation and flushing systems and piping systems in Pfullendorf (DE) as well as a decentralised network of 13 European distribution sites for ceramic appliances and bathroom furniture.

The situation in logistics largely stabilised in the reporting year. Group logistics at Geberit was already able to reach the desired availability targets for the entire product range at the start of the year, and also maintained this at all times throughout the year as a whole. Customers were supplied with the entire product range at the usual high level.

Despite the very challenging situation in the reporting year with a significant decline in volumes, productivity in the logistics network even slightly increased compared to the previous year.

Further automation and ergonomic improvements

In 2023, a new system for optimising and automating how ceramic sets are put together was put into operation in Lintorf (DE), and achieved significant increases in productivity. The desired results were already achieved shortly after commissioning, not least in terms of ergonomics and the physical relief of employees.

Reliable partnerships in transport management

In 2023, enough cargo space was available and the shortage in freight capacity stabilised. However, the shortage of truck drivers across Europe was a critical point. Despite this, the associated challenges were overcome thanks to close partnerships with the transport service providers.

Geberit's transport service providers are contractually obliged to actively support Geberit in its efforts to use energy and packaging material efficiently and to reduce emissions. Additionally, they also have to provide the corresponding data for Geberit's environmental reporting. As part of the Group-wide harmonisation of the SAP-ERP system, the standardisation of the planning and transport process was continued in Lintorf (DE) in 2023. Additionally, investments were made in a clean truck fleet and the use of larger loading units. In particular, this led to optimised truck capacity utilisation when delivering cisterns. Further initiatives led to additional synergies and a reduction in the number of empty kilometres (see also → [Green logistics](#)).

Sustainability

Long-term value creation

Geberit had already drawn up its first environmental strategy and implemented specific measures in 1990. Over the years, this strategy was gradually developed into a comprehensive → Sustainability strategy, is now an integral part of the corporate culture, and makes a significant contribution to the → Sustainable Development Goals of the United Nations. The sustainability strategy bundles together current and future projects, initiatives and activities, and specifies clear responsibilities with measurable objectives, derived measures and quantifiable key figures for effective monitoring. Social, ecological and economic aspects are given equal consideration in the strategy. A total of twelve sustainability modules form the basis here. Among these are employee attraction & retention, diversity & equal opportunity, health & safety, social responsibility, resources & circular economy, energy & CO₂, water, eco-design & sustainable products as well as sustainable supply chains, green production, green logistics and compliance & governance.

Twelve modules of the Geberit sustainability strategy

People		Planet		Profit	
Employee attraction & retention	Diversity & equal opportunity	Resources & circular economy	Energy & CO ₂	Sustainable supply chain	Green production
Health & safety	Social responsibility	Water	Eco-design & sustainable products	Green logistics	Compliance & governance



For further details, see Sustainability, → Sustainability strategy.

Materiality analysis as basis

The Geberit sustainability strategy is based on the materiality analysis according to GRI Standards (Global Reporting Initiative). Geberit has carried out the materiality analysis involving the input of external stakeholders since 2012. The goal is to create potential added value in the individual business areas, both from a company and a stakeholder perspective. At the same time, the potential for conflict between stakeholder groups and opportunities for cooperation are also recognised in good time.

The materiality analysis is checked periodically. The last update in 2022 focused on aligning it with the corporate strategy and sustainability strategy, and was approved by an external → Stakeholder Panel. Twelve topics were defined, assigned to the three dimensions People, Planet and Profit. While the material topics defined in the two dimensions People and Planet cover the modules in the sustainability strategy, the material topics in the Profit dimension have a broader scope.

The twelve material topics at Geberit

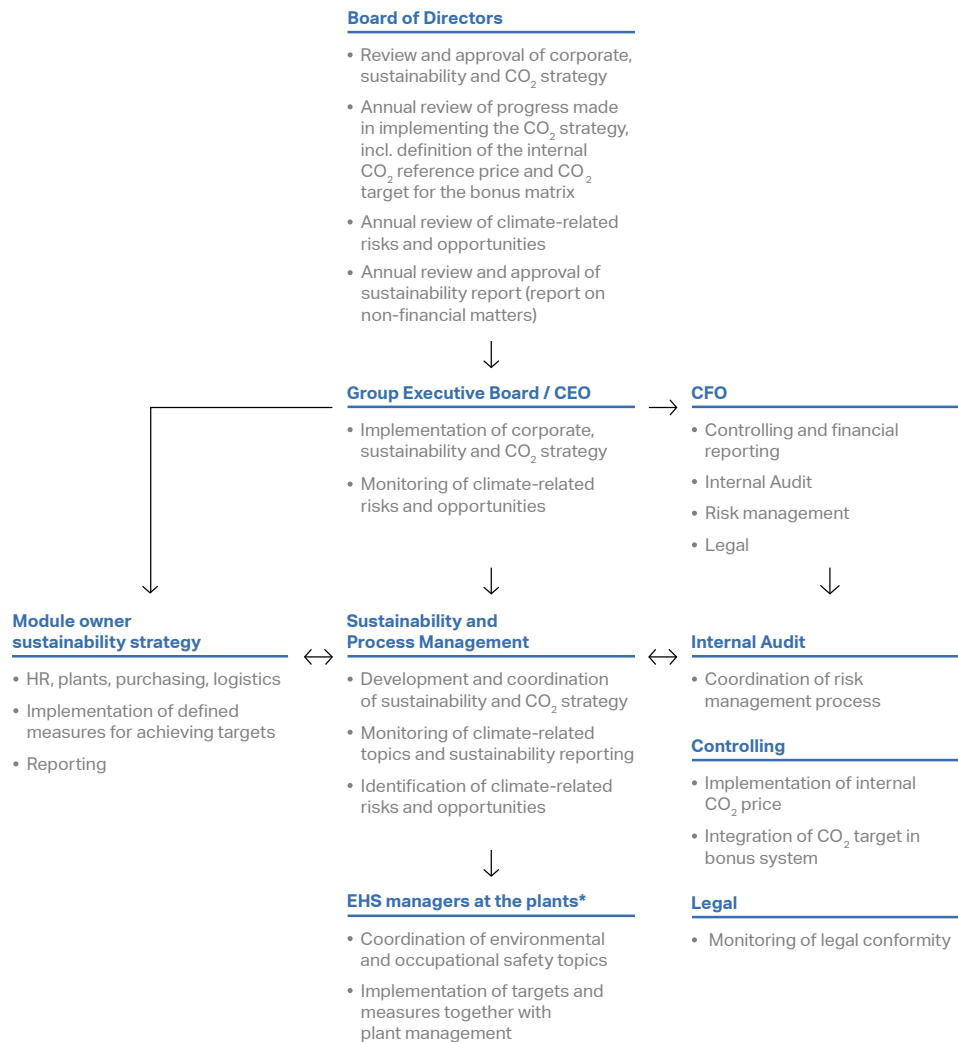
People		Planet		Profit	
Employee attraction & retention	Diversity & equal opportunity	Resources & circular economy	Energy & CO ₂	Products & innovation	Operations
Health & safety	Social responsibility	Water	Eco-design & sustainable products	Customer relations	Compliance & governance

For further details, see Sustainability, → Materiality analysis.

Value-oriented management and ESG governance

The value- and future-oriented corporate governance strengthens the resilience of the Geberit business model and thus the long-term value creation of the company. A sustainability-oriented business management philosophy was defined as one of the strategic success factors of the company. This includes the long-term planning of investment projects taking an internal CO₂ reference price into consideration, checking whether the defined measures have achieved their targets, and integrating the CO₂ reduction target as one of five equally weighted criteria in the calculation of the bonus for management and some of the employees.

All positions involved in the sustainability strategy and its implementation, with the corresponding tasks and responsibilities, are listed below; ultimate responsibility lies with the Board of Directors. Further information can be found in the → [TCFD reporting](#).



* EHS: Environment, Health and Safety

For further details, see → [Management structure](#).

Focus on four global goals

In 2015, the United Nations adopted the 2030 Agenda. This details 17 specific targets for sustainable development, the Sustainable Development Goals, which countries are required to implement by 2030 – with significant support from the business world. Four of these goals are particularly important to Geberit. The goal calling for “equitable access to clean drinking water and basic sanitation” (Goal 6) for all people worldwide is key to the company’s efforts, as is the goal of “sustainable cities and communities” (Goal 11). Additionally, high-quality education and further training of employees, the training of skilled crafts launched back in the 1950s and the newly adopted strategy for social commitment in vocational training in newly industrialised countries (→ [Social responsibility](#)) all play an important role in “ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all” (Goal 4). Moreover, with the CO₂ strategy, the energy master plan and the eco-design principle as the basis for product development, Geberit also contributes to “taking urgent action to combat climate change and its impacts” (Goal 13).

Geberit again honoured with EcoVadis award

The Geberit Group has once again been recognised for its sustainability management by EcoVadis. Gold is the second-highest rating awarded following the annual evaluation. Geberit thus finds itself in the top five percent of rated companies. EcoVadis is one of the world’s largest providers of business sustainability ratings and has created a global network of over 100,000 companies in around 180 countries. The comprehensive analysis takes into account 21 criteria in the areas Environment, Labor & Human Rights, Ethics and Sustainable Procurement, and contributes towards ensuring transparency in sustainability performance of the companies. The Gold rating shows both customers and suppliers that Geberit has a comprehensive, systematic sustainability management in place.

Environmental performance significantly improved again

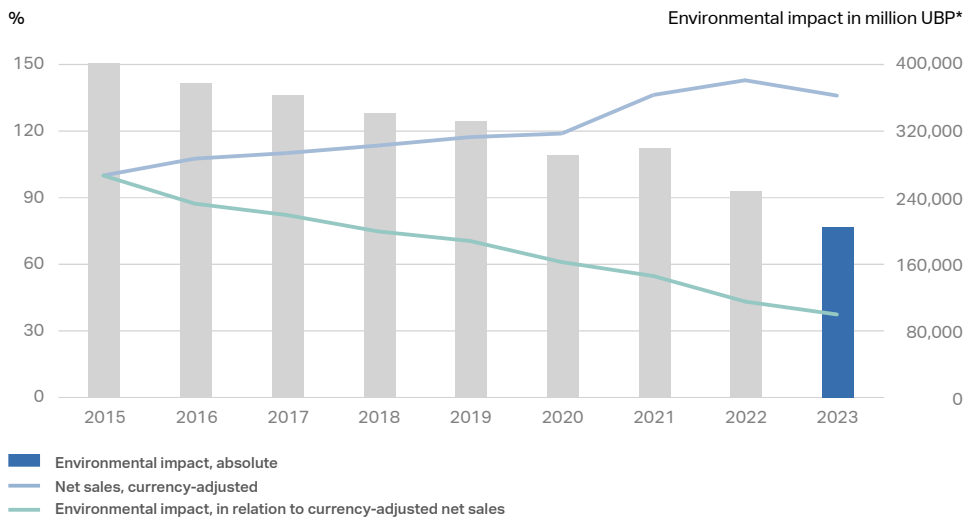
The absolute environmental impact of the Geberit Group decreased again in 2023 by 17.6%. Currency-adjusted net sales fell by 4.8% in the same period. As a result, the environmental impact in relation to currency-adjusted net sales (eco-efficiency) decreased by 13.4%. Since the integration of the energy-intensive ceramics production in 2015, eco-efficiency has improved by 62.6%. As regards the long-term target, which is based on an average improvement of 5% per year, Geberit therefore remains very well on course.

In order to measure environmental performance, the Swiss Ecological Scarcity Method has been used for many years, which takes into consideration a wide range of environmental impact factors (emissions, resources, waste) and summarises them as a key figure.

Environmental impact

2015–2023

(Index: 2015 = 100)



* UBP = Eco-points in accordance with the Swiss Ecological Scarcity Method (version 2021)



On the path towards reducing CO₂ emissions

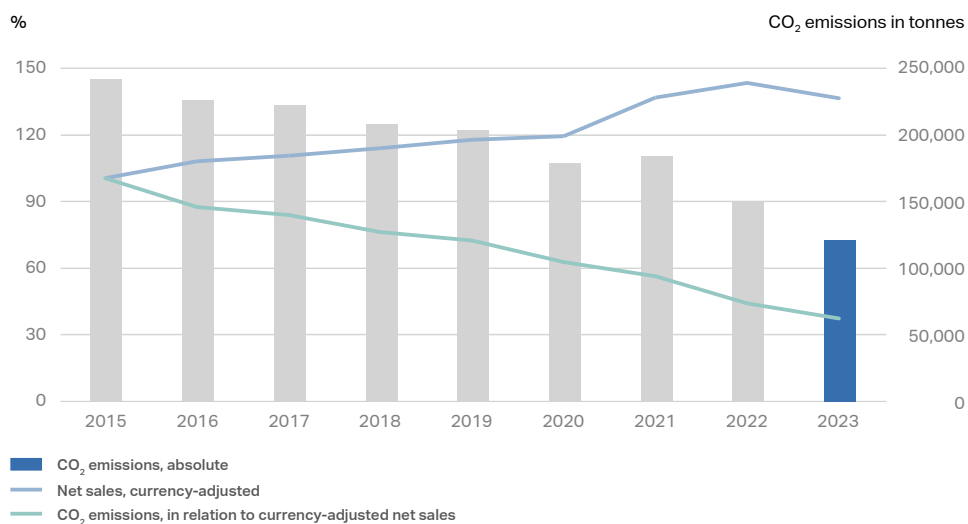
The Geberit Group stands for an ambitious and implementation-oriented approach in its activities. This also applies to the reduction of energy consumption and CO₂ emissions. The central elements in the new CO₂ strategy introduced in the previous year are its integration in all relevant business processes as well as the handling of CO₂ emissions as external costs by means of an internal CO₂ reference price. With the CO₂ strategy, Geberit’s medium-term goal is a CO₂ reduction of 5% per year compared to currency-adjusted net sales, which would correspond to an 80% reduction in relative CO₂ emissions by 2035 compared to the reference year 2015.

Geberit also significantly exceeded its medium-term goal of reducing relative → CO₂ emissions by 5% per year in the reporting year. In relation to currency-adjusted net sales, CO₂ emissions decreased by 15.6%. Compared to the previous year, absolute CO₂ emissions fell by 19.6% to 121,014 tonnes (2022: 150,591 tonnes) and have therefore been reduced significantly more than volumes. This reduction is due to targeted operating measures and the continuous increase in the share of electricity from renewable energy sources, plus a decline in production volumes. Since the acquisition of the energy-intensive ceramics production in 2015, CO₂ emissions in relation to currency-adjusted net sales (CO₂ intensity) have been reduced by 63.2%.

CO₂ emissions

2015–2023

(Index: 2015 = 100)



The calculation of Group-wide CO₂ emissions was again externally audited in the reporting year. Carried out by the consulting company intep, the successful audit of the greenhouse gas balance sheet (“limited assurance”) included the calculation of CO₂ emissions in Scopes 1 and 2, as well as the verification of processes on which this calculation is based. The standards of the WRI/WBCSD Greenhouse Gas Protocol and ISO 14064-1 were applied here (see also → [Audit Report Greenhouse Gas Balance](#)).

For 2023, the CO₂ reference price was set at EUR 80 per tonne. This was based on the price of the European Emissions Trading System (ETS) for CO₂. The CO₂ reference price embodies the costs for saving one tonne of CO₂. An implicit CO₂ price is calculated for each project using an economic efficiency calculation. This serves as a basis for deciding on investments in measures to reduce energy or CO₂. With the CO₂ reference price, the responsibility for reducing the carbon footprint is widely supported within the company, thus ensuring that the measures taken have a long-term effect.

Pivotal in the CO₂ strategy are measures for saving energy, increasing efficiency, heat recovery and procuring energy in the plants. The corresponding measures are implemented using an energy master plan. Among other projects, the construction of a new tunnel kiln was started at the ceramics plant in Carregado (PT) in 2023. This will replace the three existing kilns, resulting in an energy saving of around 20%. As part of the structural reduction approach, new, alternative technologies for firing the ceramic appliances are also regularly evaluated.

The production of ceramic appliances is energy-intensive. CO₂ emissions are generated when obtaining the raw materials and also during the production and transportation of the ceramic appliances. In addition to technological innovations such as the installation of a second high-pressure casting system at the ceramics plant in Koło (PL), a product-specific specialisation at the ceramics plants is being pursued. Scrap rates are reduced thanks to this, which in turn has a positive effect on the → [energy efficiency of the ceramic appliances](#).

Finally the reduction of CO₂ intensity is also down to the systematic increase in the share of electricity from renewable energy sources in overall electricity consumption. In the reporting year, the share of green electricity was increased further. At the end

of 2023, 157 GWh of electricity came from renewable energy sources, of which 128 GWh was green electricity with proof of origin. As a result, around 80% of the total electricity required by the company is covered by renewable energy sources.

For more details, see → [Sustainability Performance Report](#).

Focus on water consumption

Careful, sparing use of water as a valuable resource is one of Geberit's core areas of focus. The consistent focus on reducing water consumption both in production and in the product use phase is the company's greatest lever for contributing to sustainable development.

In the reporting year, water consumption in production totalled 850,178 m³ (previous year 908,407 m³). In comparison with 2015, the year of the integration of the ceramics business, water consumption fell by 27.4%. Geberit consistently applies measures to successively reduce water consumption. In particular, this includes measures such as reusing water in laboratories and the production process. At around 80%, ceramic production accounts for the biggest share of water consumption; in this area, water consumption fell by 5% compared to the previous year and savings of 31% have been achieved since 2015.

With → [eco-design](#), the products are also checked and improved with regard to water consumption. Geberit's innovative sanitary products help to systematically optimise water consumption in buildings. Rimless ceramic appliances, optimised TurboFlush technology, water-saving taps and urinals or the flush valves type 208 and 212 help customers handle water sparingly. According to a model calculation, water consumption for toilet flushing, for example, has decreased since 1952 by around 80% from 70 litres to 14 litres per person per day thanks to several innovations such as flush-stop cisterns and Geberit dual flush.

The optimisation of water efficiency continues to be of the highest importance. For example, if the Acanto WC ceramic appliance – equipped with the latest TurboFlush flush technology – is combined with the water-saving flush valve 212 and the dual flush actuator plate, the required flush volume is reduced to 2.6 litres for the partial flush and 4 litres for the full flush. Due to the optimally coordinated components, the flush performance is up to ten times higher than the requirements of international standards.

Circular economy and longevity

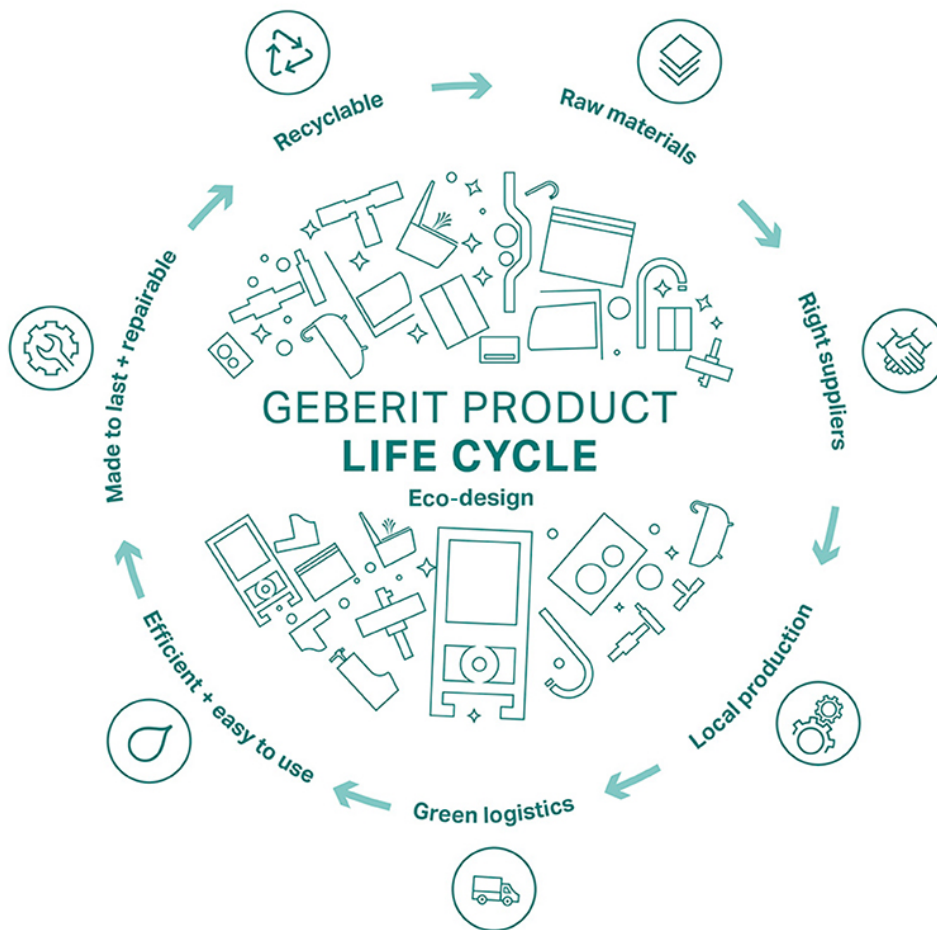
The aim of the circular economy is to operate an economic cycle in the most resource and environmentally friendly way possible. The greatest lever here is the service life of a product. The longer a product can be used, the lower the resource input per use. One of Geberit's key contributions to the circular economy is therefore to achieve the longest possible product life due to high-quality materials and strict quality requirements. Geberit products typically have a service life spanning several decades. The service life often exceeds 50 years, for example in the case of plastic drainage pipes. An important contribution to the longevity of Geberit products and systems is that a significant proportion of the product range also has a spare parts availability of 25 years. In the reporting year, the spare parts availability for all mechanical components on concealed cisterns was increased from 25 to 50 years. Furthermore, many Geberit products can be cleaned, maintained and repaired easily. The fact that new products and innovations are backwards-compatible – for example in the case of actuator plates – is also an important contribution to a longer service life of a previously installed product.

Eco-design

Geberit has consistently been developing its own products in line with the eco-design principle since 2007. All environmental aspects are examined, from the selection of raw materials right through to disposal. The eco-design principle follows the circular economy approach. Every new product should be better than its predecessor from an ecological perspective. The energy efficiency and the water consumption of the products in the product use phase are also continuously improved. Since 2007, over 180 eco-design workshops have been held as part of the development of new products.

The CleanLine50 shower channel launched in 2023 was optimised according to the eco-design principle, for example. Material consumption was significantly reduced compared to its predecessor CleanLine60, with only half as much stainless steel required on the new shower channel. As the production of this high-quality material is energy-intensive, using less of it reduces CO₂ emissions by 60% per shower channel.

The eco-design principle follows the circular economy approach



Careful use of plastics

Among other aspects, the use of recycled plastics is also promoted as part of the eco-design workshops. In particular, work continues towards constantly increasing the share of bought-in plastic regranulate used (post-consumer waste). Alongside recycled ABS, a suitable recycled material was also evaluated for applications involving polypropylene (PP) and polyethylene (LDPE). This will be used increasingly, for example as transport protection for Mepla pipes. Thanks to internal recycling, almost 100% of all processed plastics can be reused in production.

Furthermore, Geberit participates in the Operation Clean Sweep (OCS) initiative. OCS is an international initiative promoted by the plastics industry dedicated to preventing the loss of plastic granules and ensuring that these materials do not pollute the environment. All Geberit plants that process plastics take part in the initiative and implement appropriate improvements.

Reducing the use of packaging material

The optimisation of packaging is of great importance, with a Group-wide strategy adopted here in 2023. The goal is to further reduce the consumption of resources while simultaneously offering optimal protection to the products. As a first result of implementing this strategy, the AquaClean Mera shower toilet was delivered in new packaging at the end of 2023. Both the boxes and protective liners made of corrugated cardboard were reduced by more than a third compared to the old packaging.

Thanks to the smaller, lighter packaging, 70 tonnes of CO₂ can be saved each year. The optimised packaging of the AquaClean Sela Round shower toilet will follow at the start of 2024.

Green building supported by digitalisation

Green building is becoming ever more important. Sustainability certificates and building labels such as LEED (Leadership in Energy and Environmental Design), DGNB (Deutsche Gesellschaft für nachhaltiges Bauen – the German Sustainable Building Council) and BREEAM (Building Research Establishment Environmental Assessment Method) have a positive impact on sustainability aspects when planning the sanitary technology, as does digital building planning with BIM. Thanks to the available data relating to sustainability, transparency here is increased.

For many years, Geberit has been creating product life cycle assessments and externally inspected environmental product declarations (EPDs) in accordance with the European standard EN 15804, and makes these available to architecture firms and planning offices in digital form. EPDs present relevant, comparable and verified information about a product's environmental impact in a transparent manner. In the reporting year, in addition to the existing 14 EPDs, a new one for the Sigma actuator plates was added. This means that products with an EPD account for around 34% of Group sales.

Comprehensive controlling and reporting

Since 2006, the sustainability performance of the Geberit Group has been reported annually in accordance with the guidelines of the Global Reporting Initiative (GRI). The information disclosed within the scope of this reporting was compiled in accordance with the new GRI Standards 2021. The corresponding GRI Content Index was audited according to the GRI Content Index – Essentials Service and met the requirements, see → [GRI label and formal GRI Content Index](#). All aspects of the GRI Standards can be found in the → [Sustainability Performance Report for 2023](#). In preparation for the ordinance on reporting obligations regarding non-financial matters in the Swiss Code of Obligations (CO Art. 964a ff.) that came into force on 1 January 2024, Geberit addressed the requirements as part of an interdisciplinary process. Reporting on all compulsory non-financial matters (climate, social and employee matters, adherence to human rights and fighting corruption) is integrated in the annual report for 2023.

Geberit has been a member of the United Nations (UN) Global Compact since 2008. The purpose of this worldwide agreement between companies and the UN is to place globalisation on a more social and ecological footing. Geberit is also a member of the local network of the UN Global Compact. The → [Code of Conduct for Employees](#) and the → [Code of Conduct for Suppliers](#) further incorporate the topic of sustainability. Continuously improved → [compliance processes](#) ensure compliance with guidelines and directives. A system for the control and management of all risks involved in entrepreneurial activities is in place throughout the Group (see also → [Risk management](#)).

Geberit also reports on climate-related risks in accordance with TCFD guidelines (Task Force on Climate-related Financial Disclosures). The TCFD is a working group set up by the Financial Stability Board of the G20 countries. TCFD guidelines aim to ensure the transparency of climate-related financial information for investors, lenders and insurance companies. The report on governance, strategy, risk management, metrics and goals discloses how Geberit identifies and deals with physical risks and transition risks and opportunities that are caused by climate change and may have a financial impact on the company (see also → [TCFD reporting](#)).

Geberit aims to further reinforce its leading position in the industry in the area of sustainability. One major system helping to achieve this target is the integrated Geberit Management System, which unites aspects such as quality, environment, occupational health and safety, and energy. All production plants throughout the world and central logistics are certified in accordance with ISO 9001 (quality), ISO 14001 (environment) and ISO 45001 (occupational health and safety). Certification according to ISO 50001 (energy management) is taking place for selected sites.

Further increased importance of sustainable business management for customers and the capital market

In terms of customers, the importance of sustainable products and sustainable business management is increasing, see also → [EcoVadis](#). Geberit is meeting the increased demand for communication on sustainability via various information channels. In the reporting year, communication on sustainability was further expanded and consolidated for specific customer groups (architects, sanitary specialists, consumers). Furthermore, education and training on current sustainability topics were intensified for the company's own sales representatives.

The activities in terms of sustainable business management are also recognised by the capital market. The Geberit share is prominently represented in the sustainability stock indices and sustainability funds segment. Geberit wants to continue to play a pivotal role in the "Sustainability" and "Water" investment segments.

Social responsibility

Social responsibility at Geberit

Our approach

The transportation of water in buildings is one of Geberit's core competencies. The company ensures optimum hygiene standards and economical use of resources, thus making a key contribution to ecological and sustainable development. To do this, we promote quality, innovation and education.

Geberit assumes social responsibility. The social commitment should be linked to the core topics of water and basic sanitation as well as to the employees at the company's sites worldwide. This approach contributes to the → mission of achieving sustained improvement in the quality of people's lives.

Projects with apprentices and students

Geberit has been carrying out social projects with its own apprentices since 2008. This social commitment has now become a tradition: every year, Geberit apprentices renovate sanitary facilities in educational, social and health institutions in a region affected by poverty under professional supervision. During their assignments in developing and newly industrialised countries, the young apprentices not only gain intercultural, linguistic, professional and social competencies, but also act as ambassadors for the company and its social commitment. The social projects make a tangible contribution to Goal 6 of the 2030 Agenda of the United Nations, which aims to give all humans access to clean drinking water and basic sanitation. In 2023, eleven Geberit apprentices from Germany, Austria and Switzerland travelled to Hudarait in West Bengal (India) as part of the social project. In collaboration with the Swiss NGO Stiftung Usthi, the apprentices installed toilets, washbasins and a shower in the new sanitary wing of the Ananda School. They also installed water supply pipes in the school kitchen. The new sanitary installations and improved access to running drinking water benefit the 246 schoolchildren and their teachers.

As a long-standing member of the Swiss Water Partnership network, Geberit again supported the "Youth Water Challenge" for students and young professionals in 2023. As part of this competition, participants drew up suggestions for projects that improve access to water, drinking water quality or hygiene. Seven of these projects were awarded and put into action. The Swiss Water Partnership network brings together around 70 organisations from the private sector, science, and public and charitable institutions, with the goal of improving access to water in disadvantaged countries and regions.

Globally engaged

With the social engagement strategy adopted in the reporting year, Geberit expressly reinforces its contribution to "ensuring inclusive and equitable quality education for all" (Goal 4 of the 2030 Agenda of the United Nations). Specifically, the decision was made to enter into partnership with the Hilti Foundation for establishing dual vocational training in the sanitary industry in Kenya. Since 2021, Geberit has supported the Hilti Foundation in developing a training programme for young plumbers in Kenya. In addition to donating materials, Geberit also played a key role in developing the curriculum for the Hilti Foundation's dual vocational training programme. In 2023, 100 apprentices – 45% of them women – took part in school activities at the Don Bosco School in Karen, near Nairobi. Additionally, they received practical training at the 25 local sanitary companies involved. The programme and cooperation between the Hilti Foundation and Geberit will be significantly expanded from 2024 on.

Despite the war in Ukraine, the local Geberit sales company continued its long-standing project for supporting the professional training of plumbers in the country. The Geberit company in Ukraine is carrying out this project in collaboration with the Swiss Agency for Development and Cooperation (SDC), the Swiss foundation Swisscontact and the Ukrainian Ministry of Education. By the end of June 2023 (end of the three-year project phase), around 2,700 young people – including 48 women – had taken part in dual studies as plumbers. Around 230 teaching staff were also trained as part of this project. Geberit also provides additional support to 25 vocational schools in Ukraine with material and equipment.

Sanitary equipment and logistics support was also provided to the "L'Unique Foundation". Established by a Swiss sanitary entrepreneur and based in Basel (CH), this foundation finances the construction and renovation of sanitary facilities at schools in Nepal and implements them on site.

As a basic principle, social projects are regularly supervised and evaluated by Geberit employees in the respective country or in partnership with non-governmental organisations – including after completion of the projects in question.

Donations and financial contributions, including product donations, totalling CHF 3.7 million (previous year CHF 4.4 million) were made during the reporting year.

Integration and inclusion

The Geberit Group's social commitment is rounded off by a multitude of other initiatives at a local level. At various sites in Europe, such as Germany, Austria, Poland, France and Switzerland, for example, assembly and packaging work is regularly awarded to workshops for people with disabilities. In the reporting year, this work amounted to around CHF 9 million and has contributed to meaningful work for around 550 people.

Donations and contributions

For an overview of donations and financial contributions, see → Infrastructure investments and promoted services. All donations are neutral from a party political point of view. No donations were made to parties or politicians. This is ensured globally as part of the annual audit of the Code of Conduct.

Information Technology (IT)

IT security

The Geberit Group is continually working to increase and further develop its IT security. This includes taking defensive measures against cyberthreats as well as detecting and dealing with any cyberattacks efficiently. Extensive measures have been established in the interests of business continuity.

In terms of organisation, an IT security committee consisting of the CFO (chair), Head of Operations of the Group, Head IT of the Group and Chief Information Security Officer of the Group is responsible for all relevant aspects of IT security.

The company's IT systems undergo a comprehensive and detailed security check – including the ongoing assessment of newly emerging risks – involving the input of external specialists on a regular basis. The latest checks confirmed a good level of security. All in all, Geberit is thus comparable to industrial companies of a similar size and complexity.

OneERP project

Implementation of the OneERP project – where the local IT systems and processes are adjusted to the Group ERP standard – continued successfully. Following a break in the previous year due to the ERP upgrade to SAP S/4 HANA, the production plant in Portugal was brought up to the Group standard in 2023. This will be followed in 2024 by the production and logistics companies in Germany.

Further IT aspects

The Geberit IT department supports the Group in all relevant processes. In addition to the specific aforementioned topics, the current focus is on increasing efficiency and creating added value for the customers. Examples of increased efficiency include using artificial intelligence to answer customer enquiries in Germany, the AI-based payment workflow, the new EWM logistics solution based on SAP S/4 HANA, and equipping the first factory with a Manufacturing Executive System (MES). Examples of added value for customers include the new online catalogue and the first version of the system for identifying compatible products (product relationship management, PRM). Moreover, an initiative for the improved use of AI within the various functions was started at the end of 2023.

Compliance

Compliance at Geberit

Compliance at Geberit does not just mean adhering to applicable laws and regulations, but also includes guidelines for social, economic and environmental responsibility. High ethical and social standards are defined and Geberit commits to sustainability and integrity. Compliance within the company is based on the → Code of Conduct for Employees introduced in 2007, updated in 2015 and currently in revision, and the → Code of Conduct for Suppliers from 2016, which is also currently in revision.

Topics

The main compliance activities for Geberit encompass the areas: → antitrust legislation, → corruption, → data protection, → product liability, → environment and occupational health and safety, as well as → fundamental employee rights and → supplier compliance. Clear reporting processes, such as Code of Conduct reporting, as well as internal and external audits are implemented to check the corresponding regulations are being adhered to.

Corporate compliance organisation

	Employees				EHS			Data	Products			
	Law	Integrity	Cartel	Corruption	Environment	Health	Safety	Law	Norms	Approvals	Law	Labels
Product Management & TUI*												
Procurement			Corporate Legal Services			Corporate Purchasing						Corporate Product Quality
Production & Logistics	Corporate HR					Corporate Sustainability & Process Management		Corporate Legal Services				
Sales & Marketing			Corporate Legal Services									
Administration												

* Technology and Innovation

A decentralised compliance organisation (see graphic) and a consistently implemented compliance programme in all relevant risk areas form the basis of the high-quality compliance standards at Geberit. The aim of the decentralised organisation is to entrench the various compliance topics as close as possible to the responsible departments and thus in day-to-day business. The responsibilities are clearly defined. Structured controlling and reporting processes within the individual departments ensure that the Group Executive Board and the Audit Committee of the Board of Directors are informed promptly and comprehensively.

Furthermore, the Geberit Integrity Line makes it possible for employees and suppliers to anonymously report non-compliance both with the Code of Conduct and with legal regulations. In addition to the existing Group-wide reporting point, national reporting channels have also been set up in several European countries (PT, SE, SI, IT, NL, BE) for implementing the national laws adopted based on the EU Whistleblower Directive. The Geberit Integrity Line thus meets both the requirements set by the EU Whistleblower Directive and national laws.

The Geberit Group's legal department is responsible for the topics of antitrust legislation, data protection and corruption. Product liability is the responsibility of Product Quality Management. Corporate Sustainability & Process Management and Corporate Purchasing are responsible for the subjects of the environment, occupational health and safety. Corporate Sustainability & Process Management has also included the national legislations on duty of care in the supply chain ("Lieferkettensorgfaltspflichten") adopted in 2023 in Geberit's sustainability strategy. Corporate Human Resources is responsible for fundamental employee rights.

Focus on antitrust legislation and data protection

Regular training sessions and internal audits demonstrate a well-developed sensitivity among the employees in relation to compliance topics, particularly in the area of antitrust legislation and data protection.

As in previous years, compliance activities again focused on antitrust legislation and data protection in 2023. While the focus in antitrust legislation was on optimising the training concepts, data protection management and the corresponding processes and contracts were continuously developed in the area of data protection. The development of a new training concept is planned for 2024. As a result, Geberit has effective and up-to-date instruments at its disposal for the comprehensive and straightforward training of affected employees across the Group on the topics of antitrust legislation and data protection, and can inform them of the applicable legal regulations and the directives within the Group.

Following on from the training courses already carried out last year, further general training courses for the in-depth teaching of knowledge relating to antitrust legislation were held in the reporting year. Additionally, event- and topic-specific training courses were also held at the individual sales companies. The existing basic eLearning course was revised and modified according to the current legal situation. Furthermore, a new eLearning course was introduced for the in-depth teaching of knowledge relating to antitrust legislation using specific case studies.

In data protection, the applicable data protection management system was completed. As in previous years, eLearning courses were also held and individual, event-specific training courses carried out for various departments and companies.

Changes in Group structure

There were no significant changes to the legal structure of the Geberit Group in the reporting year (see also → [Consolidated financial statements Geberit Group, Note 2](#) and → [Note 32](#)).

Outlook 2024

Declining building construction industry in a continued difficult environment

Due to the challenging macroeconomic conditions and the ongoing geopolitical risks, the building construction industry is expected to decline overall in the current year.

In the past two years, increased construction costs and interest rates have significantly dampened demand in the European building construction industry – especially in the new building sector. Driven by the weak development in residential construction, the number of building permits in Europe decreased by around 20% in the first nine months of 2023, leading to a corresponding decline in new building activities in 2024. The most pronounced decline is expected in Northern Europe and Germany. Conversely, new building activities in Switzerland are expected to develop more positively due to the lower inflation and lower interest rates. In contrast, a more robust development is expected in the global renovations business, which accounts for around 60% of Geberit sales. This is primarily due to the following reasons:

- a fundamental need for renovations in several European countries, and
- no additional pressure caused by the shift in demand from sanitary to heating solutions, as seen in the previous year.

Despite the negative overall forecasts for the European building construction industry in 2024, the expected reduction in interest rates during the course of the year and the structural trend towards higher sanitary standards should positively stimulate demand.

In the markets outside Europe in which Geberit is active, a mixed picture is expected for this year, with strong demand in India, the Gulf Region and Egypt, for example, and with a decline in China and Australia.

Currencies and cost inflation

Fluctuations in the Swiss franc compared to other important currencies used by the Geberit Group will continue to affect sales and earnings. Gains and losses result mainly from the translation of local results into Swiss francs (translation effects). However, currency fluctuations generally have no significant impact on operating margins due to high natural currency hedging. Natural currency hedging entails making sure that costs in the various currencies are incurred in the same proportion in which sales are generated. With regard to the impact of foreign currency effects, please refer to the information and the sensitivity analysis in the → [Management of currency risks](#) section.

In terms of costs, raw material prices relevant to Geberit are expected to be slightly lower in the first quarter of 2024 compared to the fourth quarter of 2023, while wage inflation for 2024 is expected to be 5% to 6%. Moreover, Management is planning additional spending totalling CHF 30 million in 2024 on growth initiatives outside Europe, on specific marketing activities (launch of new Alba shower toilet, 150th anniversary of Geberit), and on digitalisation projects.

Geberit

Regardless of the challenging market environment, the objective for 2024 remains to gain further market shares. This should be achieved by the two guiding principles of 1) strategic stability and 2) operational flexibility. The objective is to overcome the challenges caused by the uncertain volume development without harming the medium-term potential. As part of strategic stability and despite the declining market environment, various strategic growth initiatives and investment projects – for example, in selected growth markets outside Europe – will be continued or newly launched as planned in 2024. In line with the Geberit strategy, these measures shall be accompanied by efforts to continuously optimise business processes in order to be able to achieve continued high margins and a strong free cashflow also in 2024. Based on the strong foundation already built up over the past decades, the sustainability performance should continue to improve.

Both the Board of Directors and the Group Executive Board are convinced that the Geberit Group is very well equipped and positioned to meet current and upcoming opportunities and challenges. This assessment is based on the stable and long-term strategy, the proven business model with strong customer relationships and the industry-leading financial stability. Experienced and highly motivated employees, a number of promising growth initiatives, the products that have been launched in recent years and the promising development pipeline, a lean and customer-oriented organisation, an established cooperation based on trust with the market partners in both commerce and trade, and the Group's continued very solid financial foundation are vital to its future success.



Business Report

Corporate Governance

0. Introduction

The reporting on corporate governance follows with regard to the subject matter and scope of the information on corporate governance the Directive on Information Relating to Corporate Governance of the SIX Exchange Regulation (in the respective valid version), which applies to all issuers whose equity securities have a primary or main listing on the SIX Swiss Exchange Ltd.

1. Group structure and shareholders

1.1 Group structure

The operational Group structure is shown in the diagram → [Annual Report 2023, Business Report, Management structure, p. 17.](#)

Geberit AG, the parent company of the Geberit Group, has its headquarters in Rapperswil-Jona (CH). For the place of listing, market capitalisation, Swiss securities identification number and ISIN code, please refer to → [Annual Report 2023, Business Report, Geberit share information, p. 13.](#)

The Group's consolidated subsidiaries are listed under → [Annual Report 2023, Financials, Consolidated Financial Statements Geberit Group, Notes to the Consolidated Financial Statements, Note 32, p. 143](#), stating the company name and head office, share capital and equity interest held by the Group companies. Except for Geberit AG, the scope of consolidation does not include any listed companies.

1.2 Significant shareholders

The listed significant shareholders within the meaning of Art. 120 para. 1 of the Financial Market Infrastructure Act (FinMIA) held more than 3% of the voting rights or share capital recorded in the Commercial Register on 31 December 2023.

Significant shareholders*

(in %; as of 31 December 2023)

Black Rock, New York (Mother Company), US	5.21
Geberit AG, Jona, CH	5.00
UBS Fund Management (Switzerland) AG	3.10

* In accordance with the corresponding reports to the SIX Swiss Exchange

Disclosure notifications published by Geberit in the financial year 2023 via the electronic publishing platform of SIX Swiss Exchange can be viewed at → www.ser-ag.com/de/resources/notifications-market-participants/significant-shareholders.html.

1.3 Cross-shareholdings

In terms of equity interests or voting rights, the Geberit Group has no cross-shareholdings with any other companies that exceed a threshold of 5%.

1.4 Important changes to the Articles of Incorporation

The amendments to the Articles of Incorporation made in the financial year 2023 are related to the entry into force of the revised corporate law as of 1 January 2023. With the adaptation of the Articles of Incorporation to the revised corporate law, on the one hand, provisions of the Articles of Incorporation that contradicted mandatory law were amended and, on the other hand, provisions that reflected the wording of the mandatory corporate law applicable until 31 December 2022 were adapted to the new wording of the mandatory corporate law. In addition, a number of editorial amendments were made to the Articles of Incorporation. Furthermore, certain provisions of the Articles of Incorporation were modernised, in particular, to introduce new electronic means of the revised corporate law. However, the Board of Directors refrained from proposing a provision in the Articles of Incorporation that would have permitted the holding of a General Meeting exclusively by electronic means and without a physical venue (so-called “virtual general meeting”).

In addition, during the reporting year the following significant amendments to the Articles of Incorporation were approved by the annual General Meeting on 19 April 2023:

- Inclusion of a sustainability provision to the purpose of the company (art. 2 para. 3 of the → [Articles of Incorporation](#) (www.geberit.com/downloadcenter-en)). In pursuing its corporate purpose, Geberit strives to create long-term and sustainable value. This endeavour is now explicitly reflected and anchored in Geberit's Articles of Incorporation.
- Amendment of the share register and nominee provisions (art. 5 para. 2 and 3 of the → [Articles of Incorporation](#) (www.geberit.com/downloadcenter-en), see also → [Annual Report 2023, Business Report, Corporate Governance, 2. Capital structure, 2.6 Limitations on transferability and nominee registrations, p. 62](#)). With these amendments to the Articles of Incorporation, the requirements for entry in the share register will be expanded and brought in line with the law. Under the amended nominee provision, if nominees hold shares equivalent to more than 3% of the share capital, a separate agreement with the Board of Directors is no longer necessary and such nominees will be entered in the share register if they comply with the reporting obligations under FinMIA.
- Increase of the age limit for members of the Board of Directors, its Chair and the members of the Compensation Committee to 75 years (art. 13 para. 4 of the → [Articles of Incorporation](#) (www.geberit.com/downloadcenter-en), see also → [Annual Report 2023, Business Report, Corporate Governance, 3. Board of Directors, 3.4 Elections and terms of office, p. 67](#)). The Board of Directors considered the previous age limit of 70 years to be outdated.
- Introduction of a capital band (art. 3a of the → [Articles of Incorporation](#) (www.geberit.com/downloadcenter-en), see also → [Annual Report 2023, Business Report, Corporate Governance, 2. Capital structure, 2.2 Capital band and conditional capital details, p. 60](#)). The capital band authorises the Board of Directors to increase and/or reduce the ordinary share capital as registered in the commercial register at the time of introduction of the capital band within a bandwidth of 10%, for a maximum of 5 years. In doing so, the Board of Directors may for the reasons stated in the Articles of Incorporation, limit or cancel the subscriptions rights of existing shareholders and allocate subscriptions rights not exercised or withdrawn elsewhere. The introduction of the capital band provides the Board of Directors with flexibility, also with regard to capital reductions. This allows the Board of Directors to cancel shares acquired under share buyback programmes in a flexible manner, in particular also for free float considerations, independently from an ordinary General Meeting.

The current Articles of Incorporation can be viewed online at → www.geberit.com/downloadcenter-en.

2. Capital structure

2.1 Capital

Amount of ordinary and conditional capital as well as the capital band as provided in the Articles of Incorporation of the company as of 31 December 2023: *

Ordinary capital:	CHF 3,518,908.20
Conditional capital:	–
Capital band:	CHF 3,167,017.40 (lower limit) and CHF 3,870,799.00 (upper limit)

* With the revised corporate law, the instrument of authorised capital was replaced by the capital band. Authorised capital that has already been approved can still be used until 31 December 2025 at the latest. The Geberit Group had no authorised capital as at 31 December 2023.

2.2 Capital band and conditional capital details

As of 31 December, Geberit AG had a capital band between CHF 3,167,017.40 (lower limit) and CHF 3,870,799.00 (upper limit). Within the capital band, the Board of Directors is authorised to increase or decrease the share capital once or several times and in any amounts until 19 April 2028 or until an earlier expiry of the capital band. The capital increase or reduction may be effected by issuing a maximum of 3,518,908 fully paid registered shares with a par value of CHF 0.10 each or by cancelling a maximum of 3,518,908 registered shares with a par value of CHF 0.10 each.

In the case of capital increase, the Board of Directors shall determine the number of shares, the issue price, the type of contributions, the time of issue, the conditions for exercising subscription rights and the start of dividend entitlement. In doing so, the Board of Directors may issue new shares by means of a firm underwriting by a bank or other third party and subsequent offer to the existing shareholders. The Board of Directors is authorised to restrict or exclude trading in subscription rights. The Board of Directors may allow subscription rights that have not been exercised to lapse or place them or the shares for which subscription rights have been granted but not exercised at market conditions or otherwise use them in the interests of the company.

The Board of Directors is authorised to exclude or limit the shareholders' subscription rights in respect of the shares to be issued under the capital band and to allocate them to individual shareholders, third parties, the company or Group companies, in particular: (i) if the issue price of the new shares is determined by reference to the market price; or (ii) for the acquisition of companies, part(s) of companies or participations, or for the financing or refinancing of any such transactions or the financing of new investment projects of the company or any of its group companies, including the purchase of products, intellectual properties or licenses; or (iii) for purposes of broadening the shareholder constituency of the company in certain geographic markets, for purposes of the participation of strategic partners; or (iv) for the participation of members of the Board of Directors, members of the executive committee, employees, contractors, consultants, or other persons performing services for the benefit of the company or any of its group companies; or (v) for raising capital in a fast and flexible manner, which would not be possible, or might only be possible with great difficulty or delays or at significantly less favourable conditions, without the exclusion of the pre-emptive rights of existing shareholders. Until 19 April 2028, or until an earlier expiry of the capital band, the total number of registered shares issued under art. 3a of the → [Articles of Incorporation](#) (www.geberit.com/downloadcenter-en), excluding shareholders' subscription rights in one or several capital increases, may not exceed 3,518,908 new registered shares.

In the event of a reduction of the share capital within the scope of the capital band, the Board of Directors shall determine the use of the reduction amount. Subscription and acquisition of new shares as well as any subsequent transfer of shares are subject to the restrictions set forth in art. 5 of the → [Articles of Incorporation](#) (www.geberit.com/downloadcenter-en).

Pursuant to art. 11 of the → [Articles of Incorporation](#) (www.geberit.com/downloadcenter-en), changes to the provisions on the capital band require a resolution of the General Meeting passed by at least two-thirds of the votes represented.

As of 31 December 2023, the Geberit Group had no conditional capital.

2.3 Changes in capital

For Geberit AG's changes in capital, see the following table.

	31.12.2023 MCHF	31.12.2022 MCHF	31.12.2021 MCHF
Share capital	3.5	3.6	3.6
Reserves	1,037.1	910.2	660.2
Retained	458.5	992.5	706

For further details on changes in capital, reference is made to the Geberit Group's Consolidated Financial Statements in the Financial Report of this Annual Report 2023 (→ [Annual Report 2023, Financials, Consolidated Financial Statements Geberit Group, Statement of Comprehensive Income and Changes in Equity, p. 107](#)), including the Notes to the Consolidated Financial Statements (→ [Annual Report 2023, Financials, Consolidated Financial Statements Geberit Group, Notes to the Consolidated Financial Statements, Note 21, p. 137](#)), to the information in the → [Annual Report 2023, Financials, Financial statements Geberit AG, p. 151](#), as well as to the 2021 figures in the 2022 Annual Report (Consolidated Financial Statements Geberit Group: → [Annual Report 2022, Financials, Consolidated Financial Statements Geberit Group, Consolidated Statements of Changes in Equity, → Annual Report 2022, Financials, Consolidated Financial Statements Geberit Group, Note 21](#) and → [Annual Report 2022, Financials, Financial Statements Geberit AG](#)).

The share buyback programme, launched in June 2017, was completed at the end of April 2020. In total, 1,026,094 registered shares – equal to CHF 439,767,616 and corresponding to 2.77% of the share capital entered in the Commercial Register at that time – were repurchased. The share buyback programme was conducted via a second trading line set up especially for this purpose.

The General Meeting of 14 April 2021 approved a reduction of the share capital to 35,874,333 registered shares at CHF 0.10 each through the cancellation of 1,167,094 treasury shares. The cancelled shares originated from the buybacks made during the programme that ran from 2017 to 2020, plus shares repurchased by the end of February 2021 as part of the share buyback programme 2020–2022.

The share buyback programme 2020–2022, started on 17 September 2020, was concluded on 16 June 2022. In total, 826,251 registered shares – equal to CHF 500 million and corresponding to 2.3% of the share capital entered in the Commercial Register at that time – were repurchased. The share buyback was conducted via a second trading line set up for the purpose of a capital reduction.

Following the completion of the share buyback programme 2020–2022, a new share buyback programme was launched on 20 June 2022. Over a period of two years, registered shares amounting to a maximum value of CHF 650 million will be repurchased. Based on the closing price of Geberit registered shares on 16 June 2022, this corresponds to around 1,400,000 registered shares. The registered shares will again be repurchased via a second trading line on the SIX Swiss Exchange for the purpose of a capital reduction.

On 19 April 2023, the General Meeting resolved to reduce the share capital to 35,189,082 registered shares at CHF 0.10 each by cancelling 685,251 treasury shares. The shares cancelled originated from the 2020–2022 share buyback programme of originally 826,251 registered shares, of which 141,000 were already cancelled in June 2021.

2.4 Shares and participation certificates

The share capital of Geberit AG is fully paid in and amounts to CHF 3,518,908.20. It is divided into 35,189,082 registered shares with a par value of CHF 0.10 each. All shares of Geberit AG are listed on the SIX Swiss Exchange. The Group has only one share category.

With the exception of the treasury shares held by the company, each share registered with voting rights in the share register of the company carries one vote at the General Meeting and each share (whether or not it is entered in the share register) carries a dividend entitlement. All dividends that have not been collected within five years of their due date are forfeited to the company in accordance with Art. 27 of the company's → [Articles of Incorporation \(www.geberit.com/downloadcenter-en\)](#) and allocated to the general reserve. As of 31 December 2023, the company held 1,889,965 treasury shares.

No participation certificates or other participation rights without voting rights of the Geberit Group are outstanding.

The free float can be seen in this Annual Report 2023 (→ [Annual Report 2023, Business Report, Geberit share information, p. 13](#)).

The current Articles of Incorporation can be viewed online at → www.geberit.com/downloadcenter-en.

2.5 Profit-sharing certificates

No profit-sharing certificates of the Geberit Group are outstanding.

2.6 Limitations on transferability and nominee registrations

Upon request and presentation of evidence of the transfer, acquirers of shares are registered as shareholders with voting rights in the share register if they explicitly declare to hold the shares in their own name and for their own account, that there is no agreement on the redemption or return of corresponding shares and that they bear the economic risk associated with the shares. Art. 5 of the → [Articles of Incorporation](#) (www.geberit.com/downloadcenter-en) (in the version of 19 April 2023) stipulates that persons, who do not expressly declare in the registration application to hold the shares on their own account (nominees), shall be registered as shareholders with voting rights in the share register up to a maximum of 3% of the share capital. For any shares in excess of this registration threshold, nominees shall be registered as shareholders with voting rights in the share register if the concerned nominee declares the names, addresses, nationalities and shareholdings of such beneficial owners for whose account it holds 0.5% or more of the share capital and if the notification duties according FinMIA are met.

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

Furthermore, the → [Articles of Incorporation](#) (www.geberit.com/downloadcenter-en) do not contain any restrictions in terms of registration or voting rights. The provisions regarding the share register (art. 5 para. 2 of the Articles of Incorporation) and the nominee provision (art. 5 para. 3 of the Articles of Incorporation) were amended by resolution of the General Meeting on 19 April 2023. For the amendments, see also → [Annual Report 2023, Business Report, Corporate Governance, 1. Group structure and shareholders, 1.4 Important changes to the Articles of Incorporation, p. 59](#). For the previous regulation, see also → [Annual Report 2022, Corporate Governance](#).

As of 31 December 2023, one nominee was registered in the share register of the company with voting rights of more than 3% of the issued share capital:

NorTrust Nominees Ltd.: 4.43%

The Board of Directors did not have to delete any entries in the share register retroactively as of the date of entry in the 2023 reporting year.

According to Art. 11 of the → [Articles of Incorporation](#) (www.geberit.com/downloadcenter-en), amendments to the provisions regarding the restriction of the transferability of registered shares require a resolution of the General Meeting passed by at least two-thirds of the votes represented. For the procedure and the conditions for cancelling the restriction of the transferability, see → [Annual Report 2023, Business Report, Corporate Governance, 6. Participatory rights of shareholders, p. 76](#).

The current Articles of Incorporation can be viewed online at → www.geberit.com/downloadcenter-en.

2.7 Convertible bonds and warrants/options

No convertible bonds are outstanding.

No options were issued to any external parties. As regards options issued to employees of the Geberit Group, reference is made to the → [Annual Report 2023, Business Report, Remuneration Report, 8. Summary of share and option plans 2023, p. 99](#) and → [Annual Report 2023, Financials, Consolidated Financial Statements Geberit Group, Notes to the Consolidated Financial Statements, Note 17, p. 132](#) in the Consolidated Financial Statements of the Geberit Group.

3. Board of Directors

3.1/3.2 Members of the Board of Directors

At the end of 2023, the Board of Directors was composed of six non-executive, independent members. Geberit AG has determined a diverse required set of competencies for the members of its Board of Directors that reflects strategic requirements, the company's targets, geographical presence and corporate culture. The Board of Directors should be diverse in every respect, i.e. in terms of gender, nationality, geographical/regional experience and business experience. The members of the Board of Directors have in-depth knowledge in their respective areas of expertise. Together, they ensure that the Board of Directors has all the necessary competencies.

The current composition of the Board of Directors covers the following most important competencies in particular:

Distribution of the most important competencies

Leadership/management	6/6
Other Board experiences	6/6
Law/regulatory/risk management	6/6
Accounting/financial/audit	6/6
HR and remuneration	6/6
Operational management (purchasing, manufacturing, logistics)	3/6
Research and development	3/6
Sales and marketing	4/6
ESG	6/6
IT/digital/information security	4/6
Experience in sectors close to the building industry or other sectors relevant to the Geberit Group	4/6
Strategic planning, M&A	6/6

In connection with the nomination of the Chair and the members of the Board of Directors and of the committees, the Nomination and Compensation Committee determines the principles for the selection of candidates, prepares the selection in accordance with these criteria and submits corresponding proposals to the Board of Directors.

The Nomination and Compensation Committee reviews on an annual basis the independence of the members of the Board of Directors and the committees and presents its assessment to the Board of Directors which shall decide conclusively. The criteria for assessing independence are those set out in the Swiss Code of Best Practice for Corporate Governance. Accordingly, non-executive members of the Board of Directors are deemed to be independent if they have never been members of the Executive Board, or were members thereof more than three years ago, and have no or comparatively minor business relations with the company. No member of the Board of Directors was a member of any Management Board of a Geberit Group company in the three years preceding the reporting period. Apart from their Board of Directors' mandate, no member of the Board of Directors has any significant business relations with the Geberit Group.

Below, roles in governance bodies and supervisory boards of important Swiss and foreign corporations, institutions and foundations, plus ongoing management and advisory roles at important Swiss and foreign interest groups as well as official functions and political posts (if any and material) are disclosed for each member of the Board of Directors in line with the Directive on Information relating to Corporate Governance of SIX Exchange Regulation AG.

Albert M. Baehny (1952)

- **Non-executive, independent Chairman of the Board of Directors since 2015 (Executive Chairman of the Board of Directors from 2011 to 2014), member of the Board of Directors since 2011**
- **Swiss citizen**
- **Chairman of the Board of Directors (until May 2024) and CEO a.i. Lonza Group AG, Basel (CH); Member of the Board of Directors Investis Holding SA, Zurich (CH)**



Albert M. Baehny graduated with a degree in biology from the University of Fribourg (CH). In 1979, he started his career in the research department of Serono-Hypolab. His further career comprised various marketing, sales, strategic planning and global management positions with Dow Chemical Europe (1981–1993), Ciba-Geigy/Ciba SC (1994–2000), Vantico (2000–2001) and Wacker Chemie (2001–2002). For more than 20 years, Albert M. Baehny gathered relevant knowledge and expertise with global business responsibility. Before joining Geberit, he was Senior Vice President of Wacker Specialties. At Geberit he was Head of Group Executive Area Marketing and Sales Europe from 2003 to 2004. From 2005 until the end of 2014, Albert M. Baehny was Chief Executive Officer (CEO) of the Geberit Group. He has been Chairman of the Board of Directors since 2011. From November 2019 to October 2020, he was also Chief Executive Officer (CEO) a.i. at Lonza, since September 2023, he has again held this position a.i.

Eunice Zehnder-Lai (1967)

- **Vice Chair of the Board of Directors since 2021; non-executive, independent member of the Board of Directors since 2017**
- **Citizen of Switzerland and Hong Kong**
- **Member of the Board of Directors DKSH Holding AG, Zurich (CH); Member of the Board of Directors Julius Bär Group Ltd./Julius Bär & Co. Ltd., Zurich (CH); various other mandates as independent trustee of non-profit organisations**



Eunice Zehnder-Lai holds a Master of Business Administration from Harvard Business School (US) and a Bachelor of Arts from Harvard University (US). From 2014 until the end of November 2018, she was CEO of IPM Institut für Persönlichkeitsorientiertes Management, a firm headquartered in Pfäffikon (CH) that offers solutions aimed at enhancing the efficiency of organisations with customers, teams and employees in companies. Before joining IPM, she spent almost 20 years working in the finance industry for LGT Capital Partners, Goldman Sachs and Merrill Lynch in New York, London, Hong Kong and Switzerland. She worked in asset management, private wealth management and corporate finance, as well as for Procter & Gamble in marketing and brand management.

Thomas Bachmann (1959)

- **Non-executive, independent member of the Board of Directors since 2021**
- **Swiss citizen**
- **Management consultant**
- **Member of the Board of Directors CTC Analytics AG, Zwingen (CH); Member of the Board of Directors Cytosurge AG, Glattbrugg (CH)**



Thomas Bachmann studied mechanical engineering at Bern University of Applied Sciences (BFH) in Burgdorf (CH) and completed his Executive MBA at the IMD Business School in Lausanne (CH). Following his studies, he took on various sales and marketing positions at Rieter from 1985 on, both in the US and Asian markets and also on a global scale. He was then responsible for a business unit at Rieter Textile Systems, before heading up the Corporate Planning & Development division on a Group level. From 2002 to 2004, he was at AFG Arbonia Forster as CEO responsible for the kitchens, refrigeration, profile systems and precision steel piping business areas. As CEO, he headed up the Tecan Group – an international manufacturer of laboratory automation products and analytics solutions – from 2005 to 2012. From 2013 to 2015, Thomas Bachmann was Executive President of the Bruker BioSpin Group, a provider of instruments for life science laboratories that is based in both Europe and the USA. During this time, he was also a member of the Supervisory Board at the Eppendorf Group from Hamburg (DE), a global market leader in the field of laboratory instruments and high-quality laboratory supplies. From 2015 to 2019, he headed up the Eppendorf Group as CEO. Since 2020, he has been advising the management of Endress+Hauser AG in Reinach (CH), a global leader in measurement analysis and technology, on operational and strategic issues.

Felix R. Ehrat (1957)

- **Non-executive, independent member of the Board of Directors since 2013**
- **Swiss citizen**
- **Chairman of the Board of Directors Globalance Bank AG, Zurich (CH); Member of the Board of Directors Idorsia AG, Allschwil (CH); Chairman of the Board of Directors Swiss Fintech AG (Loanbox), Zurich (CH); Member of the Board of Directors Hyos Invest Holding AG, Zurich (CH); Member of the Advisory Board Accenture, Zurich (CH)**



Felix R. Ehrat received his doctorate of law from the University of Zurich (CH) in 1990, where he previously also received his law degree in 1982. He was admitted to practice as a lawyer in Switzerland in 1985. In 1986, he completed an LL.M. at the McGeorge School of Law in Sacramento (US). He has also completed a number of management training courses, including at Harvard University in Boston (US). From October 2011 to June 2018, he was Group General Counsel of Novartis and, from 1 January 2012, was a member of the Executive Committee of the Novartis Group, a company in which he held a number of other executive positions. Felix R. Ehrat was active as a leading practitioner of corporate, banking and mergers and acquisitions law, as well as an expert in corporate governance and arbitration. He started his career as an Associate with Bär & Karrer in Zurich (CH) in 1987, became Partner in 1992 and advanced to Senior Partner (2003–2011) and Executive Chairman of the Board of Directors (2007–2011) of the firm. During his career to date, Felix R. Ehrat was a chairman and member of various Boards of Directors at listed and non-listed companies, including a chairman and member of Board committees. Furthermore, he has held posts in major business organisations, e.g. member of the board at economiesuisse (2013–2015), Chairman of SwissHoldings (2015–2017) and member of the think tank Avenir Suisse (Member of the Board of Trustees [2014–2019]). He is a lecturer at the University of St. Gallen (CH) and Member of the Board of Trustees at the Law and Economics Foundation St. Gallen and the UZH Foundation (University of Zurich).

Werner Karlen (1967)

- **Non-executive, independent member of the Board of Directors since 2020**
- **Swiss citizen**
- **CEO Fr. Sauter AG, Basel (CH)**
- **Member of the Board of Directors Frutiger Unternehmungen AG, Thun (CH)**



Werner Karlen studied Industrial Management and Manufacturing (Dipl. Ing. ETH) at the Swiss Federal Institute of Technology (ETH) in Zurich (CH) and then completed his doctorate (Dr. oec. HSG) at the University of St. Gallen (CH). Following his studies, he started his career as a sales engineer at ABB Kraftwerke AG in Baden (CH) and was Project Manager at McKinsey & Company in Zurich (CH) from 1996 to 2000. He then took over as COO (production, purchasing, finances, foreign subsidiaries) at Biella-Neher AG in Brügg (CH). From 2002 to 2009, he was COO at Phoenix Mecano AG in Kloten (CH) and, from 2010 to 2014, CEO (and member of the Board of Directors in 2015/2016) at Schulthess Group AG in Bubikon (CH).

Bernadette Koch (1968)

- **Non-executive, independent member of the Board of Directors since 2019**
- **Swiss citizen**
- **Member of the Board of Directors Mobimo Holding AG, Lucerne (CH); Member of the Board of Directors Swiss Post AG, Bern (CH); Member of the Board of Directors PostFinance AG, Bern (CH); Member of the Board of Directors Energie Oberkirch AG, Oberkirch (CH)**



Bernadette Koch is a graduate business economist and a certified public accountant. In addition, she completed a Master of Advanced Studies in Philosophy and Management at the University of Lucerne (CH) and a CAS in Sustainable Finance at the University of Applied Sciences and Arts Northwestern Switzerland. She has over 25 years of experience in auditing and financial reporting. As Global Client Service Partner at EY Switzerland, she was responsible for auditing mandates of national and international companies. Furthermore, she brings a wide range of experience from her role as the Talent Officer of EY Assurance Switzerland and as a member of the Management Committee from EY Switzerland's Auditing division. She worked for EY until 2018. Today, Bernadette Koch shares her extensive experience as a Board of Directors member.

For former members of the Board of Directors who have left the Board during the past five years, please refer to the following links:

- → **Hartmut Reuter** (Annual Report 2020, Business Report, Corporate Governance, 3. Board of Directors), left the Board on 14 April 2021
- → **Thomas M. Hübner** (Annual Report 2018, Business Report, Corporate Governance, 3. Board of Directors), left the Board on 4 October 2019
- → **Jørgen Tang-Jensen** (Annual Report 2018, Business Report, Corporate Governance, 3. Board of Directors), left the Board on 3 April 2019

3.3 Regulations in the Articles of Incorporation concerning the number of permissible activities

Members of the Board of Directors may hold up to five mandates in companies with economic purpose and up to five mandates in companies without economic purpose or in charitable companies (such as associations and other charitable, social, cultural, or sports organisations, foundations, trusts and pension funds).

Mandates of a member of the Board of Directors in companies which are controlled by the company, or which control the company, as well as mandates held by such member in their capacity as a member of the Board of Directors of the company, or held by order and on behalf of the company or companies controlled by it, shall not count as mandates in legal entities outside the Geberit Group.

Mandates of a member of the Board of Directors of the company in companies outside the Geberit Group which are under common control, as well as mandates held by such member in their capacity in a position of comparable function of a company outside the Geberit Group or held by order and on behalf of such company or companies controlled by it, shall be deemed one mandate outside the Geberit Group.

Mandates in the sense of Art. 24 of the → [Articles of Incorporation](http://www.geberit.com/downloadcenter-en) (www.geberit.com/downloadcenter-en) are positions held by members of the Board of Directors or the Executive Board in comparable functions at other companies.

The current Articles of Incorporation can be viewed online at → www.geberit.com/downloadcenter-en.

3.4 Elections and terms of office

The term of office for a member of the Board of Directors is one year and ends at the closing of the following ordinary General Meeting. Members of the Board of Directors are elected on an individual basis. Re-election is possible.

In addition to the members of the Board of Directors, the Chair of the Board of Directors is also elected by the General Meeting. The term of office for the Chair of the Board of Directors is also one year and ends at the closing of the following ordinary General Meeting. Re-election is possible. If the position of Chair of the Board of Directors is vacant, the Board of Directors is to appoint a new Chair of the Board of Directors from among its members for the remaining term of office.

The members of the Nomination and Compensation Committee are elected annually and on an individual basis by the General Meeting. Only members of the Board of Directors are eligible. Their term of office ends at the closing of the following ordinary General Meeting. Re-election is possible.

In accordance with the current → [Articles of Incorporation](http://www.geberit.com/downloadcenter-en) (www.geberit.com/downloadcenter-en), the members of the Board of Directors, Chair of the Board of Directors and members of the Committees retire from their positions at the next ordinary General Meeting following their 75th birthday. On 19 April 2023, the ordinary General Meeting resolved to increase the age limit from 70 to 75, see also → [Annual Report 2023, Business Report, Corporate Governance, 1. Group structure and shareholders, 1.4 Important changes to the Articles of Incorporation, p. 59](#). For the previous regulation, see also [Annual Report 2022, → Corporate Governance](#).

At the General Meeting on 19 April 2023, Eunice Zehnder-Lai (Chair), Thomas Bachmann and Werner Karlen were elected to the Nomination and Compensation Committee. The constitution subsequent to the General Meeting resulted in the following composition of the Audit Committee: Felix R. Ehrat (Chair), Werner Karlen, Bernadette Koch. Furthermore, Eunice Zehnder-Lai holds the office of Vice Chair of the Board of Directors.

The Chair of the Board of Directors and all members of the Board of Directors will be standing for re-election for a further year at the ordinary General Meeting in 2024. The composition of the committees and the office of Vice Chair are otherwise to remain unchanged.

3.5 Internal organisational structure

The organisation of the Board of Directors is governed by law, the company's → [Articles of Incorporation](http://www.geberit.com/downloadcenter-en) (www.geberit.com/downloadcenter-en) and the → [Organisational Regulations of the Board of Directors of Geberit AG](http://www.geberit.com/downloadcenter-en) (www.geberit.com/downloadcenter-en) (see also → [Annual Report 2023, Business Report, Corporate Governance, 3. Board of Directors, 3.6 Definition of areas of responsibility, p. 69](#)).

In accordance with the provisions of the Swiss Code of Obligations and in accordance with the → [Articles of Incorporation](http://www.geberit.com/downloadcenter-en) (www.geberit.com/downloadcenter-en), the Chair of the Board of Directors and the members of the Nomination and Compensation Committee are each to be elected annually and on an individual basis by the General Meeting. After each ordinary General Meeting, the Board of Directors elects the Vice Chair from among its members, as well as the Chair of the Nomination and Compensation Committee and the Chair and the members of the Audit Committee. The function of a "lead independent director" does not exist, as it is not required under the Swiss Code of Best Practice for Corporate Governance.

The Board of Directors meets whenever business so requires, but at least four times a year generally for a half day to a day each (2023: nine meetings or telephone conferences). Each meeting that took place in 2023 lasted 4.9 hours on average, and each telephone conference 5 minutes. Meetings shall be chaired by the Chair or, in the event of his incapacity, by the Vice Chair. The Board of Directors shall appoint a Secretary, who need not be a member of the Board of Directors. The Chair of the Board of Directors may invite members of the Group Executive Board to attend meetings of the Board of Directors. During the reporting year, one or more members of the Group Executive Board took part in the nine meetings for the most part. The internal auditors did not take part in any meetings of the Board of Directors. None of the meetings involved the participation of external consultants or external auditors.

The Board of Directors shall be quorate if a majority of its members are present. No quorum is required, if exclusively resolutions regarding the implementation of a capital increase or capital reduction and subsequent amendments of the Articles of Incorporation have to be passed. Attendance can also be effected via telephone or electronic means. Resolutions are passed with the majority of votes cast. In the event of a tie, the Chair shall have the casting vote.

The regular meetings of the Board of Directors and committees are scheduled early, so that as a rule all members participate in person or via telephone.

The participation rate for meetings of the Board of Directors in 2023 was 100%.

	9 Feb	7 Mar	19 Apr	13/ 14 Jul	16 Aug	14 Sep	15 Sep	26 Oct	13 Dec
Albert M. Baehny	X	X	X	X	X	X	X	X	X
Thomas Bachmann	X	X	X	X	X	X	X	X	X
Felix R. Ehrat	X	X	X	X	X	X	X	X	X
Werner Karlen	X	X	X	X	X	X	X	X	X
Bernadette Koch	X	X	X	X	X	X	X	X	X
Eunice Zehnder-Lai	X	X	X	X	X	X	X	X	X

The Board of Directors has formed two committees composed exclusively of non-executive and independent Board members:

Nomination and Compensation Committee (NCC)

The compensation and nomination tasks and responsibilities are combined in this Committee.

The Nomination and Compensation Committee consists of three independent, non-executive members of the Board of Directors. The members of the Nomination and Compensation Committee are elected individually and annually by the ordinary General Meeting. The Chair of the Nomination and Compensation Committee is appointed by the Board of Directors. The Nomination and Compensation Committee shall be quorate if a majority of its members are present. Resolutions are passed with the majority of votes cast. In the event of a tie, the Chair shall have the casting vote.

The members of the Nomination and Compensation Committee as of 31 December 2023 were Eunice Zehnder-Lai (Chair), Thomas Bachmann and Werner Karlen. The committee meets at least three times a year generally for a half day each (2023: three meetings). Each meeting that took place in 2023 lasted 1.3 hours on average. During the reporting year, one or more members of the Group Executive Board took part in the three meetings. The internal auditors did not take part in any meetings of the Nomination and Compensation Committee. None of the meetings involved the participation of external consultants or external auditors.

The participation rate for meetings of the Nomination and Compensation Committee in 2023 was 100%.

	9 Feb	14 Sep	13 Dec
Eunice Zehnder-Lai	X	X	X
Thomas Bachmann	X	X	X
Werner Karlen	X	X	X

The Nomination and Compensation Committee supports the Board of Directors in fulfilling its duties specified by law and the → Articles of Incorporation (www.geberit.com/downloadcenter-en) in the area of the compensation and personnel policy of the Geberit Group. The powers and duties of the Nomination and Compensation Committee are based on the following principles:

1. Preparation and periodical review of the Geberit Group's compensation policy and principles and personnel policy, performance criteria related to compensation and periodical review of their implementation, as well as submission of the respective proposals and recommendations to the Board of Directors.
2. Preparation of all relevant decisions of the Board of Directors in relation to the nomination and compensation of the members of the Board of Directors and of the Group Executive Board, as well as submission of the respective proposals and recommendations to the Board of Directors.

The overall responsibility for the duties and competencies assigned to the Nomination and Compensation Committee remains with the Board of Directors.

The Board of Directors may delegate further powers and duties to the Nomination and Compensation Committee in respect of nomination, compensation and related matters.

The organisation, detailed responsibilities, functioning and reporting of the Nomination and Compensation Committee are stipulated in the → Organisational Regulations for the Nomination and Compensation Committee (NCC) (www.geberit.com/downloadcenter-en) of the Board of Directors of Geberit AG.

Audit Committee (AC)

The Audit Committee consists of three independent, non-executive members of the Board of Directors. They are appointed annually by the Board of Directors. The Board of Directors appoints a member of the Audit Committee as Chair. The Audit Committee shall be quorate if a majority of its members are present. Resolutions are passed with the majority of votes cast. In the event of a tie, the Chair shall cast the deciding vote. The CEO and CFO as well as the internal and external auditors attend the meetings if necessary. In 2023, the CEO and CFO attended each meeting of the Audit Committee, at least in part. The internal auditors took part in all meetings, and the external auditors in two meetings. None of the meetings involved the participation of external consultants. Furthermore, the committee is entitled to hold meetings exclusively with representatives of the external as well as the internal auditors. The Audit Committee has direct access to the internal auditors and can obtain all the information it requires within the Geberit Group and consult the responsible employees.

As of 31 December 2023, the Audit Committee was composed of Felix R. Ehrat (Chair), Werner Karlen and Bernadette Koch. It meets at least twice a year, generally for a half day each (2023: six meetings). Each meeting that took place in 2023 lasted 3.0 hours on average, and each telephone conference 5 minutes.

The participation rate for meetings of the Audit Committee in 2023 was 100%.

	18 Jan	3 Mar	28 Apr	11 Aug	1 Nov	7 Dec
Felix R. Ehrat	X	X	X	X	X	X
Werner Karlen	X	X	X	X	X	X
Bernadette Koch	X	X	X	X	X	X

The Audit Committee supports the Board of Directors in fulfilling its duties specified by law, in particular in the areas of financial control (supervision of the internal and external auditors and monitoring of financial reporting) and ultimate supervision of the persons entrusted with the management (internal control system). The Audit Committee determines the scope and planning of the internal audit and coordinates them with those of the external audit. For every meeting, the internal auditors provide a comprehensive report on all audits carried out and the measures to be implemented. The external auditors take part in two of the meetings. In the first meeting of the year, they present their report on the financial statements. The second meeting, which takes place in the third quarter, focuses on the planning of the upcoming audit of the financial statements and developments in the regulatory environment. The Audit Committee monitors the implementation of the conclusions of the audit. In addition, the Audit Committee assesses the functionality of the internal control system, including risk management (see also → [Annual Report 2023, Business Report, Corporate Governance, 3. Board of Directors, 3.7 Information and control instruments vis-à-vis the Group Executive Board, p. 70](#)). The Audit Committee supports the Board of Directors with corporate governance and compliance issues, monitors the relevant corporate governance and compliance aspects and develops them further. The overall responsibility for the duties and competencies assigned to the Audit Committee remains with the Board of Directors.

The organisation, detailed responsibilities, functioning and reporting of the Audit Committee are set out in the → [Organisational Regulations of the Board of Directors of Geberit AG \(www.geberit.com/downloadcenter-en\)](#) of the Board of Directors of Geberit AG.

The current Articles of Incorporation as well as the Organisational Regulations of the Board of Directors of Geberit AG (including the definition of areas of responsibility), the Nomination and Compensation Committee and the Audit Committee can be viewed online at → [www.geberit.com/downloadcenter-en](#).

3.6 Definition of areas of responsibility

Pursuant to Swiss Corporate Law and Art. 17 of the → [Articles of Incorporation \(www.geberit.com/downloadcenter-en\)](#) at Geberit AG, the Board of Directors has the following non-transferable and irrevocable responsibilities:

- The ultimate management of the Company and the giving of the necessary directives
- The establishment of the organisation
- The structuring of the accounting system and the financial controls, as well as the financial planning
- The appointment and removal of the persons entrusted with the management and the representation
- The ultimate supervision of the persons entrusted with the management, in particular in view of compliance with the law, → [Articles of Incorporation \(www.geberit.com/downloadcenter-en\)](#), regulations and directives
- The preparation of the annual report and of the remuneration report as well as the preparation of the General Meeting and the implementation of its resolutions
- The filing of a petition for a moratorium on debt enforcement and the notification of the court in case of overindebtedness

The Board of Directors determines the strategic objectives and the general resources for achieving these, and decides on major business transactions. Further areas of responsibility of the Board of Directors are set out in the → [Organisational Regulations of the Board of Directors of Geberit AG \(www.geberit.com/downloadcenter-en\)](#) and the → [Supplement to the Organisational Regulations \(www.geberit.com/downloadcenter-en\)](#).

To the extent legally permissible and in accordance with its → [Organisational Regulations of the Board of Directors of Geberit AG \(www.geberit.com/downloadcenter-en\)](#), the Board of Directors has assigned the operational management to the Chief Executive Officer (CEO). The individual duties assigned to the CEO are governed in particular by the → [Supplement to the Organisational Regulations \(www.geberit.com/downloadcenter-en\)](#). The CEO is authorised to further delegate powers to individual members of the Group Executive Board and/or to other executives of the Geberit Group.

The Group Executive Board is composed of the Chief Executive Officer and six other members. The members of the Group Executive Board are appointed by the Board of Directors based on the proposal of the Nomination and Compensation Committee.

The → [Articles of Incorporation \(www.geberit.com/downloadcenter-en\)](#) and/or the → [Organisational Regulations of the Board of Directors of Geberit AG \(www.geberit.com/downloadcenter-en\)](#) regulate the duties and powers of the Board of Directors as a governing body, the Chair and the committees. The Organisational Regulations also define the rights and duties of the Group Executive Board, which are set forth in more detail in the Internal Regulations for the Group Executive Board. The → [Supplement to the Organisational Regulations \(www.geberit.com/downloadcenter-en\)](#) contains a detailed list of the decision-making powers and Group management duties.

The current → [Articles of Incorporation](#) as well as the → [Organisational Regulations of the Board of Directors of Geberit AG](#), the → [Nominations and Compensation Committee \(NCC\)](#) and the → [Audit Committee \(AC\)](#) can be viewed at → [www.geberit.com/downloadcenter-en](#).

3.7 Information and control instruments vis-à-vis the Group Executive Board

At every meeting of the Board of Directors, individual members of the Group Executive Board inform the Board of Directors of current business developments and major business transactions of the Group or Group companies. Between meetings, the Board of Directors is comprehensively informed in writing about current business developments and the company's financial situation on a monthly basis. Essentially, this report contains key statements on the Group and market development, information and key figures on the Group sales and profit development (in January, April, July and October, it contains statements only on sales development and not on profit development), statements on sales development in the individual product lines and countries or regions as well as an analysis on the share price development. The more extensive quarterly report additionally contains the expectations of the operational management on the development of results until the end of the financial year, information on the development of the workforce and liquidity and on the investments made, the composition of the shareholders as well as market expectations in regard to the business development.

Furthermore, the Chair of the Board of Directors and the Chief Executive Officer are in contact at regular intervals with respect to all major issues of corporate policy. Each member of the Board of Directors may individually demand information with respect to all matters of the Group or Group companies.

Based on the → [Organisational Regulations of the Board of Directors of Geberit AG \(www.geberit.com/downloadcenter-en\)](#) and the → [Organisational Regulations for the Audit Committee \(AC\) \(www.geberit.com/downloadcenter-en\)](#) of the Board of Directors, the Audit Committee has implemented a comprehensive system for monitoring and controlling the risks associated with the business activities. This process includes risk identification, analysis, control and reporting. Operationally, the Group Executive Board is responsible for controlling risk management. In addition, responsible persons are designated in the company for significant individual risks. These responsible parties decide on specific actions for risk mitigation and monitor their implementation. Every other year, the Internal Audit department issues a risk report for the attention of the Board of Directors. Significant risks are also constantly discussed in the meetings of the Group Executive Board and Board of Directors, which take place on a regular basis (see → [Annual Report 2023, Business Report, Business and financial review, Strategy and goals, Risk management, p. 23](#)). For information on the management of financial risks, refer to → [Annual Report 2023, Financials, Consolidated Financial Statements Geberit Group, Notes to the Consolidated Financial Statements, Note 4, p. 113](#). For information on other risks recorded in the reporting year and how they are dealt with, refer to → [Annual Report 2023, Business Report, Business and financial review, Strategy and goals, Risk management, p. 23](#).

The Internal Audit department at Geberit performs independent, objective auditing services in order to ensure that Geberit complies with applicable laws and internal directives and procedures. Functionally, the Internal Audit department reports to the Audit Committee. Administratively, the Internal Audit department reports to the Chief Financial Officer (CFO). The Audit Committee checks and approves the auditing plan from the Internal Audit department and significant changes made to it. The Internal Audit department reports to the Audit Committee at every meeting on completed audits and on the status of the implementation of findings and optimisation proposals of previous audits.

The → [Organisational Regulations of the Board of Directors of Geberit AG](#), the → [Organisational Regulations for the Nomination and Compensation Committee \(NCC\)](#) and the → [Organisational Regulations for the Audit Committee \(AC\)](#) can be viewed online at → [www.geberit.com/downloadcenter-en](#).

4. Group Executive Board

4.1/4.2 Members of the Group Executive Board

At the end of 2023, the Group Executive Board was composed of seven members.

Below, roles in governance bodies and supervisory boards of important Swiss and foreign corporations, institutions and foundations, plus ongoing management and advisory roles at important Swiss and foreign interest groups as well as official functions and political posts (if any and material) are disclosed for each member of the Group Executive Board in line with the Directive on Information relating to Corporate Governance of SIX Exchange Regulation AG.

Christian Buhl (1973)

- **Chairman of the Group Executive Board (CEO) since 2015**
- **Member of the Group Executive Board since 2015**
- **With Geberit since 2009**
- **Swiss citizen**
- **No external Board of Directors' mandates**



Christian Buhl studied physics (Dipl. Phys. ETH) at the Swiss Federal Institute of Technology (ETH) in Zurich (CH) before undertaking his doctorate (Dr. oec. HSG) in financial market research at the University of St. Gallen (CH). From 2000 to 2003, he worked in research and as a teaching assistant at the University of St. Gallen and at the University of Basel (CH). From 2004 to 2008, Christian Buhl worked at McKinsey & Company, Zurich (CH), where he undertook projects for various Swiss and international industrial companies. He joined Geberit in 2009 as Head Strategic Planning, before taking over responsibility for the Geberit AquaClean shower toilet business in 2011. From 2012 to 2014, Christian Buhl was responsible for the German sales company at Geberit. He has been the Chief Executive Officer (CEO) of the Geberit Group since 2015; see also → [Annual Report 2023, Business Report, Management structure, p. 17.](#)

Tobias Knechtle (1972)

- **Head of Group Executive Area Finance (CFO)**
- **Member of the Group Executive Board since January 2022**
- **With Geberit since November 2021**
- **Swiss citizen**
- **Member of the Board of Directors and Chairman of the Audit Committee V-Zug, Zug (CH)**



Tobias Knechtle completed his Master's degree in Business Administration at the University of Bern (CH) in 1995. He started his career in the Internal Audit department at Nestlé, first as assistant, then as team leader. He then worked at the Boston Consulting Group in Zurich (CH) and São Paulo (BR), heading up projects focusing on business development and operational excellence in industrial and consumer goods companies. From 2005 to 2009, he was Managing Director of the German office of the private equity company Cinven in Frankfurt (DE). From 2009 to 2014, he held leading positions in the finance department at the Kudelski Group, a listed company based in Cheseaux-sur-Lausanne (CH). From 2014, he was CFO and member of the Group Executive Board at the listed Valora Group in Muttenz (CH), and took on a wide range of responsibilities in addition to those of a classic CFO. The Board of Directors of Geberit AG appointed Tobias Knechtle as Head of Group Executive Area Finance (CFO) and as a member of the Group Executive Board with effect from 1 January 2022; see also → [Annual Report 2023, Business Report, Management structure, p. 17.](#)

Martin Baumüller (1977)

- **Head of Group Executive Area Marketing & Brands**
- **Member of the Group Executive Board since 2016**
- **With Geberit since 2011**
- **Swiss citizen**
- **No external Board of Directors' mandates**



Martin Baumüller completed his Master's degree in International Management at the University of St. Gallen (CH) and an MBA at Nanyang Technological University in Singapore (SG) in 2001. In 2005, he received his doctorate from the University of Bern (CH) with his dissertation on "Managing Cultural Diversity". He began his career as a freelance consultant for strategy and market expansion projects from 2001 to 2003. From 2005 to 2010 he worked for McKinsey & Company in Zurich (CH), first on various projects for pharmaceutical, chemical and transportation clients and later as Engagement Manager responsible for global projects in various industries and as a member of the Strategy & Corporate Finance team. He joined Geberit as Head Strategic Planning in 2011. From 2012 to 2016, he was responsible as Head of Geberit AquaClean for the management and development of the entire shower toilet business of the Geberit Group. He has been Head of Group Executive Area Marketing & Brands since 2016; see also → [Annual Report 2023, Business Report, Management structure, p. 17.](#)

Andreas Lange (1975)

- **Head of Group Executive Area Products**
- **Member of the Group Executive Board since October 2022**
- **With Geberit since 2012**
- **Swiss and German citizen**
- **No external Board of Directors' mandates**



Andreas Lange graduated from ETH Zurich (CH) in 2002 with a degree in physics and subsequently completed the MBA programme at the Collège des Ingénieurs in Paris (FR). From 2003 to 2010, he worked for McKinsey & Company in Zurich (CH) and Singapore (SG) – most recently in the role of project manager for various international companies mainly in the chemical industry. From 2010 to 2012, he led the Corporate Planning & Development team at Rieter AG in Winterthur (CH). In 2012, he joined Geberit as Head of Strategic Planning and, in this role, played a key role in the acquisition and subsequent integration of the Sanitec ceramics business acquired in 2015. From 2018 to 2022, he was responsible for Product Quality at the Geberit Group. The Board of Directors of Geberit AG appointed Andreas Lange as Head of Group Executive Area Products and as a member of the Group Executive Board with effect from 1 October 2022; see also → [Annual Report 2023, Business Report, Management structure, p. 17.](#)

Clemens Rapp (1981)

- **Head of Group Executive Area Sales Europe**
- **Member of the Group Executive Board since 2020**
- **With Geberit since 2009**
- **Austrian citizen**
- **No external Board of Directors' mandates**



Clemens Rapp completed his Master's degree in International Business at the Leopold-Franzens University of Innsbruck (AT) in 2005. He started his career in 2006 at Hilti, first as sales consultant, then as Product Manager Installation Systems and afterwards as Key Account Business Development Manager for Central and Eastern Europe. In 2009, he joined Geberit as Head of Technical Sales at its Austrian sales company, before taking over as Managing Director here in 2012. From January 2015 to March 2020, he was Managing Director of the German sales company – the most important sales unit within the Geberit Group. Since 2020, Clemens Rapp has been Head of Group Executive Area Sales Europe; see also → [Annual Report 2023, Business Report, Management structure, p. 17.](#)

Ronald van Triest (1969)

- **Head of Group Executive Area Sales International**
- **Member of the Group Executive Board since 2015**
- **With Geberit since 2015**
- **Dutch citizen**
- **No external Board of Directors' mandates**



Ronald van Triest completed his Master's degree in Management and Organisation at the University of Groningen (NL) in 1996. He started his career at Royal Philips, where he held various roles until 2006. These were initially in the areas of marketing and sales, before a second phase where he took on wide-ranging responsibilities in the areas of product management, M&A and executive management. He operated predominantly from Singapore (SG) and Hong Kong (CN). From 2007 to 2009, he was General Manager Sales at China Electronics Corporation in Shenzhen (CN), where he was responsible for sales, marketing, service and logistics, and managed staff in China, Singapore, Russia and Turkey. From 2010 to 2015, he worked for Ellipz Lighting in Singapore. As CEO and Managing Director, he was responsible for setting up and developing the Asian business. Among other things, he established a joint venture in Beijing (CN), set up the local production, R&D and sales, and created sales channels in Southeast Asia and the Middle East, as well as a joint venture in India. Since 2015, Ronald van Triest has been Head of Group Executive Area Sales International of the Geberit Group; see also → [Annual Report 2023, Business Report, Management structure, p. 17.](#)

Martin Ziegler (1969)

- **Head of Group Executive Area Operations**
- **Member of the Group Executive Board since 2018**
- **With Geberit since 1995**
- **Swiss citizen**
- **Member of the Board of Directors Piancabo SA, Agarone (CH)**



Martin Ziegler completed his Master's degree in Industrial Engineering at ETH Zurich (CH) in 1994. Following his time as an assistant at ETH, he joined the Geberit Group in 1995. He initially worked for Geberit as a project manager in a German production plant before later becoming Head of Quality Management for the Group and working as Managing Director of the piping production plant in Givisiez (CH). From 2003, he headed up the Piping Systems product area at Group level for ten years – with the exception of one year where he worked in Shanghai (CN) as Head of Operations and Product Manager for the Asia/Pacific region. From 2012 to the end of 2017, he was responsible for the Group's EFA (Extrusion, Forming, Assembly) production plants. From 2018 to March 2020, he was Head of Group Executive Area Operations. From April 2020 to September 2022, he was Head of the Group Executive Area Products & Operations, which was created from the two merged Group Executive Areas Operations and Product Management & Innovation. Since October 2022, he has once again been Head of Group Executive Area Operations; see also → [Annual Report 2023, Business Report, Management structure, p. 17.](#)

For former members of the Group Executive Board who have left the Group Executive Board during the past five years, please refer to the following links:

- → [Roland Iff](#) (Annual Report 2021, Business Report, Corporate Governance, 4. Group Executive Board), left the board on 31 December 2021
- → [Egon Renford-Sasse](#) (Annual Report 2019, Business Report, Corporate Governance, 4. Group Executive Board), left the board on 31 March 2020
- → [Karl Spachmann](#) (Annual Report 2019, Business Report, Corporate Governance, 4. Group Executive Board), left the board on 31 March 2020

4.3 Regulations in the Articles of Incorporation concerning the number of permissible activities

Members of the Group Executive Board may hold up to two mandates in companies with economic purpose and up to four mandates in companies without economic purpose or charitable companies (such as associations and other charitable, social cultural, or sports organisations, foundation, trusts and pension funds) outside the Geberit Group.

Mandates of a member of the Group Executive Board in companies which are controlled by the company, or which control the company, as well as mandates held by such member in their capacity as a member of the Group Executive Board of the company, or held by order and on behalf of the company or companies controlled by it, shall not count as mandates in legal entities outside the Geberit Group.

Mandates of a member of the Group Executive Board of the company in companies outside the Geberit Group which are under common control, as well as mandates held by such member in their capacity in a position of comparable function of a company outside the Geberit Group or held by order and on behalf of such company or companies controlled by it, shall be deemed one mandate outside the Geberit Group.

The acceptance of mandates by members of the Group Executive Board in companies outside the Geberit Group must be approved in advance by the Board of Directors or, if delegated to it, the Nomination and Compensation Committee.

Mandates in the sense of Art. 24 of the → [Articles of Incorporation](#) (www.geberit.com/downloadcenter-en) of Geberit AG are positions held by members of the Board of Directors or the Group Executive Board in comparable functions in other companies.

The current Articles of Incorporation can be viewed online at → www.geberit.com/downloadcenter-en.

4.4 Management contracts

The Group has not entered into any management contracts with companies (or natural persons) outside the Geberit Group.

5. Compensations, shareholdings and loans

See the → [Annual Report 2023, Business Report, Remuneration Report, p. 81](#).

Art. 21 of the → [Articles of Incorporation](#) (www.geberit.com/downloadcenter-en) contains the relevant regulations relating to the principles of performance-based remunerations as well as remunerations in the form of shares, option rights and similar instruments. Art. 22 f. of the → [Articles of Incorporation](#) (www.geberit.com/downloadcenter-en) includes provisions regarding approval at the General Meeting of the maximum aggregate remunerations for the members of the Board of Directors and the Group Executive Board, as well as regarding the additional amount for the Group Executive Board. According to Art. 26 of the → [Articles of Incorporation](#) (www.geberit.com/downloadcenter-en), no loans or credits shall be granted to members of the Board of Directors or the Group Executive Board.

6. Participatory rights of shareholders

6.1 Voting rights restrictions and representation

The voting right may be exercised only if the shareholder is recorded as a voting shareholder in the share register of Geberit AG. Treasury shares held by the company do not entitle the holder to vote.

According to Art. 11 of the → [Articles of Incorporation](http://www.geberit.com/downloadcenter-en) (www.geberit.com/downloadcenter-en), resolutions may also be passed and elections carried out at General Meetings by electronic means at the instruction of the Chair.

Shareholders can be represented at the General Meeting by a representative of their choice (who does not have to be a shareholder of the company) or the independent proxy in accordance with Art. 10 of the company's → [Articles of Incorporation](http://www.geberit.com/downloadcenter-en) (www.geberit.com/downloadcenter-en). The company recognises only one representative per share.

Company shareholders have the option of using the → [web application GVMANAGER Online from Devigus](#), the externally responsible company for maintaining the company's share register, to appoint their independent proxy for every General Meeting. A description of the method for registering and voting via the Devigus web application is sent to all shareholders recorded in the share register.

The Board of Directors determines the requirements concerning powers of attorney and instructions in accordance with the legal provisions and can issue regulations to this effect. For limitations on transferability and nominee registrations, see → [Annual Report 2023, Business Report, Corporate Governance, 2. Capital structure, 2.6 Limitations on transferability and nominee registrations, p. 62](#).

Art. 10 of the → [Articles of Incorporation](http://www.geberit.com/downloadcenter-en) contains provisions regarding voting rights, proxy and independent proxy. The current Articles of Incorporation can be viewed online at → www.geberit.com/downloadcenter-en.

6.2 Quorums required by the Articles of Incorporation

The company's → [Articles of Incorporation](http://www.geberit.com/downloadcenter-en) (www.geberit.com/downloadcenter-en) do not stipulate any resolutions of the General Meeting that can be passed only by a larger majority than that envisaged by law. Furthermore, the company's → [Articles of Incorporation](http://www.geberit.com/downloadcenter-en) (www.geberit.com/downloadcenter-en) do not stipulate any resolutions by the General Meeting that exceed the non-transferable powers of the company under the law.

The current Articles of Incorporation can be viewed online at → www.geberit.com/downloadcenter-en.

6.3/6.4 Convocation of the General Meeting of Shareholders/ agenda

The General Meeting is convened by the Board of Directors at the latest 20 days before the date of the meeting. No resolutions may be passed on any subject not announced in this context. Applications to convene an extraordinary General Meeting, for the performance of a special audit and to appoint statutory auditors are exempt from this rule and may be made by any shareholder during a General Meeting without prior announcement. Shareholders representing shares with a par value of CHF 4,000 may demand inclusion of items on the agenda or may request that motions regarding items be included in the notice convening the general meeting. Shareholders may submit a brief statement of reason with the agenda item or the motions. These must be included in the notice convening the general meeting. The request for an item to be included on the agenda and the motions must be made at least 45 days before the General Meeting in writing by stating the items of the agenda and the motions.

Furthermore, outside a General Meeting, one or more shareholders representing together at least 3% of the share capital or voting rights may jointly request that an extraordinary General Meeting is called. This is made in writing by indicating the agenda items and the motion, and in the case of elections the names of the proposed candidates.

6.5 Inscriptions into the share register

In the invitation to the General Meeting, the Board of Directors will announce the cut-off date for inscription into the share register that is authoritative with respect to the right to participate and vote.

7. Changes of control and defence measures

7.1 Obligation to make an offer

There are no regulations in the Articles of Incorporation with respect to opting-up or opting-out, i.e. the legal provisions of the FinMIA on public takeover offers are fully applicable.

The current → [Articles of Incorporation](#) can be viewed online at → www.geberit.com/downloadcenter-en.

7.2 Change of control clauses

For agreements and plans in the event of a change of control, see → [Annual Report 2023, Business Report, Remuneration Report, 5. Remuneration architecture, p. 88](#).

8. Auditors

8.1 Duration of the mandate and term of office of the lead auditor

PricewaterhouseCoopers AG, Zurich (CH), has been the auditor of the Geberit Group since 1997 and of Geberit AG since its foundation in 1999. Lead auditor Thomas Illi has been in charge of the auditing mandate since 2022. The lead auditor is rotated every seven years.

Geberit intends to issue an invitation to tender in 2024 for the award of the audit mandate as of the 2025 financial year.

8.2 Auditing fees

In 2023, PricewaterhouseCoopers invoiced the Geberit Group TCHF 1,824 for services in connection with the audit of the financial statements of Group companies as well as the Consolidated Financial Statements of the Geberit Group.

8.3 Additional fees

For additional services, PricewaterhouseCoopers invoiced TCHF 175 relating to tax consultancy and support and TCHF 73 for other services. Other services include TCHF 28 for remuneration benchmark studies, TCHF 20 for support with the statutory financial statements and TCHF 13 for customs consulting.

8.4 Information tools of the external auditors

The external auditors take part in two of the meetings of the Audit Committee. In the first meeting of the year, they present their report on the financial statements. The second meeting, which takes place in the third quarter, focuses on the planning of the upcoming audit of the financial statements and developments in the regulatory environment. Representatives of the internal auditors attend all meetings of the Audit Committee for specific agenda items, and to comment on their activities and answer questions.

The Audit Committee of the Board of Directors makes an annual assessment of the performance, fees and independence of the auditors, and supports the Board of Directors in the nomination of the auditor for the attention of the ordinary General Meeting. The Audit Committee uses the following criteria to assess the performance and fees of the auditors: technical and operational expertise; independence and objectivity; adequate use of resources; focus on areas that involve significant risk for Geberit; willingness to challenge and re-evaluate; ability to provide effective, practical recommendations; open and effective communication and coordination with the Audit Committee, the internal auditors and the Group Executive Board. Every year, the Audit Committee determines the scope and planning of the internal audit, coordinates them with those of the external audit and discusses the audit results with the external and internal auditors. For more details on the Audit Committee, see → [Annual Report 2023, Business Report, Corporate Governance, 3. Board of Directors, Audit Committee \(AC\), p. 69.](#)

9. Information policy

Geberit maintains open and regular communication with its shareholders, the capital market and the general public, with the CEO, CFO and the Head Corporate Communications & Investor Relations as direct contacts.

Printed summary annual reports and, when requested, half-year reports are sent to shareholders. A comprehensive online version of the annual report, including an integrated sustainability report, is available on the website at → www.geberit.com/annualreport. Quarterly financial statements are published. Media and analysts' conferences are held at least once a year.

Contact may be established at any time at → corporate.communications@geberit.com. Contact addresses and telephone numbers for investors, media representatives and the interested public can be found on the website at → www.geberit.com/contacts under the appropriate chapters.

Interested parties may add their names to a mailing list available at → www.geberit.com/maillinglist in order to receive ad hoc announcements or further information relating to the company. All published media releases of the Geberit Group from recent years can be downloaded at → www.geberit.com/media. An overview of upcoming dates and appointments can be found at → www.geberit.com/investors/appointments.

Official publications of Geberit AG shall be made in the Swiss Official Commercial Gazette (SOCG). Notices to shareholders shall be made by official publications or may also be given in such a form that allows proof by text (including electronically) to the contact details of the shareholders recorded in the share register.

For further details on the Geberit Group's information policy, including a time schedule (containing General Meeting dates, publication dates for quarterly and half-year reports, and dividend payment dates), please refer to → [Annual Report 2023, Business Report, Geberit share information, p. 13](#).

Headquarters:

Geberit AG

Schachenstrasse 77

8645 Jona

→ www.geberit.com

10. Blackout periods

The ordinary blackout periods are determined at the beginning of each calendar year by the CFO in consultation with the CEO in relation to the publication of the quarterly, half-year and annual financial statements. For 2023, the following periods (26 weeks in total) were defined as blackout periods (non-trading windows):

- 01.01.2023 – 08.03.2023
- 01.04.2023 – 02.05.2023
- 01.07.2023 – 17.08.2023
- 01.10.2023 – 02.11.2023

Addressees of the ordinary blackout periods are, on the one hand, members of the Board of Directors and the Group Executive Board of Geberit as well as Geberit employees who, due to their employment duties and responsibilities, regularly deal with insider information or information covered by the regulation on ad hoc publicity (e.g. employees in Controlling or Communications). On the other hand, the ordinary blackout periods also address Geberit employees who have access to insider information due to their employment duties or factual circumstances (e.g. employees of IT). The addressees of the ordinary blackout periods are listed in a table that is continuously updated by the CFO. Extraordinary blackout periods are determined individually by the CEO or the CFO after prior consultation with the Chair of the Board of Directors in the event of circumstances that may qualify as insider information.

No exceptions to the above-mentioned trading blackout periods were granted in the reporting year.

Business Report

Remuneration Report

1. Introduction

The Remuneration Report provides an overview of Geberit's remuneration principles and programmes, as well as information about the determination method for the remuneration. It also includes the remuneration of the members of the Board of Directors and of the Group Executive Board for the business year 2023. The report provides the relevant information to be considered by the shareholders when making their decision regarding the votes on the remuneration of the Board of Directors and the Group Executive Board submitted to the 2024 Annual General Meeting for approval.

On 1 January 2023, the revised Swiss Company Law entered into force. Among other changes, the Ordinance against Excessive Compensation in Listed Stock Corporations was repealed and, with a few changes, transferred to the new law. This report is written in accordance with the requirements of the revised Swiss Company Law, the standards related to information on Corporate Governance issued by the SIX Swiss Exchange, as well as the principles of the Swiss Code of Best Practice for Corporate Governance of Economiesuisse.

The report is structured as follows:

1. → [Introduction](#)
2. → [Foreword by the Chair of the Nomination and Compensation Committee](#)
3. → [Remuneration at a glance](#)
4. → [Determination of remuneration](#)
5. → [Remuneration architecture](#)
6. → [Board of Directors: remuneration and share ownership in 2023](#)
7. → [Group Executive Board: remuneration and share/option ownership in 2023](#)
8. → [Summary of share and option plans 2023](#)
9. → [Summary of shares and options held by management and employees as of 31 December 2023](#)
10. → [Functions held by members of the Board of Directors and by members of the Group Executive Board in other companies](#)
11. → [Report of the statutory auditor](#)

For additional information on business development in 2023 see also → [Business and financial review](#).

2. Foreword by the Chair of the Nomination & Compensation Committee

Dear shareholders,

On behalf of the Nomination and Compensation Committee (NCC), I am pleased to present the 2023 Remuneration Report.

An extremely difficult year is behind us. Volumes were significantly lower due to the declining building construction industry in Europe and the high volume level in the prior year. Furthermore, the sanitary industry in some countries was negatively impacted by the shift in demand from sanitary to heating solutions. However, the global and regional supply chains eased somewhat in the reporting year. There was good availability of raw materials and components, and the delivery times were much shorter than in the previous year. Despite the very difficult market environment, operating margins were significantly higher compared to the previous year. This was primarily due to the high level of operational flexibility, especially in the plants and logistics, the significant fall in energy prices, and consistent price management. As a result, it was also possible to absorb most of the impacts of the Swiss franc, which was significantly stronger compared to most currencies. All in all, this bears witness to our structural and financial strength as well as the resilience of our business model. This enabled us to further consolidate our position as leading supplier of sanitary products and gain market shares.

The NCC performed its regular activities on remuneration matters throughout the year, such as the annual review of the remuneration programmes, the performance goal setting of the Group Executive Board at the beginning of the year and their performance assessment at year end, the determination of the remuneration of the members of the Board of Directors and the Group Executive Board, as well as the preparation of the Remuneration Report and of the say-on-pay votes at the Annual General Meeting.

Furthermore, the NCC refined the remuneration model for the Group Executive Board. Effective from 2023, the short-term incentive target and the long-term incentive allocation are expressed as a percentage of the Annual Base Salary, a change to the previous method where they were calculated as a percentage of the total target compensation. This adjustment aims to enhance the transparency and understanding of the remuneration model. Importantly, this change does not result in an increase in the total compensation level for individual members of the Group Executive Board. The NCC established that the remuneration design for the Group Executive Board is well aligned with the business strategy and shareholders' interests. There were no changes to the remuneration programmes for the Group Executive Board for 2023.

There were no changes to the remuneration system of the Board of Directors in the reporting year. The remuneration system and the amount of remuneration for Geberit's Board of Directors conform to standard market practice and the Board of Directors confirmed that no changes were necessary.

At the 2024 Annual General Meeting, we will request your approval of the total remuneration amount to be awarded to the Board of Directors for the period until the following Annual General Meeting, and the maximum aggregate remuneration awarded to the Group Executive Board for the 2025 business year. Additionally, you will have the opportunity to express your opinion on this Remuneration Report in a consultative vote. You will see in the report that the remuneration awarded to the Board of Directors for the remuneration period ending with the 2024 Annual General Meeting and the remuneration awarded to the Group Executive Board in 2023 were within the limits approved at the 2023 Annual General Meeting and 2022 Annual General Meeting respectively.

Looking ahead, we will continue to assess and review our remuneration programmes to ensure that they continue to fulfil their purpose in the evolving context in which the company operates. We will pursue an open and regular dialogue with our shareholders as we continue to enhance the remuneration system.

This report contains all relevant information on the remuneration paid to the Board of Directors and to the Group Executive Board in 2023. Our remuneration system rewards performance in a balanced and sustainable manner and aligns well with shareholders' interests.

The NCC appreciates your ongoing input and feedback on our remuneration programmes. We look forward to the AGM in April 2024.

Yours sincerely,



Eunice Zehnder-Lai
Chair of the Nomination & Compensation Committee

3. Remuneration at a glance

Board of Directors

Summary of current remuneration system

In order to ensure the independence in their supervisory function, members of the Board of Directors (BoD) receive a fixed remuneration in the form of cash and shares with a blocking period of four years.

Annual fees	in CHF	Delivery
Chair	885,000	Cash and restricted shares
Vice Chair	245,000	Restricted shares
Member of the BoD	190,000	Restricted shares
Chair of NCC/Audit Committee	45,000	Restricted shares
Member of NCC/Audit Committee	30,000	Restricted shares
Expense allowance	15,000	Cash

See also → 5. Remuneration architecture, 5.1 Board of Directors.

Remuneration in 2023

The remuneration awarded to the Board of Directors for the term of office until the Annual General Meeting 2023 is within the limits approved by the shareholders at the Annual General Meetings:

Comparison period	Approved amount (CHF)	Effective amount (CHF)
AGM 2022–AGM 2023	2,350,000	2,288,612
AGM 2023–AGM 2024	2,350,000	2,286,809 ¹

¹ As the remuneration period is not yet completed, the final amount (including social security contributions) will be included in the Remuneration Report for the financial year 2024.

Group Executive Board

Summary of current remuneration system

The remuneration of the Group Executive Board consists of fixed and variable elements. Base salary and benefits form the fixed remuneration and are based on prevalent market practice. Variable remuneration drives and rewards best-in-class performance based on ambitious targets. It consists of short-term and long-term elements:

Base salary	Pay for the function	Fixed remuneration
Benefits	Cover retirement, death and disability risks, attract and retain	
Short-Term Incentive (STI) (variable remuneration)	Drive and reward performance, attract and retain	Variable remuneration
Share Participation Programme (MSPP)	Align with shareholders' interests	
Long-Term Incentive (Stock Option Programme/MSOP)	Drive and reward long-term performance, align with shareholders' interests, attract and retain	

See also → 5. Remuneration architecture, 5.2. Group Executive Board.

Remuneration in 2023

The remuneration awarded to the Group Executive Board in the financial year 2023 is within the limits approved by the shareholders at the Annual General Meeting:

Comparison period	Approved amount (CHF)	Effective amount (CHF)
Financial year 2023	11,500,000	10,179,088

Performance in the financial year 2023

The weighted average of all elements used to calculate the variable remuneration exceeded the targets.

See also → [7. Group Executive Board, 7.1 Performance in 2023](#).

Remuneration governance

Authority for decisions related to remuneration is governed by the → [Articles of Incorporation](#) and the → [Organisational Regulations of Geberit AG](#).

- The prospective maximum aggregate amounts of remuneration of the members of the Board of Directors and of the Group Executive Board are subject to a binding shareholders' vote at the Annual General Meeting.
- The Remuneration Report for the preceding period is subject to a consultative vote.

See also → [4. Determination of remuneration](#).

4. Determination of remuneration

4.1 Nomination and Compensation Committee (NCC)

Pursuant to the Articles of Incorporation and the Organisational Regulations of Geberit AG (see also → Articles of Incorporation), the NCC supports the Board of Directors (BoD) in the fulfilment of its duties and responsibilities in the area of remuneration and personnel policy, including:

- Establishment and periodical review of the Group’s remuneration policy and principles
- Pre-determine annual expected short-term financial and ESG targets for the CEO and the other members of the Group Executive Board and pre-define the annual performance target for the Long-Term Incentive plan for the approval of the Board of Directors
- Yearly review of the individual remuneration of the CEO and of the other members of the Group Executive Board (GEB)
- Yearly performance assessment of the CEO and of the other members of the Group Executive Board
- Preparation of the Remuneration Report
- Personnel development of the Group Executive Board
- Succession planning and nomination for positions on the Group Executive Board
- Pre-selection of candidates for election or re-election to the Board of Directors

Approval and authority levels on remuneration matters:

Decision on	CEO	NCC	BoD	AGM
Remuneration policy and guidelines, in line with the provisions of the Articles of Incorporation		Proposes	Approves	
Maximum aggregate amount of remuneration for the BoD and for the GEB		Proposes	Reviews	Binding vote
Individual remuneration of members of the BoD		Proposes	Approves	
Individual remuneration of the CEO (including fixed remuneration, STI ¹ , LTI ²)		Proposes	Approves	
Individual remuneration of the other members of the GEB	Proposes	Reviews	Approves	
LTI ² grant for all other eligible parties	Proposes	Reviews	Approves	
Remuneration Report		Proposes	Approves	Consultative vote

¹ Short-Term Incentive

² Long-Term Incentive

The NCC meets at least three times per year and consists exclusively of independent and non-executive members of the Board of Directors who are elected annually by the shareholders at the Annual General Meeting. Since the 2021 Annual General Meeting, the NCC has consisted of Eunice Zehnder-Lai as Chair as well as Werner Karlen and Thomas Bachmann as members. In 2023, the NCC held three meetings covering the agenda items listed below. The participation rate for the NCC meetings was 100%.

	February	September	December
Remuneration policy	<ul style="list-style-type: none"> • Participation programme (STI and LTI programme, review ongoing throughout the year) 		
GEB matters	<ul style="list-style-type: none"> • Individual performance appraisal (previous year) • STI payout (previous year) • Vesting of equity awards (previous years) • Option valuation and definition of performance criteria for LTI grant 	<ul style="list-style-type: none"> • Succession planning for GEB positions • Talent management session 	<ul style="list-style-type: none"> • General update of Governance • Compensation level (following year) • Target setting for STI (following year)
BoD matters		<ul style="list-style-type: none"> • BoD evaluation 	<ul style="list-style-type: none"> • BoD remuneration (following year)
Governance	<ul style="list-style-type: none"> • AGM preparation (maximum amounts of remuneration of BoD and GEB to be submitted to “say-on-pay” votes) 	<ul style="list-style-type: none"> • Review of shareholders’ and proxy advisors’ feedback on the Remuneration Report 	<ul style="list-style-type: none"> • Draft Remuneration Report • Agenda NCC for following year • Compensation level Head Internal Audit (following year)

As a general rule, the Chair of the Board of Directors, the CEO and the Head of Corporate Human Resources participate in the meetings of the NCC. The Chair of the NCC may invite other executives as appropriate. However, the Chair of the Board of Directors and the executives do not take part in the sections of the meetings where their own performance and/or remuneration are discussed. At the end of each meeting, a closed session takes place among the members of the NCC only.

After each meeting, the Chair of the NCC reports to the Board of Directors on its activities and recommendations. The minutes of the NCC meetings are available to the full Board of Directors.

4.2 Process of determination of remuneration

Benchmarks and external consultants

Geberit reviews the remuneration of its executives, including that of the members of the Group Executive Board, every two to three years. This includes regular participation in benchmark studies on comparable functions in other industrial companies. In 2023, a benchmark analysis of the remuneration of the CEO and the other members of the Group Executive Board was conducted by PricewaterhouseCoopers. The remuneration analysis was based on a peer group composed of the following 15 industrial companies of similar scale in terms of market capitalisation, sales and net income, with headquarters in Switzerland: Barry Callebaut, Bucher Industries, Dormakaba, Georg Fischer, Givaudan, Holcim, Lonza, OC Oerlikon, Schindler, SFS Group, SGS, Sika, Sonova, Straumann and Sulzer. The peer group was amended compared to the one used for the analysis performed in 2021, with the replacement of EMS Chemie and Mettler Toledo with SGS and Strauman whose Group Executive roles are more comparable to those of Geberit. While many different factors, such as the individual role, experience in the role and contribution, company performance and affordability, are considered to determine remuneration levels, the policy of Geberit is to provide a target remuneration that is in principle positioned around the market median. The outcome of the benchmark analysis was considered for the 2024 compensation review.

With regard to the remuneration of the Board of Directors, the system and amount are reviewed every two to three years by the NCC. This includes regular participation in comparative studies. In 2022, PricewaterhouseCoopers AG was mandated to provide a benchmark analysis of the compensation for the Board of Directors on the basis of a comparative group of 14 Swiss industrial companies traded on the SIX Swiss Exchange. The comparative group includes the following industrial companies with comparable market capitalisation, sales and employee numbers, with headquarters in Switzerland: Barry Callebaut, Bucher Industries, Dormakaba, Georg Fischer, Givaudan, Holcim, Lonza, OC Oerlikon, Schindler, SFS Group, Sika, Sonova, Straumann and Sulzer.

PricewaterhouseCoopers is the current auditing firm of Geberit, and there are clear rules in place to comply with the independence requirements of auditing firms which were consistently applied to this mandate.

Performance management

The actual remuneration effectively paid out in a given year to the Group Executive Board members depends on the corporate results and on individual performance. The individual performance is assessed through the formal annual performance management process: company and individual performance objectives are approved at the beginning of the business year and achievement against those objectives is assessed after year end. The performance appraisal is the basis for the determination of the actual remuneration.

<p>Objective setting (December/January)</p> <p>Determination of individual objectives</p>	<p>Mid-year review (July)</p> <p>Mid-year discussion on performance to date against predefined objectives</p>	<p>Final review (December/January)</p> <p>Self-appraisal and performance assessment</p>	<p>Determination of remuneration (February/March)</p> <p>Determination of actual variable compensation</p>
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4.3 Shareholder involvement

In the last few years, based on the feedback received from shareholders and shareholder representatives, Geberit has made efforts to improve the remuneration disclosure in terms of both transparency and of the level of detail provided about the remuneration principles and programmes. Further, Geberit submits the Remuneration Report to a consultative shareholder vote at the Annual General Meeting so that shareholders have an opportunity to express their opinion about the remuneration system.

4.4 Articles of Incorporation

As required by Swiss Company Law, the → Articles of Incorporation of Geberit include the following provisions on remuneration:

- Principles applicable to performance-related pay (Article 21): The members of the Group Executive Board may be paid variable remuneration which may include short- and long-term elements and which is linked to the achievement of one or several performance criteria.
- Binding votes on maximum aggregate remuneration amounts of the Board of Directors and Group Executive Board (Article 22): Shareholders vote prospectively on the maximum aggregate remuneration amount for the Board of Directors until the next ordinary Annual General Meeting and for the maximum aggregate remuneration amount for the Group Executive Board for the following business year. Further, shareholders can express their opinion on the remuneration principles and structure through a consultative vote on the Remuneration Report.
- Additional amount for payments to members of the Group Executive Board appointed after the vote on remuneration at the Annual General Meeting (Article 23): For the remuneration of members of the Group Executive Board who have been appointed after the approval of the maximum aggregate remuneration amount by the Annual General Meeting, and to the extent that the maximum aggregate remuneration amount as approved does not suffice, an amount of up to 40% of the maximum aggregate remuneration amount approved for the Group Executive Board is available without further approval of the Annual General Meeting.
- Loans, credit facilities and post-employment benefits for members of the Board of Directors and the Group Executive Board (Article 26): No loans or credits shall be granted to members of the Board of Directors or the Group Executive Board.

The provisions of the Articles of Incorporation have been kept broad so that the Board of Directors has sufficient flexibility to make any necessary amendments to the remuneration programmes. The remuneration principles currently in place are more restrictive than the provisions of the Articles of Incorporation and are aligned with best practice in Corporate Governance; for example, the independent members of the Board of Directors are not eligible for any variable remuneration or retirement benefits (see also → 5. Remuneration architecture, 5.1 Board of Directors).

5. Remuneration architecture

5.1 Board of Directors

Remuneration principles

The members of the Board of Directors receive fixed remuneration only in order to ensure their independence in exercising their supervisory duties. The remuneration is paid partially in cash and partially in blocked shares in order to closely align their remuneration with shareholders' interests.

Remuneration structure

The remuneration of the members of the Board of Directors is defined in a regulation adopted by the Board of Directors and consists of an annual fixed retainer and remuneration for committee work. The remuneration is paid in the form of shares subject to a four-year blocking period. In addition, the members of the Board of Directors receive a lump sum to cover their expenses, paid out in cash.

The Chair of the Board of Directors receives an annual total fixed retainer paid 70% in cash and 30% in restricted shares subject to a four-year blocking period. The Chair also receives the expense allowance but is not entitled to additional fees for committee attendance.

A benchmark analysis was performed in 2022 to review the structure and amount of the remuneration for the members of the Board of Directors. The analysis indicated that the remuneration system for the Board of Directors of Geberit is in line with customary market practices and no modifications to the structure and amount of remuneration for the Board of Directors were necessary:

Annual fees	in CHF	Delivery
Chair	885,000	Cash and restricted shares
Vice Chair	245,000	Restricted shares
Member of the BoD	190,000	Restricted shares
Chair of NCC/Audit Committee	45,000	Restricted shares
Member of NCC/Audit Committee	30,000	Restricted shares
Expense allowance	15,000	Cash

The remuneration is paid out at the end of the term of office and is subject to contributions to social security. The members of the Board of Directors are not covered under the company pension plan.

The shares are subject to an accelerated unblocking in case of death. They remain subject to the regular blocking period of four years in all other instances.

Further information regarding the remuneration amounts for the period from the 2024 Annual General Meeting to the 2025 Annual General Meeting is provided in the invitation to the 2024 Annual General Meeting.

5.2 Group Executive Board

Remuneration principles

In order to ensure the company's success and to maintain its position as market leader, it is crucial to attract, develop and retain the right talent. Geberit's remuneration programmes are designed to support this fundamental objective and are based on the following principles:

- Remuneration is competitive with that of other companies with which Geberit competes for talents.
- Both company performance and individual contributions are recognised and rewarded.
- Remuneration programmes are balanced between rewarding short-term success and long-term value creation.
- Participation plans foster the long-term commitment and mindset of executives and the alignment of their interests to those of the shareholders.
- Executives are protected against risks through appropriate pension and insurance programmes.

Remuneration structure

The remuneration of the Group Executive Board is defined in a regulation adopted by the Board of Directors and consists of the following elements:

- Base salary
- Variable remuneration (Short-Term Incentive/STI)
- Long-term equity participation plan (Long-Term Incentive/LTI)
- Additional employee benefits, such as pension benefits and perquisites

	Programme	Instrument	Purpose	Plan/ performance period	Performance metrics in 2023
Base salary	Annual base salary	Monthly cash payments	Pay for the function		
Short-Term Incentive, STI	Short-Term Incentive, STI	Annual variable cash or restricted shares	Drive and reward short-term performance, attract and retain	1-year performance period	Sales, EBITDA margin, EPS, ROIC, CO ₂ emissions, individual objectives
	Share Participation Programme (MSPP)	Matching share options in case of an investment of variable compensation in restricted shares, performance share options (free of charge)	Align with shareholders' interests	Shares: 3-year restriction period	Share options: ROIC
Long-Term Incentive, LTI				Share options: 3-year vesting period, 10-year plan period	
	Share Option Programme (MSOP)	Performance share options	Drive and reward long-term performance, align with shareholders' interests, retain	3-year performance period, 10-year plan period	ROIC
Benefits	Pension	Swiss pension funds (Gemeinschaftsstiftung/ Sammelstiftung) (supplementary benefits under Art. 1e BVV 2)	Cover retirement, death and disability risks		
	Perquisites	Company car, expense policy	Attract and retain		

In the reporting year, the remuneration structure was slightly refined. As from 2023, the short-term incentive target and the long-term incentive allocation are expressed as a percentage of the Annual Base Salary, a change to the previous method where the short-term incentive target and the long-term incentive allocation were calculated as a percentage of the total target compensation. This adjustment aims to enhance the transparency and understanding of the remuneration model. Importantly, this change does not result in an increase in the total compensation level for individual members of the Group Executive Board.

Annual base salary

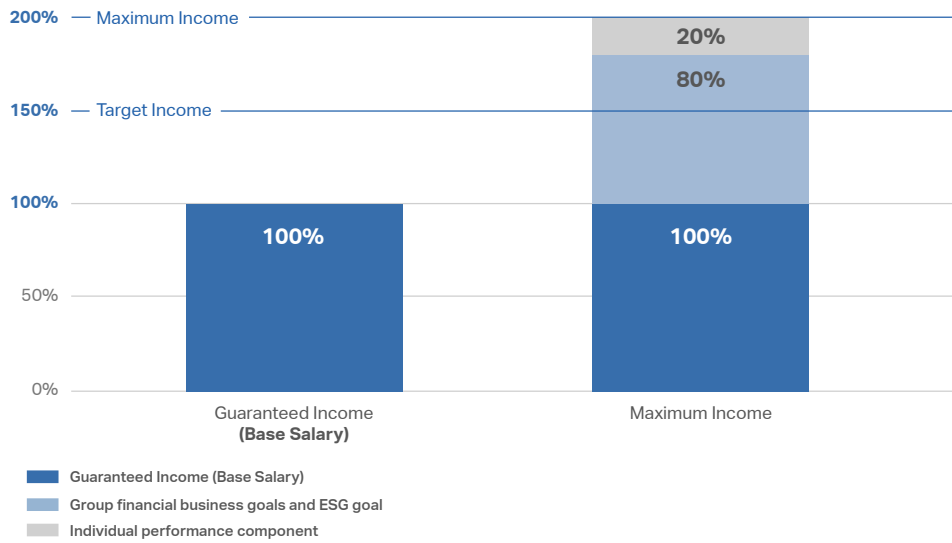
The annual base salary is a fixed remuneration paid in cash on a monthly basis. It is determined based on the scope and responsibilities of the position, the market value of the role and the qualifications and experience of the incumbent. The base salary is reviewed annually based on market salary information, considerations from the perspective of the company's financial affordability and performance, and the evolving experience of the individual in the role.

Variable remuneration/short-term incentive (STI)

The variable remuneration (STI) of the Group Executive Board and approximately 200 additional members of the Group management rewards the achievement of Group annual financial business and ESG goals, as well as of the individual objectives agreed and evaluated within the annual performance management process.

The annual base salary and the target STI (assuming 100% achievement of all goals: financial, ESG and individual goals) form the so-called target income. The variable target remuneration (i.e. the STI assuming 100% achievement of all objectives) equals 50% of the annual base salary for the CEO as well as for other members of the Group Executive Board (2022: 43%). The maximum potential payout for the STI is capped at 100% of the annual base salary, unchanged compared to previous year.

Remuneration model for the Group Executive Board



As of 2023, the Group objectives account for 80% of the STI (2022: 86%) and the individual objective 20% (2022: 14%).

The Group objectives include equal weighting of four financial objectives and one ESG objective.

The financial objectives are sales performance and earnings per share (EPS) compared with the previous year, the margin on earnings before interest, taxes, depreciation, and amortisation (EBITDA margin) and the return on invested capital (ROIC). These financial objectives have been chosen as they are key value drivers for Geberit and generally reward for growing the business and gaining market share (top-line contribution), for increasing profitability over-proportionally through strong operating leverage (bottom-line contribution) and for investing the capital efficiently. The Board of Directors is convinced that measures, including the top-line and bottom-line targets, support Geberit’s performance in a balanced and sustainable way.

The ESG objective is a CO₂ emission reduction target, in line with the company’s sustainability strategy.

Every year, based on the NCC’s recommendation, the Board of Directors determines the expected target level of performance for each financial and ESG objective for the following year. Geberit wants to reinforce its position as market leader and consistently achieve above-average performance. As a general principle, the results achieved in the previous year must be specifically improved in order to meet the target level of performance, in line with the company’s ambitious financial plan. The intention of this demanding target setting is to deliver best-in-class performance and to stay ahead of the market. In addition, a threshold level of performance, below which no variable remuneration is paid out, and a maximum level of performance, above which the short-term variable remuneration is capped, are determined. The payout level between the threshold, the target and the maximum is calculated by linear interpolation.

The individual performance component is based on the achievement of individual objectives predefined at the beginning of the year between the CEO and individual members of the Group Executive Board, and for the CEO, between the Board of Directors and the CEO. The individual objectives are of a more qualitative and strategic nature and may include, for example, objectives related to product and service innovation, leadership skills, entry into new markets and the management of strategic projects.

Members of the Group Executive Board have the opportunity to invest part or all of their variable remuneration in shares of the company through the Management Share Participation Programme (MSPP). They may define a fixed number of shares to purchase, or a certain amount or a percentage of their variable remuneration to be invested in shares. The shares are blocked for a period of three years. Two free share options are provided for each share purchased through the programme. The options are subject to a performance-based vesting period of three years. The other features of the options and the performance condition (ROIC) are the same as those applicable to the performance options granted under the Long-Term Incentive MSOP programme (see also → Long-Term Incentive).

In the event of termination of employment, the following provisions apply to MSPP shares and options:

Termination reason	Plan rules	Unvested options	Vested options	Restricted shares
Good leaver	Retirement benefits	Regular vesting based on effective performance at regular vesting date	Regular exercise period	Regular blocking period
	Invalidity			
	Other reasons	Accelerated full vesting based on effective performance at date of termination as determined by the Board of Directors	Regular exercise period	Immediate unblocking
	Liquidation/change of control ¹			
	Death			
Bad leaver	Inadequate performance/ inadequate conduct ²	Forfeiture	Regular exercise period	Regular blocking period

¹ This rule only applies in the situation of “double-trigger” where the employment contract of the participant is terminated as a result of a change of control or liquidation.

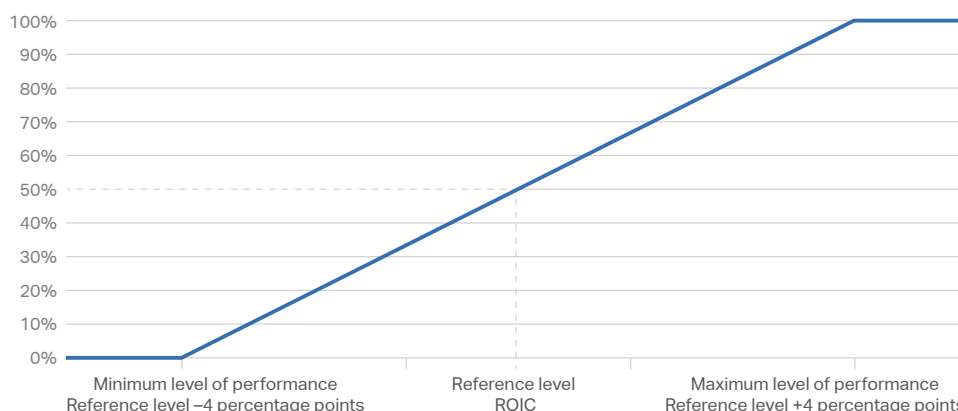
² Inadequate performance or conduct on the part of members of the Group Executive Board is determined at the due discretion of the Board of Directors.

Long-Term Incentive (LTI)

The purpose of the Long-Term Incentive (Management Stock Option Programme MSOP) is to ensure long-term value creation for the company, alignment of the interests of executives to those of shareholders and long-term retention of executives. The LTI allocation is reviewed annually and is expressed as a percentage of the Annual Base Salary. The LTI target amounts to 107% of the Annual Base Salary for the CEO (2022: 107%), and 70% for the other members of the Group Executive Board (2022: 71%). For some 100 additional participants of the Group management, the fair value at allocation date amounted to 13% of the base salary.

The LTI plan is a performance share options plan. At the beginning of the vesting period, a number of share options are allocated to each member of the Group Executive Board at fair market value. The share options vest after a period of 3 years, subject to the achievement of a performance criterion, the average Return on Invested Capital (ROIC), over the respective vesting period. ROIC expresses how well the company is generating cash relative to the capital it has invested in its business.

MSOP payout curve



The Board of Directors determines the expected performance annually based on a recommendation submitted by the NCC. The options partially vest upon the reference level being achieved. In addition, a minimum level of performance (threshold value) under which no options vest and a maximum level of performance (cap) at which 100% of the options vest are defined. Both the reference level and the cap are ambitious and are substantially above the weighted average cost of capital. The payout amounts between the threshold value and the cap are determined by linear interpolation. The payout curve is challenging to ensure full vesting rewards outstanding performance, with 50% of the options vesting at achievement of the reference level. There is no vesting if the performance is more than 4% points below the reference level (2022: 6% points below reference level). The full vesting is obtained when the ROIC is 4% points above the reference level (2022: 6% points). The options can be exercised between the respective vesting date which is three years after the grant date, and the expiration date. The exercise price of the options corresponds to the fair market value of the Geberit shares at the time of granting.

Overall, the total compensation on target for the CEO and for the other members of the Group Executive Board is comparable to the previous year.

In the event of termination of employment, the following provisions apply to MSOP options:

Termination reason	Plan rules	Vested options
Good leaver	Retirement benefits	
	Invalidity	Pro-rata vesting based on effective performance at regular vesting date ¹
	Other reasons	
	Liquidation/change of control ²	Accelerated full vesting based on effective performance at date of termination as determined by the Board of Directors
	Death	Accelerated full vesting
Bad leaver	Inadequate performance/ inadequate conduct ³	Forfeiture

¹ This rule applies in the situation when the participant leaves prior to the end of the financial year.

² This rule only applies in the situation of "double-trigger" where the employment contract of the participant is terminated as a result of a change of control or liquidation.

³ Inadequate performance or conduct on the part of members of the Group Executive Board is determined at the due discretion of the Board of Directors.

Disclosure of targets

Internal financial and individual targets under the STI and the LTI plans are considered commercially sensitive information. Communicating such targets would allow delicate insight into the strategy of Geberit and could as such create a competitive disadvantage for the company. Therefore, the decision was made not to disclose the specifics of those targets at the time of their setting, but to provide a general comment on the performance at the end of the cycle. As a general principle, on a comparable basis, significant improvements against the previous year's achievements are required in order to meet the target level of performance, in line with the company's ambitious financial plan. To provide additional guidance, we regularly communicate our mid-term targets which are net sales growth in local currencies, after adjustments for acquisitions of between 4 and 6 percent as an average over one economic cycle, an operating cashflow (EBITDA) margin of between 28 and 30 percent, continuously increasing return on invested capital (ROIC) and an average reduction in CO₂ intensity of 5 percent per year.

Benefits

Members of the Group Executive Board participate in the regular employee pension fund applicable to all employees in Switzerland. The retirement plan consists of a basic plan covering annual earnings up to TCHF 154, with age-related contribution rates equally shared between the company and the individual, and a supplementary plan (collective foundation in accordance with Art. 1e BVV 2 [Ordinance on Occupational Retirement, Surviving Dependents' and Disability Pension Plans]) in which income in excess of TCHF 154 is insured (including actual variable remuneration), up to the maximum amount permitted by law.

Furthermore, each member of the Group Executive Board is entitled to a company car and a representation allowance in line with the expense regulations applicable to all members of management in Switzerland and approved by the tax authorities.

Employment terms and conditions

All members of the Group Executive Board have permanent employment contracts with notice periods of a maximum of one year. Members of the Group Executive Board are not entitled to any severance payment.

Share ownership guidelines

In order to bring the interests of the members of the Group Executive Board into line with those of the shareholders and to strengthen their ties to the company, the CEO and each member of the Group Executive Board must satisfy the minimum requirements with respect to the ownership of shares in Geberit. The members of the Group Executive Board are required to build up and own at least a minimum multiple of their annual base salary in Geberit shares within five years of their appointment to the Group Executive Board or introduction of this policy, as set out below.

To further reflect the importance the Board of Directors places on the alignment with shareholders' interests, the minimum shareholding requirements for the GEB members have been defined as follows:

CEO	300% of the annual base salary
Members of the Group Executive Board	150% of the annual base salary

For this calculation, all vested shares are considered, regardless of whether they are blocked or not. However, unvested awards are excluded. The NCC reviews compliance with the share ownership guideline on an annual basis.

Clawback and malus provisions

In order to ensure good Corporate Governance, Geberit has implemented a clawback policy on payments made under the Short-Term Incentive programme and the Long-Term Incentive programme. These provisions foresee that in case of financial restatement due to non-compliance with accounting standards and/or fraud, and/or in case of violation of the law or internal rules by a participant, the Board of Directors may deem all or part of any unpaid short-term incentive or unvested long-term incentive to be forfeited (malus provision) and/or may seek reimbursement of all or part of any paid short-term incentive or vested long-term incentive. The clawback and malus provisions may be enacted for a period of three years following the year subject to a financial restatement and/or the year of the fraudulent behaviour.

For further information on both programmes, please also refer to [→ 5. Remuneration architecture, 5.2. Group Executive Board](#).

6. Board of Directors: remuneration and share ownership in 2023

This section is audited by the external auditor.

The remuneration of the Board of Directors consists solely of a fixed remuneration paid out in the form of cash and non-discounted restricted shares. In 2023, members of the Board of Directors received a total remuneration of TCHF 2,287 (previous year TCHF 2,290). Remuneration for regular Board activities and committee assignments amounted to TCHF 2,100 (previous year TCHF 2,100). The structure of remuneration of the members of the Board of Directors has not changed compared to the previous year.

Please refer to the following table for details pertaining to the remuneration of members of the Board of Directors:

	A. Baehny Chair CHF	E. Zehnder-Lai Vice Chair CHF	F. Ehrat CHF	B. Koch CHF	W. Karlen CHF	T. Bachmann CHF	Total CHF
2023							
Remuneration of the Board of Directors							
Accrued remuneration ¹	270,000	290,000	235,000	220,000	250,000	220,000	1,485,000
Cash remuneration	615,000						615,000
Expenses	15,000	15,000	15,000	15,000	15,000	15,000	90,000
Contributions to social insurance	43,042	13,818	8,967	10,866	12,118	8,572	97,383
Total	943,042	318,818	258,967	245,866	277,118	243,572	2,287,383

¹ Director's fee booked, but not yet paid as at 31 December. Payment will be made in the first quarter of 2024 in the form of restricted shares of the company with a par value of CHF 0.10 each; 4-year blocking period; valued at fair value at grant date. The portion not paid in shares is used for the payment of social charges and for Swiss withholding taxes for non-Swiss board members.

	CHF						
Remuneration of former members of the Board of Directors (none)							
Accrued remuneration							
Cash remuneration							
Expenses							
Contributions to social insurance							
Total							

	A. Baehny Chair CHF	E. Zehnder-Lai Vice Chair CHF	F. Ehrat CHF	B. Koch CHF	W. Karlen CHF	T. Bachmann CHF	Total CHF
2022							
Remuneration of the Board of Directors							
Accrued remuneration ¹	270,000	290,000	235,000	220,000	250,000	220,000	1,485,000
Cash remuneration	615,000						615,000
Expenses	15,000	15,000	15,000	15,000	15,000	15,000	90,000
Contributions to social insurance	43,042	13,790	8,969	10,849	12,137	10,849	99,636
Total	943,042	318,790	258,969	245,849	277,137	245,849	2,289,636

¹ Director's fee booked, but not yet paid as at 31 December. Payment was made in the first quarter of 2023 in the form of restricted shares of the company with a par value of CHF 0.10 each; 4-year blocking period; valued at fair value at grant date. The portion not paid in shares was used for the payment of social charges and for Swiss withholding taxes for non-Swiss board members.

CHF

Remuneration of former members of the Board of Directors (none)
Accrued remuneration
Cash remuneration
Expenses
Contributions to social insurance
Total

For the period from the 2023 Annual General Meeting to the 2024 Annual General Meeting, the remuneration paid to the Board of Directors is expected to amount to CHF 2,286,809. This is within the limit of CHF 2,350,000 approved by the 2023 Annual General Meeting.

Reconciliation between the reported Board remuneration and the amount approved by the shareholders at the Annual General Meeting

(in CHF)	1 ¹	2 ²	3 ³	4 ⁴	5 ⁵	6 ⁶
AGM 2023–AGM 2024	2023	1 Jan 2023 to 2023 AGM	1 Jan 2024 to 2024 AGM	2023 AGM to 2024 AGM	AGM 2023	AGM 2023
Board of Directors (Total)	2,287,383	-572,409	571,835	2,286,809	2,350,000	97%
AGM 2022–AGM 2023	2022	1 Jan 2022 to 2022 AGM	1 Jan 2023 to 2023 AGM	2022 AGM to 2023 AGM	AGM 2022	AGM 2022
Board of Directors (Total)	2,289,636	-573,433	572,409	2,288,612	2,350,000	97%

¹ Remuneration earned during financial year as reported (A)

² Less remuneration earned from January to Annual General Meeting of financial year (B)

³ Plus remuneration accrued from January to Annual General Meeting of year following financial year (C)/budget value for 2024

⁴ Total remuneration earned for the period from Annual General Meeting to Annual General Meeting (A - B + C)

⁵ Amount approved by shareholders at respective Annual General Meeting

⁶ Ratio between remuneration earned for the period from Annual General Meeting to Annual General Meeting versus amount approved by shareholders

As of the end of 2023 and 2022, the members of the Board of Directors held the following shares in the company:

	A. Baehny Chair	E. Zehnder-Lai Vice Chair	F. Ehrat	B. Koch	W. Karlen	T. Bachmann	Total
2023							
Shareholdings Board of Directors							
Shares	115,304	2,735	5,405	1,580	1,177	945	127,146
Share of voting rights	0.33%	< 0.1%	< 0.1%	< 0.1%	< 0.1%	< 0.1%	0.36%
	A. Baehny Chair	E. Zehnder-Lai Vice Chair	F. Ehrat	B. Koch	W. Karlen	T. Bachmann	Total
2022							
Shareholdings Board of Directors							
Shares	114,776	2,171	4,943	1,131	691	518	124,230
Share of voting rights	0.32%	< 0.1%	< 0.1%	< 0.1%	< 0.1%	< 0.1%	0.35%

As of 31 December 2023, and in compliance with the → Articles of Incorporation of Geberit AG, there were no outstanding loans or credits between the company and the members of the Board of Directors, closely related parties or former members of the Board of Directors.

7. Group Executive Board: remuneration and share/option ownership in 2023

This section was audited by the external auditor.

7.1 Performance in 2023

In 2023, the Geberit Group's net sales fell by 9.1% to CHF 3,084 million. This decrease was strongly influenced by negative currency effects of CHF 147 million as a result of the Swiss franc, which was significantly stronger compared to most other currencies. In local currencies, this resulted in a decline of 4.8%. Price increases of around 8% had a positive impact on the development. Volumes were significantly lower due to the declining building construction industry in Europe and the high prior-year level. Furthermore, the sanitary industry in some countries was negatively impacted by the shift in demand from sanitary to heating solutions.

In Swiss francs, all results were heavily impacted by the negative currency development. In total, operating cashflow (EBITDA) increased by 1.4% to CHF 921 million. After currency adjustments, this corresponded to an increase of 7.8%. The EBITDA margin increased significantly by 310 basis points to 29.9% compared to the same period in the previous year. Mainly due to a positive one-off tax effect in the previous year and a more negative financial result compared with the previous year, net income declined by 12.6% to CHF 617 million (currency-adjusted -6.3%), corresponding to a return on net sales of 20.0% (previous year 20.8%). Earnings per share fell by 10.2% to CHF 18.39 (previous year CHF 20.48). However, due to the positive effects of the share buyback programme, the decrease was less than proportional compared to the development of net income. Currency-adjusted, this resulted in a decrease of 3.7%. The return on invested capital (ROIC) decreased to 23.6% (previous year 26.5%), mainly due to the positive one-off tax effect in the previous year.

The variable remuneration (STI) of the Group Executive Board is determined on the basis of the following key performance indicators, which all have the same weighting: currency-adjusted net sales performance and EPS compared with the previous year, EBITDA margin and ROIC as well as reduction of the CO₂ emissions. The achievement varied by key performance indicator, whereas the weighted average of all key figures which is taken to calculate the variable remuneration was above target. The achievement of qualitative individual targets is also taken into consideration.

7.2 Remuneration awarded in 2023

The remuneration of the Group Executive Board amounted to TCHF 10,179 in 2023 (previous year TCHF 9,436). The remuneration of the CEO amounted to TCHF 3,161 in the same period (previous year TCHF 3,148). The total remuneration of the Group Executive Board was slightly higher in 2023 compared to the previous year. There were seven members in the Group Executive Board in 2023 who received compensation for the full year. This compares to seven members in 2022, of whom six served on a full year basis. The additional member of the Group Executive Board was appointed in November 2022 with the associated increase in the individual remuneration elements. The CEO's variable remuneration represented 69.3% of his fixed remuneration. For the other members of the Group Executive Board, the variable remuneration represented between 64.3% and 69.3% (previous year: between 61.1% and 68.3%) of their individual fixed remuneration (plus representation allowance).

At the 2022 Annual General Meeting, the shareholders approved a maximum aggregate amount of TCHF 11,500 for the remuneration of the Group Executive Board for the year 2023. The remuneration awarded for that period amounts to TCHF 10,179 and is within the approved amount.

Further information on the remuneration awarded to the Group Executive Board for the business year 2023, compared with the maximum potential amount of remuneration, is provided with the invitation to the ordinary Annual General Meeting 2024.

The following table shows details of remuneration (gross) for 2023 and 2022:

	2023		2022	
	C. Buhl CEO CHF	Total CHF	C. Buhl CEO CHF	Total CHF
Salary				
- Fixed remuneration (excluding representation allowance)	1,026,805	3,577,638	1,022,801	3,330,871
- Variable remuneration ¹	720,720	2,468,090	707,440	2,231,550
<i>Thereof in shares in 2023</i> ²			706,694	1,657,109
Shares/options				
- Call options MSOP 2023/2022 ³	1,112,774	2,925,715	1,109,981	2,709,405
- Call options MSPP 2023/2022 ⁴	94,221	220,937	90,448	200,482
Non-cash benefits				
- Private share of company vehicle ⁵	7,932	42,144	7,932	42,195
Expenditure on pensions				
- Pension plans	101,421	609,911	97,544	557,277
- Social insurance	96,024	323,516	110,108	354,434
- Contribution health/accident insurance	1,531	11,137	1,551	10,114
Total ^{6/7}	3,161,428	10,179,088	3,147,805	9,436,328

¹ The amounts to be paid (current year), and the amounts effectively paid (previous year) respectively are shown. The payment of the variable remuneration occurs in the following year. Members of the Group Executive Board are free to choose between a payment in shares or in cash.

² Registered shares of the company with a par value of CHF 0.10 each; 3-year blocking period, valued at fair market value at grant date of CHF 489.40 (previous year: CHF 551.80).

³ Call options on registered shares of the company with a par value of CHF 0.10 each, issued within the scope of the Management Stock Option Programme (MSOP); 1 option entitles to purchase 1 registered share at an exercise price of CHF 504.45 (previous year: CHF 584.10); allocation corresponds to the remuneration in the case of 100% target achievement; definitive vesting of the option subject to effective target achievement, 3-year vesting period (1 tranche at 100%); the total value of the call options is evaluated as of the grant date. Market value of CHF 65.25 (previous year: CHF 49.21) determined using the binomial method.

⁴ Call options on registered shares of the company with a par value of CHF 0.10 each, issued within the scope of the Management Share Participation Programme (MSPP); 1 option entitles to purchase 1 registered share at an exercise price of CHF 504.45 (previous year: CHF 584.10); allocation corresponds to the remuneration in the case of 100% target achievement; definitive vesting of the option subject to effective target achievement, 3-year vesting period (1 tranche at 100%); the total value of the call options is evaluated as of the grant date. Market value of CHF 65.25 (previous year: CHF 49.21) determined using the binomial method.

⁵ Valuation in accordance with the guidelines of the Swiss Federal Tax Administration FTA (0.9% of the purchase cost per month).

⁶ Immaterial payments (below CHF 500) are not included in the total. Overall, these payments do not exceed CHF 2,000 per member of the Group Executive Board.

⁷ Appointment of a new Group Executive Board member as of 1 October 2022.

The parameters taken into consideration in the option valuation model are set out in → Consolidated Financial Statements Geberit Group, Note 17.

7.3 Shareholdings of the Group Executive Board

As of the end of 2023 and 2022, the members of the Group Executive Board held the following shares in the company:

	Maturity	Average exercise price in CHF	C. Buhl CEO	T. Knechtle CFO	R. van Triest	M. Baumüller	M. Ziegler	C. Rapp	A. Lange	Total
2023										
Shareholdings Group Executive Board										
Shares			20,024	887	2,090	4,965	5,928	2,373	690	36,957
Percentage voting rights shares			< 0.1%	< 0.1%	< 0.1%	< 0.1%	< 0.1%	< 0.1%	< 0.1%	0.11%
Call options¹										
End of vesting period:										
Lapsed	2023–2029	417.63	174,483	0	50,408	40,930	46,002	27,756	6,281	345,860
	2024	2030	569.65	36,784	0	11,870	10,063	14,907	12,710	87,904
	2025	2032	584.10	48,788	14,911	12,395	10,478	16,203	13,687	118,264
	2026	2033	504.45	36,996	12,501	9,226	7,295	12,111	10,272	96,449
Total options			297,051	27,412	83,899	68,766	89,223	64,425	17,701	648,477
Percentage potential share of voting rights options			0.84%	0.08%	0.24%	0.20%	0.25%	0.18%	0.05%	1.84%

¹ Purchase ratio: 1 share for 1 option. The number of options corresponds to the allocation in the event of maximum target achievement, i.e. the unvested options are subject to a performance-based vesting condition.

	Maturity	Average exercise price in CHF	C. Buhl CEO	T. Knechtle CFO	R. van Triest	M. Baumüller	M. Ziegler	C. Rapp	A. Lange	Total
2022										
Shareholdings Group Executive Board										
Shares			18,580	215	2,090	5,660	4,776	1,957	528	33,806
Percentage voting rights shares			< 0.1%	< 0.1%	< 0.1%	< 0.1%	< 0.1%	< 0.1%	< 0.1%	0.09%
Call options¹										
End of vesting period:										
Lapsed	2023–2028	409.16	87,650	0	20,781	17,219	14,317	3,320	2,965	146,252
	2023	2028–2029	441.85	88,457	0	29,627	23,711	32,109	24,436	201,656
	2024	2030	569.65	36,784	0	11,870	10,063	14,907	12,710	87,904
	2025	2032	584.10	48,788	14,911	12,395	10,478	16,203	13,687	118,264
Total options			261,679	14,911	74,673	61,471	77,536	54,153	9,653	554,076
Percentage potential share of voting rights options			0.73%	0.04%	0.21%	0.17%	0.22%	0.15%	0.03%	1.55%

¹ Purchase ratio: 1 share for 1 option. The number of options corresponds to the allocation in the event of maximum target achievement, i.e. the unvested options are subject to a performance-based vesting condition.

As of 31 December 2023, and in compliance with the → Articles of Incorporation of Geberit AG, there were no outstanding loans or credits between the company and the members of the Group Executive Board, closely related parties or former members of the Group Executive Board.

8. Summary of share and option plans 2023

This section has been audited by the external auditor as part of the Financial Notes to the Consolidated Statements of the Geberit Group.

In 2023, employees, management and the members of the Board of Directors participated in three different share plans. The plans for the Board of Directors and the management are described in this Remuneration Report and for the employees in → Consolidated Financial Statements Geberit Group, Note 17. Under the three different share plans, a total of the following numbers of shares were allocated.

	End of blocking period	Number of participants	Number of shares issued	Issuing price CHF
Employee share purchase plan (ESPP)	2025	2,895	19,553	318.10
Management Share Participation Programme (MSPP)	2026	102	11,400	489.40
Board of Directors remuneration	2027	6	2,894	489.40
Total			33,847	

The 33,847 shares required for these plans were taken from the stock of treasury shares.

In 2023, Geberit management participated in two different option plans (MSPP and MSOP). The plans are described in this Remuneration Report.

	Vesting period	Maturity	Number of participants	Number of granted options ¹	Exercise price CHF
Management Share Participation Programme (MSPP)	2023–2026	2033	102	22,800	504.45
Management Stock Option Programme (MSOP)	2023–2026	2033	173	166,185	504.45
Total				188,985	

¹ The number of options allocated with final effect at the end of the vesting period depends on target achievement (average ROIC).

The fair value of the options granted in 2023 as at March 2023 amounted to CHF 65.25 (MSPP) and CHF 65.25 (MSOP) on average at the respective granting date. The fair value was determined using the binomial model for “American Style Call Options”.

The calculation model was based on the following parameters:

	Exercise price ² CHF	Expected Ø volatility %	Expected Ø dividend yield %	Contractual period Years	Risk-free Ø interest rate %
Management Share Participation Programme (MSPP)	504.45	21.37	2.58	10	1.60
Management Stock Option Programme (MSOP)	504.45	21.37	2.58	10	1.60

² The exercise price corresponds to the average price of Geberit shares for the period from 23.2.–22.03.2023.

Costs resulting from share participation programmes amounted to CHF 3.5 million in 2023 (previous year CHF 6.1 million); those for option plans totalled CHF 8.2 million (previous year CHF 9.7 million).

9. Summary of shares and options held by management and employees as of 31 December 2023

This section has been audited by the external auditor as part of the Financial Notes to the Consolidated Statements of the Geberit Group.

Geberit is committed to a vigilant management of equity dilution. As of 31 December 2023, the Board of Directors, the Group Executive Board and the employees owned a combined total of 421,171 (previous year 411,998) shares, i.e. 1.2% (previous year 1.1%) of the share capital of Geberit AG.

The following table summarises all option plans in place as of 31 December 2023¹:

End of vesting period	Maturity	Number of options outstanding	Ø exercise price CHF	Number of options in money	Ø exercise price CHF
Vested	2024–2029	713,034	433.73	713,034	433.73
2024	2030	184,202	569.65	0	0
2025	2032	228,379	584.10	0	0
2026	2033	188,619	504.45	188,619	504.45
Total		1,314,234	489.06	901,653	448.52

¹ The number of options allocated with final effect at the end of the vesting period depends on target achievement (average ROIC). This table also includes options under participation plans from earlier years that have different terms and vesting conditions.

The following movements took place in 2023 and 2022¹:

	MSOP		MSPP		Total 2023		Total 2022	
	Number of options	Ø exercise price CHF	Number of options	Ø exercise price CHF	Number of options	Ø exercise price CHF	Number of options	Ø exercise price CHF
Outstanding 1 January	1,055,965	482.88	98,911	508.75	1,154,876	485.09	974,217	460.36
Granted options	166,185	504.45	22,800	504.45	188,985	504.45	228,379	584.10
Forfeited options	2,102	528.78	73	288	2,175	520.68	29,670	498.13
Expired options	0	0	0	0	0	0	0	0
Exercised options	20,716	429.53	6,736	413.38	27,452	425.57	18,050	381.62
Outstanding 31 December	1,199,332	486.71	114,902	513.59	1,314,234	489.06	1,154,876	485.09
Exercisable at 31 December	673,248	433.76	39,786	433.32	713,034	433.73	249,677	404.48

¹ The number of options allocated with final effect at the end of the vesting period depends on target achievement (average ROIC). This table also includes options under participation plans from earlier years that have different terms and vesting conditions.

The options outstanding on 31 December 2023 had an exercise price of between CHF 361.75 and CHF 584.10 and an average remaining contractual life of 6.1 years.

10. Functions held by members of the Board of Directors and by members of the Group Executive Board in other companies

This section is audited by the external auditor.

In accordance with art. 734e of the revised Swiss Company Law, the tables below list functions exercised by members of the Board of Directors and of the Group Executive Board at other for-profit companies, to the extent these functions are comparable to the function they hold with Geberit.

Members of the Board of Directors as of 31 December 2023

External interests and mandates

	Company	Mandate
Albert M. Baehny	Lonza Group AG, Basel (CH) ¹	CEO ad interim and Chairman of the Board of Directors
	Investis Holding SA, Zurich (CH) ¹	Member of the Board of Directors
Eunice Zehnder-Lai	DKSH Holding AG, Zurich (CH) ¹	Member of the Board of Directors
	Julius Bär Group Ltd./Julius Bär & Co. Ltd., Zurich (CH) ¹	Member of the Board of Directors
Thomas Bachman	CTC Analytics AG, Zwingen (CH)	Member of the Board of Directors
	Cytosurge AG, Opfikon (CH)	Member of the Board of Directors
	Endress & Hauser AG, Reinach (CH)	Management Consultant
Felix R. Ehrat	Globalance Bank AG, Zurich (CH)	Chairman of the Board of Directors
	Idorsia AG, Allschwil (CH) ¹	Member of the Board of Directors
	Swiss Fintech AG (Loanbox), Zurich (CH)	Chairman of the Board of Directors
	Hyos Invest Holding AG, Zurich (CH)	Member of the Board of Directors
Werner Karlen	Fr. Sauter AG, Basel (CH)	CEO
	Frutiger Unternehmungen AG, Thun (CH)	Member of the Board of Directors
Bernadette Koch	Mobimo Holding AG, Lucerne (CH) ¹	Member of the Board of Directors
	Swiss Post AG, Bern (CH)	Member of the Board of Directors
	PostFinance AG, Bern (CH)	Member of the Board of Directors
	Energie Oberkirch AG, Oberkirch (CH)	Member of the Board of Directors

¹ Listed company

Members of the Group Executive Board as of 31 December 2023

External interests and mandates

	Company	Mandate
Christian Buhl	-	-
Tobias Knechtle	V-Zug AG, Zug (CH) ¹	Member of the Board of Directors and Chairman of the Audit Committee
	Adastra Investment & Consulting AG, Arlesheim (CH)	Member of the Board of Directors
Martin Baumüller	-	-
Andreas Lange	-	-
Clemens Rapp	-	-
Ronald van Triest	-	-
Martin Ziegler	Piancabo SA, Cugnasco-Gerra (CH)	Member of the Board of Secretary

¹ Listed company

11. Report of the statutory auditor



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Report of the statutory auditor
 to the General Meeting of Geberit AG
 Rapperswil-Jona

Report on the audit of the remuneration report

Opinion

We have audited the remuneration report of Geberit AG (the Company) for the year ended 31 December 2023. The audit was limited to the information pursuant to article 734a-734f CO in the sections 6 to 10 marked 'audited' of the remuneration report.

In our opinion, the information pursuant to article 734a-734f CO in the accompanying remuneration report complies with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the remuneration report' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables marked 'audited' in the remuneration report, the consolidated financial statements, the financial statements and our auditor's reports thereon.

Our opinion on the remuneration report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the remuneration report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the remuneration report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the remuneration report

The Board of Directors is responsible for the preparation of a remuneration report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a remuneration report that is free from material misstatement, whether due to fraud or error. It is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's responsibilities for the audit of the remuneration report

Our objectives are to obtain reasonable assurance about whether the information pursuant to article 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this remuneration report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the remuneration report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

PricewaterhouseCoopers AG



Thomas Illi
Licensed audit expert
Auditor in charge



Martin Knöpfel
Licensed audit expert

Zürich, 12 March 2024

Geberit Group

Financials

Financials

Consolidated Financial Statements Geberit Group

Consolidated Balance Sheet

	Note	31.12.2023 MCHF	31.12.2022 MCHF
Assets			
Current assets			
Cash and cash equivalents		356.8	205.7
Trade accounts receivable	→ 6	212.2	160.3
Other current assets and current financial assets	→ 7	104.6	122.4
Inventories	→ 8	353.2	393.9
Total current assets		1,026.8	882.3
Non-current assets			
Property, plant and equipment	→ 9	976.2	948.3
Deferred tax assets	→ 18	121.5	149.5
Other non-current assets and non-current financial assets	→ 10	91.9	39.5
Goodwill and intangible assets	→ 11	1,339.8	1,409.6
Total non-current assets		2,529.4	2,546.9
Total assets		3,556.2	3,429.2
Liabilities and equity			
Current liabilities			
Short-term debt	→ 12	145.3	169.3
Trade accounts payable		95.8	98.3
Tax liabilities		91.9	128.7
Other current liabilities	→ 13	373.6	334.2
Current provisions	→ 13	4.9	6.9
Total current liabilities		711.5	737.4
Non-current liabilities			
Long-term debt	→ 14/→ 15	1,176.1	860.3
Accrued pension obligations	→ 16	221.5	226.0
Deferred tax liabilities	→ 18	55.1	42.4
Other non-current liabilities	→ 19	29.8	21.7
Non-current provisions	→ 19	42.1	44.4
Total non-current liabilities		1,524.6	1,194.8
Equity			
Share capital	→ 21	3.5	3.6
Reserves	→ 21	2,104.7	2,175.8
Cumulative translation adjustments		-788.1	-682.4
Total equity		1,320.1	1,497.0
Total liabilities and equity		3,556.2	3,429.2

The accompanying → Notes are an integral part of the consolidated financial statements.

Consolidated Income Statement

1.1.–31.12.

	Note	2023 MCHF	2022 MCHF
Net sales	→ 28	3,083.9	3,391.9
Cost of materials		886.7	1,074.5
Personnel expenses		749.8	776.2
Depreciation	→ 9	132.7	128.2
Amortisation of intangible assets	→ 11	19.7	25.4
Other operating expenses, net	→ 23	526.5	632.6
Total operating expenses, net		2,315.4	2,636.9
Operating profit (EBIT)		768.5	755.0
Financial expenses	→ 24	-25.5	-12.1
Financial income	→ 24	7.2	3.9
Foreign exchange loss (-)/gain	→ 24	-8.4	-5.9
Financial result, net		-26.7	-14.1
Profit before income tax expenses		741.8	740.9
Income tax expenses	→ 25	124.8	34.6
Net income		617.0	706.3
EPS (CHF)	→ 22	18.39	20.48
EPS diluted (CHF)	→ 22	18.35	20.41

The accompanying → Notes are an integral part of the consolidated financial statements.

Consolidated Statement of Comprehensive Income and Changes in Equity

Consolidated Statement of Comprehensive Income

1.1.–31.12.

	Note	2023 MCHF	2022 MCHF
Net income according to the consolidated income statement		617.0	706.3
Cumulative translation adjustments		-105.7	-111.0
Income tax expenses		0.0	0.0
Cumulative translation adjustments, net of tax		-105.7	-111.0
Total other comprehensive income to be reclassified to the income statement in subsequent periods, net of tax		-105.7	-111.0
Remeasurements of pension plans	→ 16	36.6	7.4
Income tax expenses		-5.1	-7.8
Remeasurements of pension plans, net of tax		31.5	-0.4
Total other comprehensive income not to be reclassified to the income statement in subsequent periods, net of tax		31.5	-0.4
Total other comprehensive income, net of tax		-74.2	-111.4
Total comprehensive income		542.8	594.9

The accompanying → Notes are an integral part of the consolidated financial statements.

Consolidated Statement of Changes in Equity

	Share capital MCHF	Reserves MCHF	Treasury shares MCHF	Pension plans MCHF	Cum. translation adjustments MCHF	Total equity MCHF
Balance at 31.12.2021	3.6	3,069.3	-434.4	-79.4	-571.4	1,987.7
Net income		706.3				706.3
Other comprehensive income				-0.4	-111.0	-111.4
Distribution ¹		-433.1				-433.1
Share buyback programmes			-569.6			-569.6
Purchase (-)/sale of treasury shares		-1.2	-71.7			-72.9
Capital reduction						0.0
Management option plans		-10.0				-10.0
Balance at 31.12.2022	3.6	3,331.3	-1,075.7	-79.8	-682.4	1,497.0
Net income		617.0				617.0
Other comprehensive income				31.5	-105.7	-74.2
Distribution ¹		-423.7				-423.7
Share buyback programme			-238.1			-238.1
Purchase (-)/sale of treasury shares		-3.7	-65.2			-68.9
Capital reduction	-0.1	-423.3	423.4			0.0
Management option plans		11.0				11.0
Balance at 31.12.2023	3.5	3,108.6	-955.6	-48.3	-788.1	1,320.1

¹ The dividend (ex2022) was CHF 12.60 per share (PY: CHF 12.50).

The accompanying → Notes are an integral part of the consolidated financial statements.

Consolidated Statement of Cashflows

1.1.–31.12.

	Note	2023 MCHF	2022 MCHF
Cash provided by operating activities			
Net income		617.0	706.3
Depreciation and amortisation	→ 9/→ 11	152.4	153.6
Financial result, net	→ 24	26.7	14.1
Income tax expenses	→ 25	124.8	34.6
Changes in provisions		8.3	10.1
Other non-cash expenses and income		18.3	19.3
Operating cashflow before changes in net working capital and income taxes		947.5	938.0
Income taxes paid		-118.9	-119.1
Changes in trade accounts receivable		-66.3	2.7
Changes in inventories		19.7	-52.8
Changes in trade accounts payable		1.7	-15.4
Changes in other positions of net working capital		74.2	-17.4
Net cash from/used in (-) operating activities		857.9	736.0
Cash from/used in (-) investing activities			
Purchase of property, plant & equipment and intangible assets	→ 9/→ 11	-197.1	-155.1
Sale of property, plant & equipment and intangible assets		4.1	6.2
Interest received		4.6	2.3
Other, net		-2.2	-1.5
Net cash from/used in (-) investing activities		-190.6	-148.1
Cash from/used in (-) financing activities			
Proceeds from borrowings	→ 14/→ 15	804.1	950.2
Repayments of borrowings	→ 14/→ 15	-511.0	-706.0
Repayments of lease liabilities		-16.7	-17.3
Interest paid		-18.8	-4.8
Distribution		-423.7	-433.1
Share buyback programmes	→ 21	-241.4	-568.5
Purchase (-)/sale of treasury shares		-88.1	-98.9
Other, net		-4.1	-3.4
Net cash from/used in (-) financing activities		-499.7	-881.8
Effects of exchange rates on cash and cash equivalents		-16.5	-11.4
Net increase/decrease (-) in cash and cash equivalents		151.1	-305.3
Cash and cash equivalents at beginning of year		205.7	511.0
Cash and cash equivalents at end of year		356.8	205.7

For further cashflow figures see → Note 27

The accompanying → Notes are an integral part of the consolidated financial statements.

Notes to the Consolidated Financial Statements

1 Basic information

Geberit is an international group that focuses on the sanitary industry and, specifically, the areas of sanitary technology and bathroom ceramics. The Group's product range consists of the Installation and Flushing Systems, Piping Systems and Bathroom Systems product areas. Worldwide, the vast majority of its products are sold through the wholesale channel. Geberit sells its products in 120 countries. The Group is present in 53 countries with its own sales employees.

The consolidated financial statements include Geberit AG and all companies under its control ("the Group" or "Geberit"). The Group eliminates all intra-group transactions as part of the Group consolidation process. A company is consolidated for the first time or deconsolidated from the date on which the Group exercises or loses control over this company.

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards as published by the IASB (IFRS Accounting Standards).

The term "MCHF" in these consolidated financial statements refers to millions of Swiss francs, "MEUR" refers to millions of euros, "MGBP" refers to millions of British pounds sterling and "MUSD" refers to millions of US dollars. The term "shareholders" refers to the shareholders of Geberit AG.

Main sources of estimation uncertainty

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the balance sheet date, and the reported amounts of revenues and expenses during the reporting period. Actual results can differ from estimates. Estimates and assumptions are continually reviewed and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the prevailing circumstances.

Important estimates (with the related uncertainties) were primarily made in the following areas:

- Assumptions underlying impairment testing of goodwill items and intangible assets with an indefinite useful life (→ Note 11)
- Assumptions underlying the capitalisation of development costs (→ Note 26)
- Assumptions underlying the recognition of defined benefit pension plans (→ Note 16)
- Assumptions underlying the valuation of deferred tax assets and liabilities (→ Note 18)
- Assumptions underlying valuation of provisions (→ Note 13, → Note 19)

2 Changes in Group structure

No material changes in the Group structure took place in 2023 and 2022.

3 Summary of significant accounting policies

IFRS standards

New or revised IFRS standards and interpretations 2023 and their adoption by the Group

Standard/Interpretation	Enactment	Relevance for Geberit	Adoption
Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-current	1.1.2023	This amendment had no material impact on the consolidated financial statements.	1.1.2023
Amendments to IAS 1 Presentation of Financial Statements – Disclosure of Accounting Policies	1.1.2023	This amendment had no material impact on the consolidated financial statements.	1.1.2023
IFRS 17 – Insurance Contracts	1.1.2023	This amendment had no material impact on the consolidated financial statements.	1.1.2023
Amendments to IFRS 17 Insurance Contracts – Initial Application of IFRS 17 and IFRS 9 – Comparative Information	1.1.2023	This amendment had no material impact on the consolidated financial statements.	1.1.2023
Amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates	1.1.2023	This amendment had no material impact on the consolidated financial statements.	1.1.2023
Amendment to IAS 12 Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1.1.2023	This amendment had no material impact on the consolidated financial statements.	1.1.2023
Amendments to IAS 12 Income Taxes – International Tax Reform – Pillar Two Model Rules	1.1.2023	This amendment had no material impact on the consolidated financial statements.	1.1.2023

New or revised IFRS standards and interpretations as from 2024 and their adoption by the Group

Standard/Interpretation	Enactment	Relevance for Geberit	Adoption
Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-current	1.1.2024	This amendment will not have a material impact on the consolidated financial statements.	1.1.2024
Amendments to IAS 1 Presentation of Financial Statements – Non-current Liabilities with Covenants	1.1.2024	This amendment will not have a material impact on the consolidated financial statements.	1.1.2024
Amendments to IFRS 16 Leases – Lease Liability in a Sale and Leaseback	1.1.2024	This amendment will not have a material impact on the consolidated financial statements.	1.1.2024
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments Disclosures – Supplier Finance Arrangements	1.1.2024	This amendment will not have a material impact on the consolidated financial statements.	1.1.2024
Amendments to IAS 21 The Effects from Changes in Foreign Exchange Rates – Lack of Exchangeability	1.1.2025	This amendment will not have a material impact on the consolidated financial statements.	1.1.2025

Summary of material accounting and valuation rules

Foreign currency translation

The functional currencies of the Group's subsidiaries are generally the currencies of the local jurisdiction. Transactions denominated in foreign currencies are recorded at the rate of exchange prevailing at the dates of the transaction, or at a rate that approximates the actual rate at the date of the transaction. At the end of the accounting period, receivables and liabilities in foreign currency are valued at the rate of exchange prevailing at the consolidated balance sheet date, with resulting exchange rate differences charged to the income statement. Exchange rate differences related to loans that are part of the net investment in foreign entities are recorded in "→ Other comprehensive income" and disclosed as cumulative translation adjustments.

For the consolidation, assets and liabilities stated in functional currencies other than Swiss francs are translated at the rates of exchange prevailing at the consolidated balance sheet date. Income and expenses are translated at the average exchange rates (weighted net sales) for the period. Translation gains or losses are recorded in "→ Other comprehensive income" and disclosed as cumulative translation adjustments.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances with banks and short-term, highly liquid financial investments with maturities of three months or less at their acquisition date that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. The carrying amount of cash and cash equivalents approximates to their fair value due to the short-term maturities of these instruments.

Inventories

Inventories are stated at the lower of historical or manufacturing costs, or net realisable value. The manufacturing costs comprise all directly attributable costs of material and manufacture and other costs incurred in bringing the inventories to their present location and condition. Historical cost is determined using the cost of purchase method, while the manufacturing cost is determined using the standard cost formula. Purchased goods are measured according to the weighted average cost method. Net realisable value corresponds to the estimated selling price in the ordinary course of business less the estimated costs of completion and the selling costs. Allowances are made for obsolete and slow-moving inventories.

Property, plant and equipment

Property, plant and equipment are carried at historical or manufacturing costs less accumulated depreciation. Betterment that increases the useful lives of the assets, substantially improves the quality of the output, or enables a substantial reduction in operating costs is capitalised and depreciated over the remaining useful lives. Depreciation of property, plant and equipment is calculated using the straight-line method based on the following useful lives: buildings (15–50 years), production machinery and assembly lines (8–25 years), moulds (4–6 years), equipment and furnishings (4–25 years) and vehicles (5–10 years). Land is not regularly depreciated. Repair and maintenance related to investments in property, plant and equipment are charged to the income statement as incurred.

Borrowing costs of all material qualifying assets are capitalised during the construction phase in accordance with IAS 23. A qualifying asset is an asset for which an extensive period (generally more than a year) is required to transform it to its planned usable condition. If funds are specifically borrowed, the costs that can be capitalised are the actual costs incurred less any investment income earned on the temporary investment of these borrowings. If the borrowed funds are part of a general pool, the amount that can be capitalised must be determined by applying a capitalisation rate to the expenses related to this asset.

If there is any indication for impairment, the actual carrying amount of the asset is compared to its recoverable amount. If the carrying amount is higher than its estimated recoverable amount, the asset is impaired accordingly and the difference is charged to the income statement.

Goodwill and intangible assets

The Group records goodwill as the difference between the consideration transferred and the net assets of the company acquired, both measured at fair value. If the value of net assets is higher than the consideration transferred, this gain is credited immediately to the income statement.

Goodwill and intangibles such as patents, trademarks and software acquired from third parties are initially recorded and subsequently measured at cost. Goodwill, trademarks and other intangible assets with an indefinite useful life are not regularly amortised but tested for impairment on an annual basis. Impairments are recorded immediately as expenses in the consolidated income statement and, in the case of goodwill, not reversed in subsequent periods if reasons for an impairment no longer exist. The amortisation of intangible assets with a definite useful life is calculated using the straight-line method based on the following useful lives: patents and technology (4–10 years), trademarks (5–12 years), software (4–6 years) and capitalised development costs (6 years).

Intangible assets with an indefinite useful life and goodwill are tested for impairment at each reporting date, at least. In this process, the actual carrying amount of the asset is compared with the recoverable amount. If the carrying amount is higher than its estimated recoverable amount, the asset is impaired correspondingly. The Group records the difference between recoverable amount and carrying amount as an expense. The valuation is based on single assets or, if such valuation is not possible, on the level of the group of assets for which separately identifiable cashflows exist.

Leasing

Leases included within property, plant and equipment mainly comprise buildings and vehicles.

Leases are reported as a right-of-use asset, while a corresponding liability is recognised on the date on which the leased asset becomes available for use by the Group. IFRS 16 (Leases) envisages a single accounting model for the lessee. Geberit makes use of the option to refrain from accounting for leases that have a term of no more than 12 months as well as minor-value assets with a value of less than CHF 5,000. The expenses from these agreements are directly recognised in other operating expenses.

According to IFRS 16, the lessee capitalises the right-of-use asset and recognises all future lease payments from the lease as a financial liability. This sum corresponds to the present value of all future lease payments and potential other elements. The lessee defines the agreement term and the interest rate used to discount the payments. If this discount rate is specified in the leasing agreement, this is applied (implicit interest rate). If this is not the case, the incremental borrowing rate (IBR) is applied.

The term generally corresponds to the irrevocable lease term taking into account any termination, renewal and purchasing options, as long as their exercise is sufficiently certain. The leased asset is depreciated on the basis of the agreed term.

Provisions

The Group recognises provisions when it has a present legal or constructive obligation to transfer economic benefits as a result of past events, and when a reasonable estimate of the amount of the obligation can be made. The Group warrants its products against defects and accrues provisions for such warranties at the time of sale based on estimated claims. Actual warranty costs are charged against the accrued provisions when incurred.

Net sales

The Group focuses on sanitary technology and bathroom ceramics in the sanitary industry. The products are primarily sold through the wholesale channel. Net sales correspond to the amount of consideration to be expected from contracts with customers for the sale of products and do not include any amounts recovered on behalf of third parties.

Sales per transaction are recorded at a single point in time at which the customer obtains effective control over the products that have been delivered. This single point in time depends on the different terms of delivery.

Net sales include the invoiced amounts after deduction of rebates, cash discounts and customer bonuses. Customer bonuses are sales deductions linked to the achievement of predefined targets (e.g. level of sales).

Income tax expenses

The consolidated financial statements include current income taxes based on the taxable earnings of the Group companies and are calculated according to national tax rules. Uncertain tax positions are determined on the basis of the most likely amount method. Deferred taxes are recorded on temporary differences between the tax base of assets and liabilities and their carrying amount using the "liability method". Deferred taxes are calculated either using the current tax rate or the tax rate expected to be applicable in the period in which these differences will reverse. If the realisation of future tax savings related to tax loss carryforwards and other deferred tax assets is not or no longer probable, the deferred tax assets are impaired accordingly.

A liability for deferred taxes for non-refundable taxes at source and other earning distribution-related taxes is recognised only for subsidiaries for which available earnings are intended to be remitted and of which the parent company controls the dividend policy (→ [Note 18](#)).

Research and development cost (R&D)

The majority of the expenses are incurred in relation to basic research, product and product range management, customer software development and R&D support/overheads, and these are charged directly to the income statement. The residual expenses relate to development costs for new products. If these concern major development projects, they are reviewed at each balance sheet date to verify whether the capitalisation criteria of IAS 38.57 are fulfilled. In the case that all criteria are fulfilled, the expenses are capitalised and amortised over a period of six years (→ [Note 26](#)).

Retirement benefit plans

The Group manages different employee pension plans structured as both defined benefit and defined contribution plans. These pension funds are usually governed by the regulations of the countries in which the Group operates.

For defined benefit plans, the present value of the defined benefit obligation is calculated periodically by independent pension actuaries using the projected unit credit method on the basis of the service years and the expected salary and pension trends. Actuarial gains and losses are immediately recognised in other comprehensive income as "Remeasurements of pension plans". This item also includes the return on plan assets/reimbursement rights (excluding the interest based on the discount rate) and any effects of an asset ceiling adjustment. Reimbursements rights include reinsurance policies where the employer is the beneficiary. For defined benefit plans with an independent pension fund, the funded status of the pension fund is included in the consolidated balance sheet. Any surplus is capitalised in compliance with IAS 19.64 and IFRIC 14. The annual net periodic pension costs calculated for defined benefit plans are recognised in the income statement in the period in which they occur.

For defined contribution plans, the annual costs are calculated as a percentage of the pensionable salaries and are also charged to the income statement. Except for the contributions, the Group does not have any other future obligations.

Participation plans

Rebates granted to employees when buying Geberit shares under share purchase plans are charged to the income statement in the year the programmes are offered.

The fair value of the options allocated as part of the management long-term incentive and the management share purchase plan is determined at the grant date and charged on a straight-line basis to personnel expenses over the vesting period. The values are determined using the binomial model.

Earnings per share

The number of ordinary shares for the calculation of the earnings per share is determined on the basis of the weighted average of the issued ordinary shares less the weighted average number of the treasury shares. For the calculation of diluted earnings

per share, an adjusted number of shares is calculated as the sum of the total of the ordinary shares used to calculate the earnings per share and the potentially dilutive shares from option programmes. The dilution from option programmes is determined on the basis of the number of ordinary shares that could have been bought for the amount of the accumulated difference between the market price and exercise price of the options. The relevant market price used is the average Geberit share price for the financial year.

Financial instruments

Financial assets are initially recorded at fair value plus transaction costs and subsequently remeasured at amortised cost less allowances for expected credit losses ("ECL"). It is not necessary for a loss event to occur before an impairment loss is recognised. Impairment is determined based on expected credit losses, which is the present value of the cash shortfalls over the expected life of the financial assets. Geberit incorporates forward-looking information into its customer default rates, grouping receivables by customer sector, rating and geography, taking into account the existence of collateral, if any.

Debts are initially recorded at fair value, net of transaction costs, and subsequently measured at amortised cost according to the effective interest rate method. The Group classifies debts as non-current when, at the balance sheet date, it has the unconditional right to defer settlement for at least 12 months after the balance sheet date.

Derivatives are initially recorded at fair value and subsequently adjusted for fair value changes. The recognition of derivatives in the Group's balance sheet is based on internal valuations or on the valuation of the respective financial institution. See → [Note 15](#) for an allocation of the balance sheet items to the classification by categories.

Hedge accounting

Geberit purchases derivative financial instruments for the purpose of economically hedging specific commitments (see → [Note 4](#) and → [Note 15](#)).

4 Risk assessment and management

General

The Group runs a risk-management system approved by the Board of Directors.

The policy defines a structured process by which the business risks are systematically managed. In this process, risks are identified, analysed and evaluated concerning the likelihood of occurrence and magnitude, and risk-control measurements are determined. Each member of management is responsible for the implementation of the risk-management measures in his area of responsibility. The Board of Directors is periodically informed about the major changes in risk assessment and about risk-management actions taken. The permanent observation and control of the risks is a management objective. For risks concerning accounting and financial reporting, a special assessment is carried out as part of the risk control process. The Geberit internal control system for financial reporting defines in this regard control measures that reduce the related risks.

Financial risks are monitored by the treasury department of the Geberit Group, which acts in line with the directives of the treasury policy issued by the Group. Risk management focuses on recognising, analysing and hedging foreign exchange rate, interest rate, liquidity and counterparty risks, with the aim of limiting their effect on cashflow and net income. The Group measures the foreign exchange rate risks and interest rate risks with the cashflow-at-risk method.

Management of counterparty risks from treasury activities

Financial contracts are agreed only with third parties that have at least an A (S&P) or A2 (Moody's) rating or are considered as relevant to the financial system. Management believes that the risk of losses from the existing contracts is remote.

In general, liquid funds are invested for a period of less than three months. Part of the liquid funds may be invested in government bonds (maximum MCHF 70 per country and usually with terms of less than 12 months). The residual liquid funds are generally held at banks on a short-term basis. To avoid cluster risks, the value of an investment per third party may not exceed a certain limit that is determined on the basis of clearly defined creditworthiness criteria such as rating, system relevance and state guarantees (e.g. for Swiss cantonal banks). In addition, investments with the same counterparty may not exceed half of the Group's total deposits. The Group has not suffered any losses on such transactions to date.

Management of foreign exchange rate risk

The Group generates sales and costs in Switzerland and abroad in foreign currencies. Therefore, exchange rate changes have an impact on the consolidated results. To limit such risks, the concept of "natural hedging" is considered as the primary hedging strategy. Hereby, the foreign exchange rate risk of cash inflows in a certain currency is neutralised with cash outflows of the same currency. Therefore, currency fluctuations influence the profit margin of the Group only to a marginal extent; i.e. the Group is exposed to a relatively small transaction risk. However, the translation risk that results from the translation of profits generated abroad can still substantially influence the consolidated results depending on the financial position and the level of currency fluctuation, despite the effective "natural hedging". The Group does not hedge translation risks.

The currency risk over a period of 12 months is measured via the cashflow-at-risk (CfaR) method. By using statistical methods, the effect of probable changes in foreign exchange rates on the financial result of the Group is evaluated. As at 31 December

2023, the Group's CfaR amounted to MCHF 24.6 (PY: MCHF 31.2), hence there was a 95% likelihood that any loss resulting from currency risk would not exceed MCHF 24.6.

The following parameters have been used for the calculation of the cashflow-at-risk (CfaR):

Model	Method	Confidence level	Holding period
J. P. Morgan	Variance-covariance approach	95%	12 months

Management of interest rate risk

Basically, two types of interest rate risk exist:

- a) the fair market value risk for financial positions bearing fixed interest rates
- b) the interest rate risk for financial positions bearing variable interest rates

The fair market value risk does not have a direct impact on the cashflows and results of the Group. Therefore, it is not measured. The refinancing risk of positions with fixed interest rates is considered with the integration of financial positions bearing fixed interest rates with a maturity under 12 months in the measurement of the interest rate risk.

The interest rate risk is measured using the cashflow-at-risk (CfaR) method for the interest balance (including financial positions bearing fixed interest rates with a maturity under 12 months). By using statistical methods, the effect of probable interest rate changes on the cashflow of a financial position is evaluated.

The Group's risk is controlled with the key figure EBITDA/(financial result, net, for the coming 12 months + CfaR). Based on internal limits, it is decided whether any hedging measures have to be taken. The limit is reviewed annually and amounts to a minimum of 20 for the reporting period (PY: 20).

Interest rate risk as at 31 December:

	2023 MCHF	2022 MCHF
EBITDA ¹	920.9	908.6
Financial result, net + CfaR	19.3	16.6
EBITDA/(Financial result, net + CfaR)	48x	55x

¹ EBITDA = operating profit (EBIT) before depreciation and amortisation of intangible assets

Management of liquidity risk

Liquid funds, including the committed unused credit lines, must be available to cover future cash drains in due time amounting to a certain liquidity reserve. This liquidity reserve considers interest and amortisation payments, capital expenditures and investments in net working capital. At the balance sheet date, the liquid funds including the committed unused credit lines exceeded the defined liquidity reserve by MCHF 573.6 (PY: MCHF 206.5).

Management of credit risk

Major credit risks to the Group mainly result from the sale of its products (debtor risk). Products are sold throughout the world, but primarily within Europe. Ongoing evaluations of the customers' financial situation are performed and, generally, no further collateral is required. The Group records allowances for potential credit losses based on an expected credit loss (ECL) model in accordance with IFRS 9 (see → Note 6). Actual losses have not exceeded management's expectations in the past.

The maximum credit risk resulting from receivables and other financial assets basically corresponds to the net carrying amount of the assets. The balance of trade receivables at year-end is not representative because of the low sales volume in December. In 2023, the average balance of trade receivables is about 122% (PY: 171%) of the amount at year-end.

Summary

The Group uses several instruments and procedures to manage and control the different financial risks. These instruments are regularly reviewed to ensure that they meet the requirements of financial markets, changes in the Group organisation and regulatory obligations. Management is informed on a regular basis with key figures and reports about compliance with the defined limits. At the balance sheet date, the relevant risks, controlled with statistical and other methods, and the corresponding key figures are as follows:

Type of risk	Key figure	2023	2022
Foreign exchange rate risk	Cashflow-at-Risk (CfaR)	MCHF 24.6	MCHF 31.2
Interest rate risk	EBITDA/(financial result, net + CfaR)	48x	55x
Liquidity risk	(Deficit)/excess of liquidity reserve	MCHF 573.6	MCHF 206.5

Hyperinflation in Turkey

Turkey has experienced a significant increase in the rate of inflation and interventions in the currency market. It is currently classified as a hyperinflationary economy according to IAS 29. No restatements have been made due to the low materiality of the Turkish sales company.

Ukraine

The war in Ukraine is leading to a high degree of uncertainty regarding local operations from Geberit. Geberit's first priority is the safety of its employees and their families. The ceramics plant in Slavuta in western Ukraine is running close to its pre-war capacity. The power supply is currently stable.

Russia

As a result of the war in Ukraine, sales activities in Russia were discontinued on 25 March 2022 and only a small service company was maintained.

5 Management of capital

The objectives of the Group regarding the management of the capital structure are as follows:

- ensure sufficient liquidity to cover all liabilities
- ensure an attractive return on equity (ROE) and return on invested capital (ROIC)
- ensure a sufficient debt capacity and credit rating
- ensure an attractive distribution policy

To maintain or change the capital structure, the following measures can be taken:

- adjustment of the distribution policy
- share buyback programmes
- capital increases
- raise or repay debt

Further measures to guarantee an efficient use of the invested capital and therefore also to achieve attractive returns are:

- active management of net working capital
- demanding objectives regarding the profitability of investments
- clearly structured innovation process

The invested capital is composed of net working capital, property, plant and equipment, goodwill, and intangible assets.

The periodic calculation and reporting of the following key figures to the management ensures that the necessary measures in connection with the capital structure can be taken in a timely manner.

The relevant values as at 31 December are outlined below:

	2023 MCHF	2022 MCHF
Gearing		
Debt (short and long-term)	1,321.4	1,029.6
Cash and cash equivalents	356.8	205.7
Net debt	964.6	823.9
Equity	1,320.1	1,497.0
Net debt/equity	73.1%	55.0%
Return on equity (ROE)		
Equity (rolling) ¹	1,382.7	1,653.5
Net income	617.0	706.3
ROE	44.6%	42.7%
Return on invested capital (ROIC)²		
Invested capital (rolling)	2,724.2	2,715.1
Net operating profit after taxes (NOPAT)	643.7	720.4
ROIC	23.6%	26.5%

¹ Rolling equity equals the average of the last 4 quarters.

² ROIC = Return on invested capital (Net operating profit after taxes/invested capital). Net operating profit after taxes = EBIT less income taxes. Invested capital = Net working capital + PPE + Goodwill and intangible assets. Invested capital corresponds to the rolling average of the underlying balance sheet items over the last 4 quarters.

6 Trade accounts receivable

	2023 MCHF	2022 MCHF
Trade accounts receivable	225.3	173.7
Allowances	-13.1	-13.4
Total trade accounts receivable	212.2	160.3

	2023 MCHF	2022 MCHF
Total trade accounts receivable by currency		
EUR	85.5	37.5
GBP	20.0	18.7
SEK	15.4	15.8
USD	17.7	15.6
CNY	10.3	13.0
DKK	12.4	12.5
NOK	11.7	11.0
CHF	9.7	9.7
INR	8.0	6.6
UAH	3.4	3.5
PLN	3.0	3.2
Other	15.1	13.2
Total trade accounts receivable	212.2	160.3

The following table shows the movements of allowances for trade accounts receivable:

	2023 MCHF	2022 MCHF
Allowances for trade accounts receivable		
1 January	13.4	9.4
Additions	4.2	6.1
Used	-1.2	-0.6
Reversed	-2.4	-0.8
Translation differences	-0.9	-0.7
31 December	13.1	13.4

As at 31 December, allowances for trade accounts receivable included individual allowances of MCHF 5.5 (PY: MCHF 4.1) and allowances for expected credit losses (ECL) of MCHF 7.6 (PY: MCHF 9.3).

	2023 MCHF	2022 MCHF
Maturity analysis of trade accounts receivable		
Not due	180.7	130.4
Past due < 30 days	30.8	32.8
Past due < 60 days	4.5	4.3
Past due < 90 days	2.6	1.2
Past due < 120 days	1.4	1.0
Past due > 120 days	5.3	4.0
Allowances	-13.1	-13.4
Total trade accounts receivable	212.2	160.3

The agreed standard payment terms range from 30 to 120 days.

7 Other current assets and current financial assets

	2023 MCHF	2022 MCHF
Value added tax receivables	60.2	78.9
Income tax refunds receivable	12.8	12.3
Short-term derivative financial instruments (see → Note 15)	0.2	0.2
Prepaid expenses	15.0	14.2
Receivables from governments	2.5	3.0
Other current assets	13.9	13.8
Total other current assets and current financial assets	104.6	122.4

8 Inventories

	2023 MCHF	2022 MCHF
Raw materials, supplies and other inventories	116.8	143.9
Work in progress	56.1	64.2
Finished goods	146.0	144.1
Merchandise	34.1	41.5
Prepayments to suppliers	0.2	0.2
Total inventories	353.2	393.9

As at 31 December 2023, inventories included allowances for slow-moving and obsolete items of MCHF 66.4 (PY: MCHF 56.8). The allowances increased by MCHF 9.6 in 2023 (PY: MCHF +7.0).

9 Property, plant and equipment

The following statement of changes in assets includes the Group's own as well as leased property, plant and equipment:

	Total MCHF	Land and buildings MCHF	Machinery and equipment MCHF	Office equipment MCHF	Assets under constr./advance payments MCHF
2023					
Cost at beginning of year	2,455.9	748.2	1,530.5	58.4	118.8
Changes in scope of consolidation	-0.6	-0.3	-0.3		
Additions	201.8	10.2	52.0	6.4	133.2
Disposals	-59.9	-6.7	-47.8	-5.4	
Transfers	0.0	4.6	49.7	1.1	-55.4
Translation differences	-95.1	-26.7	-57.1	-3.8	-7.5
Cost at end of year	2,502.1	729.3	1,527.0	56.7	189.1
Accumulated depreciation at beginning of year	1,507.6	391.3	1,081.6	34.7	0.0
Changes in scope of consolidation	-0.6	-0.3	-0.3		
Depreciation	127.9	29.6	89.1	9.2	
Impairment loss	4.8		4.8		
Disposals	-58.6	-5.7	-47.5	-5.4	
Translation differences	-55.2	-12.9	-39.6	-2.7	
Accumulated depreciation at end of year	1,525.9	402.0	1,088.1	35.8	0.0
Carrying amounts at end of year	976.2	327.3	438.9	20.9	189.1
2022					
Cost at beginning of year	2,458.1	765.9	1,514.2	59.5	118.5
Additions	168.5	19.8	57.3	7.5	83.9
Disposals	-59.5	-12.9	-41.1	-5.5	
Transfers	0.0	8.3	68.5	1.2	-78.0
Translation differences	-111.2	-32.9	-68.4	-4.3	-5.6
Cost at end of year	2,455.9	748.2	1,530.5	58.4	118.8
Accumulated depreciation at beginning of year	1,502.2	385.9	1,082.5	33.8	0.0
Depreciation	128.2	29.8	88.8	9.6	
Disposals	-57.2	-10.6	-41.1	-5.5	
Transfers	0.0				
Translation differences	-65.6	-13.8	-48.6	-3.2	
Accumulated depreciation at end of year	1,507.6	391.3	1,081.6	34.7	0.0
Carrying amounts at end of year	948.3	356.9	448.9	23.7	118.8

As at 31 December 2023, there were no qualifying assets for which borrowing costs were capitalised during the construction phase. As at 31 December 2023, the Group had entered into firm commitments for capital expenditures of MCHF 36.4 (PY: MCHF 56.4).

The following table breaks down the carrying amount of property, plant and equipment by items that are owned by the Group and items that are leased:

	2023 MCHF	2022 MCHF
Property, plant and equipment owned	924.4	887.4
Right-of-use of property, plant and equipment	51.8	60.9
Carrying amounts at end of year	976.2	948.3

Right-of-use of property, plant and equipment

	Total MCHF	Land and buildings MCHF	Machinery and equipment MCHF	Office equipment MCHF
2023				
Carrying amounts at beginning of year	60.9	53.8	6.4	0.7
Additions	11.1	6.9	4.2	
Depreciation	-16.4	-12.3	-3.8	-0.3
Translation differences	-3.8	-3.2	-0.6	
Carrying amounts at end of year	51.8	45.2	6.2	0.4

	Total MCHF	Land and buildings MCHF	Machinery and equipment MCHF	Office equipment MCHF
2022				
Carrying amounts at beginning of year	62.9	55.1	6.8	1.0
Additions	18.3	14.4	3.8	0.1
Depreciation	-16.0	-12.0	-3.6	-0.4
Translation differences	-4.3	-3.7	-0.6	0.0
Carrying amounts at end of year	60.9	53.8	6.4	0.7

10 Other non-current assets and non-current financial assets

	2023 MCHF	2022 MCHF
Reinsurance policies for pension obligations (see → Note 16)	27.7	27.4
Assets from defined benefit plans (see → Note 16)	52.9	4.3
Deposits	4.0	4.0
Capitalised financing costs	1.2	0.0
Other	6.1	3.8
Total other non-current assets and non-current financial assets	91.9	39.5

11 Goodwill and intangible assets

	Total MCHF	Goodwill MCHF	Trademarks MCHF	Capitalised product development costs MCHF	Other intangible assets ¹ MCHF
2023					
Cost at beginning of year	1,935.4	1,347.6	364.0	42.3	181.5
Additions	6.4			4.6	1.8
Disposals	-0.6				-0.6
Translation differences	-62.9	-60.7	-1.6		-0.6
Cost at end of year	1,878.3	1,286.9	362.4	46.9	182.1
Accumulated amortisation at beginning of year	525.8	202.5	128.7	30.9	163.7
Amortisation	19.7		11.1	3.5	5.1
Disposals	-0.6				-0.6
Translation differences	-6.4	-5.7	-0.1		-0.6
Accumulated amortisation at end of year	538.5	196.8	139.7	34.4	167.6
Carrying amounts at end of year	1,339.8	1,090.1	222.7	12.5	14.5
2022					
Cost at beginning of year	2,000.0	1,408.1	372.0	40.2	179.7
Additions	4.9			2.1	2.8
Disposals	-0.4				-0.4
Translation differences	-69.1	-60.5	-8.0		-0.6
Cost at end of year	1,935.4	1,347.6	364.0	42.3	181.5
Accumulated amortisation at beginning of year	506.6	207.8	113.7	26.3	158.8
Amortisation	21.0		10.7	4.6	5.7
Impairment loss	4.4		4.4		
Disposals	-0.4				-0.4
Translation differences	-5.8	-5.3	-0.1		-0.4
Accumulated amortisation at end of year	525.8	202.5	128.7	30.9	163.7
Carrying amounts at end of year	1,409.6	1,145.1	235.3	11.4	17.8

¹ Other intangible assets: mainly software and patents/technology

Goodwill and intangible assets from acquisitions with an indefinite useful life are tested for impairment on an annual basis. The following table lists the carrying amounts and parameters of the items that are material for the Group.

	Carrying amount 31.12.2023 MCHF	Carrying amount 31.12.2022 MCHF	Calculation of recoverable amount (PY numbers in brackets)			
			Value in use (U) or fair value less cost to sell (F)	Growth rate beyond planning period %	Discount rate pretax %	Discount rate posttax %
Goodwill	1,090.1	1,145.1	U	2.0 (2.0)	9.3 (9.5)	7.8 (8.0)
Geberit trademark (indefinite useful life)	84.6	84.6	U	2.0 (2.0)	9.1 (9.3)	7.8 (8.0)
Various trademarks (indefinite useful life)	63.0	64.8	U	2.0 (2.0)	8.2–8.3 (7.8–8.5)	8.0 (7.6–8.2)
Various trademarks (definite useful life)	75.1	85.9				

Goodwill

The discounted cashflow method is applied to test the goodwill for impairment. The Group bases the impairment test on the results from the current business plan (four-year period) and the assumptions in this plan regarding price, market and market share developments. Growth rates after the end of the planning period are based on Euroconstruct forecasts and the Group's own assumptions drawn from past experience regarding price and market share trends. A discount rate based on the Group's weighted cost of capital is used to calculate the discounted future cashflows. Management regards the discount rate, growth

rates and development of the operating margin as the key factors in calculating the recoverable amount. The annual impairment test did not produce any evidence of impairment.

Trademarks

The Geberit brand is an integral part of the Geberit business model and is assumed to have an indefinite useful life. Impairment is tested using the "relief from royalty" method. Impairment is tested against the Group's estimated net sales attributable to the trademark according to the current business plan (four-year period). Growth rates after the end of the planning period are based on Euroconstruct forecasts and the Group's own assumptions drawn from past experience regarding price and market share trends. A discount rate based on the Group's weighted cost of capital is used to discount future cashflows. The annual impairment test did not produce any evidence of impairment.

The item "Various trademarks (indefinite useful life)" includes the trademarks Ifö and IDO in 2023 and these trademarks are assumed to have an indefinite useful life. The "relief from royalty" method is used as well to test these trademarks and the test is based on the current business plan and the growth rates are defined in the same way as for the Geberit brand. Discounted future cashflows are calculated using discount rates based on the Group's weighted cost of capital taking into account country- and currency-specific risks. The annual impairment test did not produce any evidence of impairment (PY: An impairment of MCHF 4.4 for one brand was recognised and it was mainly due to an increased discount rate).

The item "Various trademarks (definite useful life)" includes the trademarks Keramag, Allia, Sphinx, Twyford and Kolo in 2023. These trademarks were integrated within the Geberit brand in the last years. For this reason, they are assumed to have a definite useful life. This means that each individual trademark is amortised over its remaining useful life. Total annual amortisation recognised on these trademarks amounts to MCHF 11.1 (PY: MCHF 10.7).

Sensitivity analysis

The sensitivity analysis shows that changes to the key assumptions (discount rate +1.0 percentage point or growth rate -1.0 percentage point or operating margin -1.0 percentage point) that are realistically possible from today's perspective would not result in an impairment of goodwill. However, in the case of two trademarks, this would lead to an impairment loss in total of between MCHF 2–3.5.

12 Short-term debt

	2023 MCHF	2022 MCHF
Other short-term debt	6.7	6.2
Short-term portion of long-term lease liabilities	13.7	13.1
Short-term portion of long-term debt (incl. CHF bond)	124.9	150.0
Total short-term debt	145.3	169.3

Short-term credit lines

The Group maintains credit lines of MCHF 225.3 (PY: MCHF 221.5) from various lenders, which can be cancelled at short notice. The use of these credit lines is always short-term in nature and, accordingly, any amounts drawn are included in short-term debt. As at 31 December 2023 and 2022, the Group did not have any outstanding drawings on the above-mentioned credit lines.

Other short-term debt

As at 31 December 2023, the Group had MCHF 6.7 in other short-term debt (PY: MCHF 6.2). This debt incurred an effective interest rate of 5.7% (PY: 5.7%).

Currency mix

Of the total short-term debt outstanding as at 31 December 2023, MCHF 12.3 was denominated in EUR (PY: MCHF 11.7) and MCHF 125.8 in CHF (PY: MCHF 151.0).

13 Other current liabilities and provisions

	2023 MCHF	2022 MCHF
Compensation-related liabilities	91.2	88.9
Customer-related liabilities	201.6	165.9
Value added tax payables	25.8	24.4
Short-term interest payables	7.7	4.7
Other current liabilities	47.3	50.3
Total other current liabilities	373.6	334.2

The outstanding customer bonuses are offset against the outstanding trade accounts receivable (→ Note 6). If the balance of outstanding trade receivables as at 31 December is smaller than the outstanding customer bonuses, these are reported under "Customer-related liabilities". The position "Other current liabilities" mainly includes accruals for services and deliveries received, but not yet invoiced.

	2023 MCHF	2022 MCHF
Other current provisions	3.8	4.5
Provisions for restructuring	1.1	2.4
Total current provisions	4.9	6.9

The movements of other current provisions for 2023 and 2022 are shown in the following table:

	2023 MCHF	2022 MCHF
Other current provisions		
1 January	4.5	5.4
Additions	2.5	3.4
Used	-2.7	-3.5
Reversed	-0.3	-0.5
Translation differences	-0.2	-0.3
31 December	3.8	4.5

The movements of provisions for restructuring for 2023 and 2022 are shown in the following table:

	2023 MCHF	2022 MCHF
Provisions for restructuring		
1 January	2.4	2.9
Additions	0.0	0.9
Transfers	0.0	0.1
Used	-1.0	-0.7
Reversed	-0.3	-0.7
Translation differences	0.0	-0.1
31 December	1.1	2.4

The use in 2023 mainly comprised cost for a social plan in connection with the reduction of employees in the Russian sales company.

14 Long-term debt

	2023 MCHF	2022 MCHF
Bonds	1,247.5	948.1
Credit facility	0.0	0.0
Lease liabilities	52.7	61.9
Other long-term debt	14.5	13.4
Total long-term debt before reclassification	1,314.7	1,023.4
Short-term portion of long-term debt	-138.6	-163.1
Total long-term debt	1,176.1	860.3

Bonds

	Maturity date	Interest rate in %	Principal MCHF	Fair value 31.12.2023 MCHF	Fair value 31.12.2022 MCHF
5.5yr CHF	17.10.2024	0.10	125.0	123.5	121.4
2.5yr CHF	26.09.2025	2.25	225.0	227.6	0.0
4.0yr CHF	14.09.2026	1.50	200.0	200.7	198.8
5.5yr CHF	29.09.2027	0.75	150.0	146.8	140.8
9.5yr CHF	17.10.2028	0.60	125.0	120.7	114.7
7.0yr CHF	14.09.2029	1.75	200.0	205.2	194.1
9.5yr CHF	27.09.2032	2.30	225.0	238.5	0.0
Total bonds				1,263.0	769.8

Revolving credit facility

The firmly committed credit line, which had been available to the Group since November 2017, was renewed in November 2023. Like its predecessor, the new credit line amounts to MCHF 500 and has also a term of five years (due in 2028) as well as it has again two extension options of one additional year each. In contrast to the previous credit line, the margin is no longer fixed, but based on the Group's external credit rating. The interest rate continues to be variable and is based on the SARON (for drawdowns in CHF), respectively Euribor (for drawdowns in EUR) plus the applicable margin. An additional fee is charged if this credit line is drawn down. The credit facility had not been drawn down by the end of 2023. A commitment fee – recorded as financial expenses – was charged in respect of the undrawn portion.

The credit facility of MCHF 500 is secured by a guarantee issued by Geberit AG. The credit facility contains conditions typical for syndicated financing.

Other long-term debt

As at 31 December 2023, the Group had MCHF 14.5 of other long-term debt (PY: MCHF 13.4). This debt incurred an effective interest rate of 5.9% (PY: 5.9%).

Currency mix

Of the total long-term debt outstanding as at 31 December 2023, MCHF 37.6 was denominated in EUR (PY: MCHF 40.9) and MCHF 1,124.1 in CHF (PY: MCHF 799.6).

15 Financial instruments

Derivative financial instruments

Where required, the Group hedges foreign currency exchange rate and interest rate risks using derivative financial instruments in accordance with the treasury policy. This policy and the corresponding accounting policies for the Group's derivative financial instruments are disclosed in → Note 3 and → Note 4. As at 31 December 2023 and 2022, the following derivative financial instruments were outstanding:

Forward foreign exchange contracts

	Contract values									Fair value 31.12. MCHF	Calculation method
	MCZK	MSEK	MDKK	MPLN	MNOK	MGBP	MHUF	MUSD	MRON		
2023											
Foreign exchange contracts	-28.0	-46.0	-15.0	0.0	-18.0	-2.8	-300.0	-3.2	-3.0	0.2	Mark-to-Market
2022											
Foreign exchange contracts	-14.0	-47.0	-15.6	-55.0	-12.0	-1.8	-170.0	-4.5	-2.2	0.2	Mark-to-Market

The change in fair value of the instruments is booked in financial result, net.

Hedge accounting

No hedge accounting was applied in 2023 or 2022.

Measurement of financial instruments by categories in accordance with IFRS 9

Based on the relevant balance sheet item of financial instruments, the following table shows an allocation of the balance sheet items to the classification by categories in accordance with IFRS 9. In addition, a fair value measurement hierarchy was introduced for assets and liabilities that are measured at fair value in accordance with IFRS 13. Level 1 contains all financial instruments with quoted prices in active markets. Level 2 contains all financial instruments with inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. Level 3 contains all financial instruments with inputs for determining the assets and liabilities that are not based on observable market data.

	Carrying amount 31.12.2023 MCHF	Financial assets at amortised cost MCHF	Financial assets at fair value through profit and loss MCHF	Fair value measurement hierarchy
Financial assets				
Cash and cash equivalents	356.8	356.8	0.0	
Trade accounts receivable	212.2	212.2	0.0	
Other current assets (see → Note 7)	104.4	104.4	0.0	
Other non-current assets	9.9	9.8	0.1	Level 2
Derivative financial instruments (see → Note 7)	0.2	0.0	0.2	Level 2
Total	683.5	683.2	0.3	

	Carrying amount 31.12.2023 MCHF	Financial liabilities at amortised cost MCHF	Financial liabilities at fair value through profit and loss MCHF	Fair value measurement hierarchy
Financial liabilities				
Short-term debt (incl. bond)	145.3	145.3	0.0	
Trade accounts payable	95.8	95.8	0.0	
Bonds	1,122.6	1,122.6	0.0	
Credit facility	0.0	0.0	0.0	
Long-term lease liabilities	39.0	39.0	0.0	
Other long-term debt	14.5	14.5	0.0	
Derivative financial instruments	0.0	0.0	0.0	Level 2
Total	1,417.2	1,417.2	0.0	

	Carrying amount 31.12.2022 MCHF	Financial assets at amortised cost MCHF	Financial assets at fair value through profit and loss MCHF	Fair value measurement hierarchy
Financial assets				
Cash and cash equivalents	205.7	205.7	0.0	
Trade accounts receivable	160.3	160.3	0.0	
Other current assets (see → Note 7)	122.2	122.2	0.0	
Other non-current assets	6.5	6.3	0.2	Level 2
Derivative financial instruments (see → Note 7)	0.2	0.0	0.2	Level 2
Total	494.9	494.5	0.4	

	Carrying amount 31.12.2022 MCHF	Financial liabilities at amortised cost MCHF	Financial liabilities at fair value through profit and loss MCHF	Fair value measurement hierarchy
Financial liabilities				
Short-term debt (incl. bond)	169.3	169.3	0.0	
Trade accounts payable	98.3	98.3	0.0	
Bonds	798.1	798.1	0.0	
Credit facility	0.0	0.0	0.0	
Long-term lease liabilities	48.8	48.8	0.0	
Other long-term debt	13.4	13.4	0.0	
Derivative financial instruments	0.0	0.0	0.0	Level 2
Total	1,127.9	1,127.9	0.0	

Fair value measurement hierarchy:

Level 1: quoted prices in active markets for identical assets

Level 2: observable prices, either directly or indirectly

Level 3: input factors that are not based on observable market data

Maturity analysis of financial instruments

The following table shows the carrying amount of all contractually defined future (not discounted) interest and amortisation payments (=cash outflows) of derivative and non-derivative financial instruments as at the balance sheet date:

	Carrying amount	Maturity				
	31.12.2023 MCHF	2024 MCHF	2025 MCHF	2026 MCHF	2027 MCHF	2028 and later MCHF
Short-term debt (incl. bond)	145.3	146.2	0.0	0.0	0.0	0.0
Trade accounts payable	95.8	95.8	0.0	0.0	0.0	0.0
Bonds	1,122.6	18.6	243.6	213.6	160.6	583.6
Credit facility	0.0	0.0	0.0	0.0	0.0	0.0
Long-term lease liabilities	39.0	1.1	12.1	7.7	7.3	15.6
Other long-term debt	14.5	0.9	4.9	4.0	3.2	4.5
Total non-derivative financial liabilities	1,417.2	262.6	260.6	225.3	171.1	603.7
Derivative financial assets/liabilities, net	-0.2	15.3	0.0	0.0	0.0	0.0
Total derivative financial instruments	-0.2	15.3	0.0	0.0	0.0	0.0
Total	1,417.0	277.9	260.6	225.3	171.1	603.7

	Carrying amount	Maturity				
	31.12.2022	2023	2024	2025	2026	2027 and later
	MCHF	MCHF	MCHF	MCHF	MCHF	MCHF
Short-term debt (incl. bond)	169.3	170.5	0.0	0.0	0.0	0.0
Trade accounts payable	98.3	98.3	0.0	0.0	0.0	0.0
Bonds	798.1	8.5	133.5	8.4	208.4	488.1
Credit facility	0.0	0.0	0.0	0.0	0.0	0.0
Long-term lease liabilities	48.8	1.1	11.9	13.8	5.8	21.7
Other long-term debt	13.4	0.8	5.0	3.9	2.9	3.5
Total non-derivative financial liabilities	1,127.9	279.2	150.4	26.1	217.1	513.3
Derivative financial assets/liabilities, net	-0.2	26.4	0.0	0.0	0.0	0.0
Total derivative financial instruments	-0.2	26.4	0.0	0.0	0.0	0.0
Total	1,127.7	305.6	150.4	26.1	217.1	513.3

Additional information to the cashflow statement

The following table shows the reconciliation of the items for which cashflows were or in the future will be generated and that are reported as net cash from financing activities in the consolidated statement of cashflows:

	2023	Cashflows	Non-cash movements		2022
	Total		Translation differences	Others	Total
	MCHF	MCHF	MCHF	MCHF	MCHF
Long-term debt (excl. leases)	1,137.1	443.9	-0.8	-117.5	811.5
Short-term debt (excl. leases)	131.6	-150.8	-0.3	126.5	156.2
Lease liabilities (incl. payables and prepayments)	52.1	-16.7	-3.9	11.1	61.6
Interest liabilities	7.7	-18.8	0.0	21.8	4.7
Total	1,328.5	257.6	-5.0	41.9	1,034.0

In 2023, the position "Others" of lease liabilities contained the non-cash addition of new lease contracts. The position "Others" of short- and long-term debt (excl. leases) mainly contained the reclassification of the short-term portion of the CHF bond.

	2022	Cashflows	Non-cash movements		2021
	Total		Translation differences	Others	Total
	MCHF	MCHF	MCHF	MCHF	MCHF
Long-term debt (excl. leases)	811.5	544.5	-0.7	-145.4	413.1
Short-term debt (excl. leases)	156.2	-300.3	-0.3	151.3	305.5
Lease liabilities (incl. payables and prepayments)	61.6	-17.3	-4.4	18.2	65.1
Interest liabilities	4.7	-4.8	0.0	8.5	1.0
Total	1,034.0	222.1	-5.4	32.6	784.7

In 2022, the position "Others" of lease liabilities contained the non-cash addition of new lease contracts. The position "Others" of short- and long-term debt (excl. leases) mainly contained the reclassification of the short-term portion of the CHF bond.

16 Retirement benefit plans

The Group manages defined benefit plans for its employees in various countries. The most relevant defined benefit plans exist in Switzerland and in Germany and account together for 94% (PY: 93%) of the total benefit obligations.

The following table provides an overview of the current status of the benefit obligations, plan assets and reimbursement rights of reinsurance policies.

	2023 MCHF	2022 MCHF
Switzerland		
Benefit obligation (for funded retirement benefit plans)	609.4	527.6
Plan assets at fair value	661.8	633.0
Funded status	52.4	105.4
Germany		
Benefit obligation (for unfunded retirement benefit plans)	196.6	199.0
Plan assets at fair value	0.0	0.0
Funded status	-196.6	-199.0
Reimbursement rights	20.8	20.0
Other plans		
Benefit obligation (for funded retirement benefit plans)	25.5	25.9
Benefit obligation (for unfunded retirement benefit plans)	24.4	26.7
Plan assets at fair value	25.5	26.9
Funded status	-24.4	-25.7
Reimbursement rights	6.9	7.4
Total		
Benefit obligation (for all retirement benefit plans)	855.9	779.2
Plan assets at fair value	687.3	659.9
Funded status	-168.6	-119.3
Reimbursement rights	27.7	27.4

Swiss retirement benefit plan

The Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG) governs occupational benefits in Switzerland. An employer with employees who must be insured is obliged to set up an independent pension fund entered in the register for occupational pension providers or affiliate with such a pension fund. The "Gemeinschaftsstiftung" of the Geberit Group is a foundation legally independent from the Geberit Group that insures all Geberit employees in Switzerland for compulsory and non-compulsory benefits. The Board of Trustees manages the Foundation and consists of employer and employee representatives in a parity ratio. The tasks of the Board of Trustees are set out in the BVG and the regulations based on the BVG adopted by the Board of Trustees.

The benefits provided by the pension plan exceed the minimum prescribed by law. They are funded by the employer and employee contributions, plus the interest paid on the savings assets of the insured party at an interest rate defined annually by the Board of Trustees in accordance with the legal provisions. If an insured party leaves the Geberit Group and/or the pension plan before reaching retirement age, the vested benefits accrued under the BVG are transferred to the new pension fund of the insured party. In addition to the funds brought into the pension plan by the insured party, these vested benefits consist of the employer and employee contributions, plus a supplement prescribed by law. The pension benefits comprise lifelong retirement pensions, disability benefits and death benefits for the surviving dependents. On retirement, a maximum of 50% of the retirement assets can be withdrawn in the form of a lump sum (as from 1 January 2024: maximum of 100%). The employer and employees pay an equal contribution to the pension fund, which is settled monthly (from the first of January 2024, the employer is paying 60% and the employees 40% of the savings and risk contributions). The contribution amount is determined by the employee's age and is calculated as a percentage of the pensionable salary.

If the pension fund is underfunded in accordance with the BVG, the Board of Trustees is obliged by law to initiate measures to rectify the situation, such as reducing the interest paid on retirement assets, reducing the benefit entitlement, or collecting remedial contributions. Legally accrued benefits may not be reduced. With remedial contributions, the risk is shared between the employer and employees and the employer is not legally obliged to pay more than 50% of the additional contributions. The technical funding ratio of this Foundation in accordance with the BVG was 118.3% as at 31 December 2023 (PY: 112.6%).

If a pension fund is overfunded as defined in IAS 19, the surplus funds are available to the company only to a very limited extent. The economic benefit for Geberit lies in future reductions in contributions and is calculated in accordance with IFRIC 14.

The Board of Trustees is responsible for deciding on a strategy for investment of the plan assets. The objective is to achieve medium-term and long-term congruence and sustainability between the plan assets and the pension obligations under the BVG. Taking into account the foundation's risk capacity, the investment strategy is defined as a targeted long-term investment structure.

German retirement benefit plans

In Germany, there are capital account plans and annuity plans. The annuity plans are closed-end funds.

Capital account plans

The benefit plans and guidelines for payout are agreed in labour-management contracts. The employer can change the conditions by applying provisos. There can be special commitments based on the labour-management contracts or individual agreements, sometimes with annuity options. There is no minimum financing obligation.

Every year, a pension contribution is determined as a percentage of the pensionable salary or the employees can choose an amount of deferred compensation with or without employer contributions. This then serves as the age-dependent component on which a pension is accrued. The pension components accrued during the years of active service, including any resulting promises of fixed bonus payments and the initial credit from the transitional arrangement, are paid out in the form of a one-off lump sum or in instalments. Annuitisation is possible with the consent of the employer. The pension is not dependent on the employee's final salary.

The employer manages the retirement accounts, informs the employees of the balance of their retirement assets, manages the claims and makes payments, sometimes involving the services of external service providers. When paying a lifelong pension, the employer must monitor the statutory and contractual obligations to adjust the pension and makes adjustments when necessary.

If a lump-sum benefit is annuitised, the lifelong payment of the pension and possible subsequent widow's or widower's pension can trigger a longevity risk. Thanks to the contractual adjustment rules applying to annuitisation, the statutory obligation to make (and review) adjustments is not currently seen to harbour any inflation risk.

The deferred compensation with/without employer contributions and possible demographic contributions retained by the employer are paid into reinsurance policies where the employer is the beneficiary. This partly covers the pension obligations.

With the aim of further harmonising the company pension scheme of the German companies, a new pension plan came into force in 2022, which will completely replace the existing capital account plans on expiry of the contribution period of several years of the capital account plans explained above. Beneficiaries of the new pension plan were exclusively employees who began their employment with Geberit in the year it was launched, existing non-pay-scale employees of the ceramic companies who were not included in the previous employer-financed pension plan as well as existing employees of the ceramic sites who declared their change from the old to the new scheme. Due to the contribution period of several years of the old pension plans, the portion of the benefit obligations for the new pension plan recognised as liabilities as at 31 December 2023 is largely limited to the new employees and is therefore of minor importance. The contribution period of the old employer-financed capital account plans ends on 30 September 2030 for each of the Pfullendorf and Langenfeld sites and on 31 December 2025 for the Lichtenstein site.

Annuity plans

Annuity plans are governed by labour-management contracts or individual employment contracts. § 16 of the Company Pensions Act imposes an obligation on the employer to review the adjustment of pension payments. The extent of the adjustment requirement is usually determined by the consumer price index. Some individual employment contracts impose a contractual adjustment obligation. There is no minimum financing obligation.

These are closed-end funds. Pension commitments as prescribed by the Essener Verband (Essen Association) have been made to some active employees. Fixed euro entitlements are maintained for departing employees with vested rights. Annuities are paid out to the beneficiaries in the form of lifelong monthly pension payments that include survivors' benefit entitlements.

The employer manages entitlements and claims and makes payments, sometimes involving the services of external service providers. It monitors the statutory and contractual obligations to adjust the pension and makes adjustments when necessary.

The lifelong payment of the pension and possible subsequent widow's or widower's pension can trigger a longevity risk. The statutory obligation to make (and review) adjustments can also harbour an inflation risk.

The net periodic pension costs of all defined benefit plans of the Group were as follows:

	2023 MCHF	2022 MCHF
Current service cost	26.3	38.6
Past service cost	0.1	0.2
(Gain) / loss on settlement	0.0	0.0
Contributions of employees	-12.4	-11.6
Net interest cost for retirement benefit plans	3.5	2.2
Net periodic pension cost	17.5	29.4

The current service cost for the Swiss retirement benefit plan was MCHF 17.3 in 2023 (PY: MCHF 25.3) and for the German retirement benefit plans MCHF 8.1 (PY: MCHF 12.0). The net interest cost for the Swiss retirement benefit plan was MCHF -2.7 in 2023 (PY: MCHF -0.3) and for the German retirement benefit plans MCHF 5.6 (PY: MCHF 2.3).

The following table shows the remeasurements for the defined benefit plans in other comprehensive income in the Consolidated Statement of Comprehensive Income:

	2023 MCHF	2022 MCHF
Actuarial gains (-)/losses:	75.9	-188.1
- of which from changes in demographic assumptions	-0.5	-0.2
- of which from changes in financial assumptions	79.1	-208.9
- of which from experience adjustments	-2.7	21.0
Return on plan assets (excluding interest based on discount rate)	-10.4	78.3
Return on reimbursement rights (excluding interest based on discount rate)	0.3	0.0
Asset ceiling adjustment (for the Swiss retirement benefit plans)	-102.4	102.4
Total pre-tax remeasurements recognised in other comprehensive income	-36.6	-7.4

The remeasurements recognised in other comprehensive income in the Consolidated Statement of Comprehensive Income in 2023 for the Swiss retirement benefit plan amounted to MCHF -43.0 (PY: MCHF +45.7) and for the German retirement benefit plans to MCHF +5.2 (PY: MCHF -50.9).

The following tables show the changes in benefit obligations, plan assets and reimbursement rights from 1 January to 31 December:

	2023 MCHF	2022 MCHF
Benefit obligation		
At beginning of year	779.2	971.3
Current service cost	26.3	38.6
Past service cost	0.1	0.2
(Gain)/loss on settlement	0.0	0.0
Interest cost	20.3	6.4
Actuarial gains (-)/losses	75.9	-188.1
New plans/plan adjustments	-0.1	-0.2
Benefits paid	-32.4	-29.6
Translation differences	-13.4	-19.4
Benefit obligation at end of year	855.9	779.2

	2023 MCHF	2022 MCHF
Plan assets at fair value		
At beginning of year	659.9	738.7
Interest income (based on discount rate)	15.8	3.6
Return on plan assets (excluding interest based on discount rate)	10.4	-78.3
Contributions of employees	11.7	11.0
Contributions of employers	9.9	8.6
(Gain)/loss on settlement	0.0	0.0
New plans/plan adjustments	0.0	-0.1
Benefits paid	-19.4	-19.0
Translation differences	-1.0	-4.6
Plan assets at fair value at end of year	687.3	659.9
Funded status at end of year	-168.6	-119.3
Asset ceiling adjustment	0.0	-102.4
Net funded status at end of year	-168.6	-221.7
	2023 MCHF	2022 MCHF
Asset ceiling		
At beginning of year	102.4	0.0
Change	-102.4	102.4
Translation differences	0.0	0.0
Asset ceiling at end of year	0.0	102.4

The economic benefit available for the asset ceiling calculation purposes for the Swiss retirement benefit plans was determined based on the present value of IAS19 company service costs less the present value of future minimum funding requirement employer contributions from the pension plan rules. The economic benefit available has been determined to be greater than the surplus in the plan at this year end and therefore no asset restriction was applied.

	2023 MCHF	2022 MCHF
Fair value of reimbursement rights		
At beginning of year	27.4	27.5
Interest income (based on discount rate)	1.0	0.6
Return on reimbursement rights (excluding interest based on discount rate)	-0.3	0.0
Contributions of employers	1.1	1.1
Contributions of employees	0.7	0.6
Benefits paid	-0.5	-1.5
Translation differences	-1.7	-0.9
Fair value of reimbursement rights at end of year	27.7	27.4

As at 31 December 2023, the fair value of the reinsurance policies for the German retirement benefit plans was MCHF 20.8 (PY: MCHF 20.1).

The following table provides an analysis of the fair value and composition of the plan assets.

	2023			2022		
	Listed on an active market MCHF	Other MCHF	Total MCHF	Listed on an active market MCHF	Other MCHF	Total MCHF
Equity instruments	219.3	31.0	250.3	219.0	26.0	245.0
Bonds and other debt instruments	145.7	46.3	192.0	117.4	45.4	162.8
Real estate property	71.6	136.1	207.7	73.1	136.1	209.2
Cash and cash equivalents	23.1	0.0	23.1	25.6	0.1	25.7
Other	1.8	12.4	14.2	4.0	13.2	17.2
Total	461.5	225.8	687.3	439.1	220.8	659.9

The plan assets of the Swiss retirement benefit plan was MCHF 661.8 as of 31 December 2023 and the effective income on the plan assets was +4.6% in 2023 and -7.7% in 2022. As of the end of 2023, the plan assets included MCHF 3.5 (PY: MCHF 5.8) in equity instruments of Geberit AG and MCHF 10.7 (PY: MCHF 10.7) in real estate property that is intended to be rented by Geberit companies.

The following table provides an analysis of the benefit obligations of the Swiss and German retirement benefit plans:

	2023				2022			
	Active members	Deferred members	Pensioners	Total	Active members	Deferred members	Pensioners	Total
Plan members (number)								
Swiss retirement benefit plans	1,324		575	1,899	1,373		596	1,969
German retirement benefit plans	5,700	1,219	330	7,249	6,004	1,044	330	7,378
Total plan members	7,024	1,219	905	9,148	7,377	1,044	926	9,347
Benefit obligation (in MCHF)								
Swiss retirement benefit plans	372.0		237.4	609.4	312.2		215.4	527.6
German retirement benefit plans	140.8	30.2	25.6	196.6	144.4	28.5	26.1	199.0
Total benefit obligation	512.8	30.2	263.0	806.0	456.6	28.5	241.5	726.6
Share in %	63.7	3.7	32.6	100.0	62.9	3.9	33.2	100.0

The weighted average duration of the benefit obligation for the Swiss retirement benefit plan is approx. 14 years (PY: approx. 14 years) and for the German retirement benefit plans approx. 10 years (PY: approx. 10 years).

In Switzerland there is an employer contribution reserve from which contribution payments of MCHF 2.3 were made in 2023. As at 31 December 2023, this reserve was valued at MCHF 0.7. Employer contributions for the Swiss retirement benefit plans of MCHF 13.6 are expected for the financial year 2024.

The calculation of the benefit obligations for the material retirement benefit plans was based on the following assumptions (in %):

	2023		2022	
	CH	DE	CH	DE
Discount rate	1.45	3.20	2.30	3.40
Salary increase rate	1.45	2.75	1.45	2.60
Mortality	BVG 2020 generations table	Heubeck 2018G	BVG 2020 generations table	Heubeck 2018G

The trend for sickness cost does not affect benefit obligations in Switzerland or Germany.

The following sensitivity analysis shows how the present value of the benefit obligation for the material retirement benefit plans (CH and DE) would change if a single reporting date assumption were changed. Every assumption change was analysed separately. Interdependencies were not taken into account.

	Swiss retirement benefit plans: increase (+)/reduction (-) in present value of benefit obligation		German retirement benefit plans: increase (+)/reduction (-) in present value of benefit obligation	
	2023	2022	2023	2022
Discount rate				
Increased by 25 basis points	-3.5%	-1.1%	-2.3%	-2.3%
Reduced by 25 basis points	+3.8%	+2.2%	+2.4%	+2.4%
Salaries				
Increased by 25 basis points	+1.1%	+0.03%	+0.56%	+0.01%
Reduced by 25 basis points	-0.3%	-0.03%	-0.56%	-0.01%

In addition, the Group's consolidated income statement for 2023 included expenses for defined contribution plans of MCHF 10.8 (PY: MCHF 11.6).

17 Participation plans

Share plans

In 2023, employees were able to purchase a defined number of shares at a discount of 35% (PY: 50%) compared to the market price ("Employee share purchase plan"). Geberit management was entitled to draw the previous year's variable remuneration partly or entirely in shares valued at market price ("Management share purchase plan"). For each of these shares, management participants received 2 options (see part 2: "Option plans"). The members of the Board of Directors received a significant part of their compensation for 2022 in shares of Geberit AG (measured at current market value). All share plans are subject to blocking periods valid beyond the period of employment.

The share plans introduced in 2023 are summarised below:

	End of blocking period	Number of participants	Number of shares issued	Issuing price CHF
Employee share purchase plan (ESPP)	2025	2,895	19,553	318.10
Management share purchase plan (MSPP)	2026	102	11,400	489.40
Board of Directors compensation	2027	6	2,894	489.40
Total			33,847	

The 33,847 shares required for these plans were taken from the stock of treasury shares.

As at 31 December 2023, the Board of Directors, the Group Executive Board and the employees owned a combined total of 421,171 (PY: 411,998) shares, i.e. 1.2% (PY: 1.1%) of the share capital of Geberit AG under these plans.

Option plans

The management has the opportunity to invest part or all of their variable remuneration in shares of Geberit AG through the management share purchase plan (MSPP). They may define a fixed number of shares to purchase, or a certain amount or a percentage of their variable remuneration to be invested in shares. In order to encourage management to participate in the programme in 2023, 2 free options are provided for each share purchased through the programme. These options are subject to a vesting period of three years.

In connection with an additional option plan (MSOP), the members of the Group Executive Board and the Group management are entitled to additional options. The options are subject to a vesting period of three years.

The exercise price of the options corresponds to the fair market value of the Geberit shares at the time of granting. The options have a term of ten years (MSPP & MSOP). They can be exercised between the vesting date and the maturity date. The vesting of share options is subject to the achievement of a performance criterion – the average Return on Invested Capital (ROIC) – over the respective vesting period.

The following numbers of options out of the 2023 grant are allocated with final effect at the end of the vesting period¹:

	Vesting period	Maturity	Number of participants	Number of granted options	Exercise price CHF
Management share purchase plan (MSPP)	2023–2026	2033	102	22,800	504.45
Option plan (MSOP)	2023–2026	2033	173	166,185	504.45
Total				188,985	

The fair value per option granted in 2023 as at March 2023 amounted on average to CHF 65.25 (PY: CHF 49.21) for MSPP and CHF 65.25 (PY: CHF 49.21) for MSOP at the respective granting date. The fair value was determined using the binomial model for "American Style Call Options".

The calculation model was based on the following parameters:

	Exercise price ² CHF	Expected Ø volatility %	Expected Ø dividend yield %	Contractual period Years	Risk-free Ø interest rate %
Management share purchase plan (MSPP)	504.45	21.37	2.58	10	1.60
Option plan (MSOP)	504.45	21.37	2.58	10	1.60

² The exercise price corresponds to the average price of Geberit shares for the period from 23.2.–22.3.2023.

The following table summarises all option plans in place as at 31 December 2023¹:

End of vesting period	Maturity	Number of options outstanding	Ø exercise price CHF	Number of options in the money	Ø exercise price CHF
Vested	2024–2029	713,034	433.73	713,034	433.73
2024	2030	184,202	569.65	0	0
2025	2032	228,379	584.10	0	0
2026	2033	188,619	504.45	188,619	504.45
Total		1,314,234	489.06	901,653	448.52

This table also includes options under participation plans from earlier years that have different terms and vesting conditions.

The following movements took place in 2023 and 2022¹:

	MSOP		MSPP		Total 2023		Total 2022	
	Number of options	Ø exercise price CHF	Number of options	Ø exercise price CHF	Number of options	Ø exercise price CHF	Number of options	Ø exercise price CHF
Outstanding 1 January	1,055,965	482.88	98,911	508.75	1,154,876	485.09	974,217	460.36
Granted options	166,185	504.45	22,800	504.45	188,985	504.45	228,379	584.10
Forfeited options	2,102	528.78	73	288	2,175	520.68	29,670	498.13
Expired options	0	0	0	0	0	0	0	0
Exercised options	20,716	429.53	6,736	413.38	27,452	425.57	18,050	381.62
Outstanding 31 December	1,199,332	486.71	114,902	513.59	1,314,234	489.06	1,154,876	485.09
Exercisable at 31 December	673,248	433.76	39,786	433.32	713,034	433.73	249,677	404.48

This table also includes options under participation plans from earlier years that have different terms and vesting conditions.

The 1,314,234 options outstanding represent 3.7% of the outstanding shares of Geberit AG. In principle, the Group hedges this exposure with treasury shares.

¹ The number of options allocated with final effect at the end of the vesting period depends on target achievement (average ROIC).

The options outstanding as at 31 December 2023 had an exercise price of between CHF 361.75 and CHF 584.10 and an average remaining contractual life of 6.1 years (PY: 6.5 years).

Costs resulting from share plans amounted to MCHF 3.5 in 2023 (PY: MCHF 6.1); those for option plans totalled MCHF 8.2 (PY: MCHF 9.7).

18 Deferred tax assets and liabilities

	2023	Movements 2023				2022
	Total MCHF	Charged (-)/ credited to income MCHF	Through equity MCHF	Through OCI ¹ MCHF	Translation differences MCHF	Total MCHF
Deferred tax assets						
Loss carryforwards	7.4	-1.2	0.0	0.0	-2.0	10.6
Accrued pension obligations	14.4	-0.7	0.0	1.0	-0.1	14.2
Property, plant and equipment	6.2	-1.0	0.0	0.0	-0.3	7.5
Short/long-term lease liabilities	9.1	-0.7	0.0	0.0	-0.8	10.6
Other short/long-term liabilities (excl. lease liabilities)	15.2	1.9	0.0	0.0	-0.6	13.9
Intangible assets	63.3	-28.0	0.0	0.0	0.0	91.3
Other	45.0	13.2	4.8	0.0	-0.6	27.6
Total deferred tax assets, gross	160.6	-16.5	4.8	1.0	-4.4	175.7
Offsetting	-39.1					-26.2
Total deferred tax assets, net	121.5					149.5
Deferred tax liabilities						
Inventories	-4.8	-0.2	0.0	0.0	0.2	-4.8
Property, plant and equipment (excl. right-of-use assets)	-19.1	-0.6	0.0	0.0	0.3	-18.8
Right-of-use assets	-9.3	0.7	0.0	0.0	0.8	-10.8
Intangible assets	-28.0	-4.8	0.0	0.0	0.4	-23.6
Assets from defined benefit plans	-8.7	-1.0	0.0	-6.1	0.0	-1.6
Other	-24.3	-15.3	0.0	0.0	0.0	-9.0
Total deferred tax liabilities, gross	-94.2	-21.2	0.0	-6.1	1.7	-68.6
Offsetting	39.1					26.2
Total deferred tax liabilities, net	-55.1					-42.4

¹ Recorded in other comprehensive income

	2022	Movements 2022				2021
	Total MCHF	Charged (-)/ credited to income MCHF	Through equity MCHF	Through OCI ¹ MCHF	Translation differences MCHF	Total MCHF
Deferred tax assets						
Loss carryforwards	10.6	-3.2	0.0	0.0	-1.7	15.5
Accrued pension obligations	14.2	-1.0	0.0	-15.5	-0.6	31.3
Property, plant and equipment	7.5	0.2	0.0	0.0	-0.4	7.7
Short/long-term lease liabilities	10.6	1.1	0.0	0.0	-0.7	10.2
Other short/long-term liabilities (excl. lease liabilities)	13.9	0.3	0.0	0.0	-0.1	13.7
Intangible assets	91.3	83.3	0.0	0.0	0.0	8.0
Other	27.6	10.1	-16.7	0.0	-1.3	35.5
Total deferred tax assets, gross	175.7	90.8	-16.7	-15.5	-4.8	121.9
Offsetting	-26.2					-33.2
Total deferred tax assets, net	149.5					88.7
Deferred tax liabilities						
Inventories	-4.8	-0.4	0.0	0.0	0.0	-4.4
Property, plant and equipment (excl. right-of-use assets)	-18.8	0.2	0.0	0.0	0.6	-19.6
Right-of-use assets	-10.8	-1.0	0.0	0.0	0.8	-10.6
Intangible assets	-23.6	0.0	0.0	0.0	1.7	-25.3
Assets from defined benefit plans	-1.6	-0.1	0.0	7.7	0.1	-9.3
Other	-9.0	7.5	0.0	0.0	0.2	-16.7
Total deferred tax liabilities, gross	-68.6	6.2	0.0	7.7	3.4	-85.9
Offsetting	26.2					33.2
Total deferred tax liabilities, net	-42.4					-52.7

¹ Recorded in other comprehensive income

Deferred tax liabilities are to be formed for non-refundable withholding taxes or other taxes on retained profits in subsidiaries where a profit transfer is planned. As of 31 December 2023, there were such profits in the American subsidiary and Chinese subsidiaries. For these companies deferred tax liabilities of MCHF 1.2 (PY: MCHF 0.6) were recorded.

The Group recognises deferred tax assets from loss carryforwards if they comply with the requirements of IAS 12. The following loss carryforwards (listed by maturity) were used for the calculation of deferred tax assets:

Maturity	2023	Without deferred tax asset	With deferred tax asset	2022	Without deferred tax asset	With deferred tax asset
	MCHF	MCHF	MCHF	MCHF	MCHF	MCHF
1 year	4.5	0.0	4.5	4.5	0.0	4.5
2 years	5.2	0.0	5.2	4.8	0.0	4.8
3 years	6.8	0.0	6.8	9.4	0.0	9.4
4 years	7.1	1.7	5.4	8.2	0.0	8.2
5 years	5.2	5.2	0.0	5.7	0.7	5.0
6 years	6.0	5.2	0.8	5.9	5.1	0.8
> 6 years	93.8	84.7	9.1	109.1	97.2	11.9
Total loss carryforwards	128.6	96.8	31.8	147.6	103.0	44.6

19 Other non-current liabilities and provisions

	2023 MCHF	2022 MCHF
Accrued investment grants	1.0	1.2
Other non-current liabilities	28.8	20.5
Total other non-current liabilities	29.8	21.7
Provisions for operating risks	39.5	41.9
Other non-current provisions	2.6	2.5
Total non-current provisions	42.1	44.4
Total other non-current liabilities and provisions	71.9	66.1

Movements of the provisions for operating risks in 2023 and 2022 are shown in the following table.

	2023 MCHF	2022 MCHF
Provisions for operating risks		
1 January	41.9	40.5
Additions	16.2	19.0
Used	-14.7	-14.4
Reversed	-1.7	-0.9
Translation differences	-2.2	-2.3
31 December	39.5	41.9

Provisions for operating risks mainly include provisions for warranties. The payments for the warranty claims delay on average 3.5 years (PY: 4.0 years).

	2023 MCHF	2022 MCHF
Other non-current provisions		
1 January	2.5	6.9
Additions	0.2	0.5
Transfers	0.0	-0.3
Used	0.0	-0.4
Reversed	0.0	-4.1
Translation differences	-0.1	-0.1
31 December	2.6	2.5

20 Contingencies

Guarantees and sureties are valued at MCHF 115.5 for 2023 (PY: MCHF 113.4). Guarantees and sureties are only recognised as a provision if an outflow of resources is likely.

The Group is involved in a few legal proceedings arising from the ordinary course of business. The Group believes that none of these proceedings – either individually or as a whole – is likely to have a material impact on the Group's financial position or operating results. The Group has established insurance policies to cover product liabilities and it makes provisions for potential product warranty claims.

The Group operates in many countries, most of which have sophisticated tax regimes. The nature of its operations and ongoing significant reorganisations result in complex tax-related issues for the Group and its subsidiaries. The Group believes that it performs its business in accordance with the local tax laws. However, it is possible that there are areas where potential disputes with the various tax authorities could arise. The Group is not aware of any dispute that – either individually or as a whole – is likely to have a material impact on the Group's financial position or operating results.

21 Capital stock and treasury shares

As at 31 December 2023, the share capital of Geberit AG consists of 35,189,082 ordinary shares with a par value of CHF 0.10 each.

	2023 pcs.	2022 pcs.
Issued shares		
1 January	35,874,333	35,874,333
Capital reduction	-685,251	0
Total issued shares as per 31 December	35,189,082	35,874,333

On 16 June 2022, Geberit AG terminated its share buyback programme, which was started on 17 September 2020. By 16 June 2022, 826,251 registered shares in the amount of MCHF 500.0 – corresponding to 2.3% of the share capital entered in the Commercial Register – had been repurchased under this programme. The share buyback was conducted via a separate trading line on the SIX Swiss Exchange for the purpose of a capital reduction. 141,000 of the repurchased shares were already cancelled in 2021. The General Meeting of 19 April 2023 approved a capital reduction matching the remaining number of shares repurchased under this programme. Consequently, 685,251 shares were cancelled at the end of April 2023.

On 20 June 2022, a new share buyback programme was launched. Shares amounting to a maximum of MCHF 650.0 will be repurchased over a maximum period of two years. Based on the closing price of Geberit registered shares on 31 December 2023, this corresponds to around 1,350,000 registered shares or 3.8% of the share capital currently entered in the Commercial Register. The shares will be repurchased via a separate trading line on the SIX Swiss Exchange for the purpose of a capital reduction. As at 31 December 2023, 1,120,750 shares had been repurchased for a total value of MCHF 524.5 under this programme.

	2023 pcs.	2022 pcs.
Stock of treasury shares		
From share buyback programme 2020-2022	0	685,251
From share buyback programme 2022-2024	1,120,750	627,600
Total from share buyback programmes	1,120,750	1,312,851
Other treasury shares	769,215	632,351
Total treasury shares	1,889,965	1,945,202

The entire stock of treasury shares on 31 December 2023 amounted to 1,889,965 (PY: 1,945,202) with a carrying amount of MCHF 955.6 (PY: MCHF 1,075.7). Treasury shares are deducted from equity at historical cost.

For transactions in connection with the participation plans, see → Note 17.

22 Earnings per share

Earnings per share are calculated by dividing the net income attributable to ordinary shareholders by the weighted average number of ordinary shares issued and outstanding during the year, excluding the weighted average number of ordinary shares purchased by the Group and held as treasury shares.

	2023	2022
Attributable net income according to income statement (MCHF)	617.0	706.3
Weighted average number of ordinary shares (thousands)	33,557	34,493
Total earnings per share (CHF)	18.39	20.48

For diluted earnings per share, the weighted average number of ordinary shares issued is adjusted to assume conversion of all potentially dilutive ordinary shares (see → Note 3). The Group has considered the share options granted to the management to calculate the potentially dilutive ordinary shares.

	2023	2022
Attributable net income according to income statement (MCHF)	617.0	706.3
Weighted average number of ordinary shares (thousands)	33,557	34,493
Adjustments for share options (thousands)	72	114
Weighted average number of ordinary shares (thousands)	33,629	34,607
Total diluted earnings per share (CHF)	18.35	20.41

23 Other operating expenses, net

	2023 MCHF	2022 MCHF
Outbound freight cost and duties	100.6	122.6
Energy and maintenance expenses	132.5	192.6
Marketing expenses	83.7	99.3
Administration expenses	75.2	75.5
Other operating expenses	149.8	161.7
Other operating income	-15.3	-19.1
Total other operating expenses, net	526.5	632.6

“Other operating expenses” includes, among other items, commissions, expenses for short-term leases and leases for minor-value assets, consulting expenses as well as warranty costs. In 2023, expenses for short-term leases amounted to MCHF 3.5 (PY: MCHF 3.4) and expenses for leased minor-values assets totalled MCHF 0.8 (PY: MCHF 0.9). “Other operating income” includes, among other items, insurance benefits received, rental income, gains from sales of fixed assets and subsidiaries and catering revenues.

In 2023, costs of MCHF 17.4 (PY: MCHF 16.5) were capitalised as property, plant and equipment or intangible assets. This includes tools, moulds and assembly lines that are part of the production process, as well as capitalised product development costs. The amount was deducted pro-rata from the positions “Personnel expenses” and “Other operating expenses, net”.

24 Financial result, net

	2023 MCHF	2022 MCHF
Interest expenses	-23.0	-9.6
Amortisation of deferred financing fees	-0.7	-0.7
Other financial expenses	-1.8	-1.8
Total financial expenses	-25.5	-12.1
Interest income and other	7.2	3.9
Total financial income	7.2	3.9
Foreign exchange loss (-)/gain	-8.4	-5.9
Total financial result, net	-26.7	-14.1

“Interest expenses” mainly includes the interest for the bonds and interest expense on lease liabilities. In 2023, interest expenses on lease liabilities amounted to MCHF 1.8 (PY: MCHF 1.7).

25 Income tax expenses

	2023 MCHF	2022 MCHF
Current taxes	87.1	131.6
Deferred taxes	37.7	-97.0
Total income tax expenses	124.8	34.6

The differences between income tax expenses computed at the weighted-average applicable tax rate of the Group of 15.8% (PY: 15.4%) and the effective income tax expenses were as follows:

	2023 MCHF	2022 MCHF
Income tax expenses, at applicable rate	117.1	114.0
Tax losses with no current tax benefit	0.0	0.0
Offsetting of current profits against loss carryforwards without tax assets	0.0	-1.1
Changes in future tax rates	1.2	0.0
Non-deductible expenses and non-taxable income, net	1.7	-4.4
Other	4.8	-73.9
Total income tax expenses	124.8	34.6

In 2021, the OECD published a regulatory framework for a global minimum top-up income tax (the OECD Pillar Two model rules). The rules are designed to ensure that multinational companies within the scope of the rules pay a minimum tax rate of 15% in each jurisdiction where they operate. The Group is within the scope of the OECD Pillar Two model rules.

Both Switzerland and other jurisdictions in which the Group operates have (substantively) enacted the Pillar Two legislation. The legislations will be effective for the Group's financial year beginning on 1 January 2024. In Switzerland, a Qualified Domestic Minimum Tax ("QDMTT") will be levied from 1 January 2024 while the implementation of the Income Inclusion Rule ("IIR") and the Undertaxed Profits Rule ("UTPR") is currently postponed to a later date. Since the Pillar Two legislations were not effective at 31 December 2023, there is no current income tax exposure for the year ended 31 December 2023. The Group applies the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

The Group is in the process of assessing its exposure to the Pillar Two legislation when it comes into effect. The assessment indicates that the Group may be affected by top-up tax for its operations from 2024 on.

Geberit decided in 2022 to capitalise future benefits in its tax balance sheet, resulting in a deferred tax income from the capitalisation of a deferred tax asset of MCHF 86. This effect is included in the position "Other" and partially offset by the building of provisions for tax risks. In addition, the position "Other" includes tax benefits from the capitalisation of loss carryforwards following improved operational performance. In 2023, the deferred tax asset of MCHF 86 was reduced by around MCHF 22 due to the revaluation of the underlying assumptions and future benefits. This effect is included in the position "Other" and was partially offset by the reversal of provisions for tax risks. The position "Other" in 2023 also includes additional revaluation effects on deferred taxes.

26 Research and development cost

	2023 MCHF	2022 MCHF
Research and development expenses	70.5	72.3
Capitalised development expenses	-4.6	-2.1
Amortisation of capitalised development expenses	3.5	4.6
Research and development cost	69.4	74.8

In 2023, research and development expenses totalling MCHF 70.5 (PY: MCHF 72.3) were included in the items "Personnel expenses", "Depreciation" and "Other operating expenses, net". This represents 2.3% of net sales (PY: 2.1%). For 4 major development projects, the capitalisation criteria according to IAS 38.57 were met and expenses of MCHF 4.6 (PY: MCHF 2.1) were capitalised.

27 Free Cashflow

Free cashflow is calculated as follows:

	2023 MCHF	2022 MCHF
Net cash from/used in (-) operating activities ¹	857.9	736.0
Purchase/sale of property, plant and equipment and intangible assets ¹	-193.0	-148.9
Repayments of lease liabilities ¹	-16.7	-17.3
Interest and other financing cost paid, net	-22.9	-8.2
Free cashflow	625.3	561.6

¹ See → [consolidated statements of cashflows](#)

“Free cashflow” is no substitute for figures shown in the consolidated income statement and the consolidated statement of cashflows, but it may give an indication of the Group’s capability to generate cash, pay back debt, finance acquisitions, buy back shares and pay dividends.

28 Segment reporting

The Geberit Group consists of one single business unit, the purpose of which is to develop, produce and distribute sanitary products and systems for the residential and commercial construction industry. The major part of the products is generally distributed through the wholesale channel to plumbers, who resell the products to the end users. Products are manufactured by plants that specialise in particular production processes. As a general rule, one specific article is produced at only one location. Distribution is carried out by country or regional distribution subsidiaries, which sell to wholesalers. A distribution subsidiary is always responsible for the distribution of the whole range of products in its sales area. The main task of the distribution companies is local market development, which primarily focuses on the support of installers, sanitary planners, architects, wholesalers and other distributors. Research and development of the whole range of products is carried out centrally by Geberit International AG. All corporate tasks are also centralised at Geberit International AG.

Due to the unity and focus of the business, the top management (Group Executive Board) and the management structure of the Geberit Group are organised by function (Overall Management, Sales Europe, Sales International, Marketing & Brands, Operations, Products, Finance). The financial management of the Group by the Board of Directors and the Group Executive Board is based on net sales by markets and product areas and on the consolidated income statement, balance sheet and statement of cashflows.

Segment reporting is therefore prepared according to IFRS 8.31 et seq. (one single reportable segment), and the valuation is made in accordance with the same principles as the consolidated financial statements. The basis for revenue recognition is the same for all markets and product areas. The geographical allocation of net sales is based on the domicile of the customers.

The information is as follows:

	2023 MCHF	2022 MCHF
Net sales by product areas		
Installation and Flushing Systems	1,124.6	1,258.1
Piping Systems	1,027.5	1,095.0
Bathroom Systems	931.8	1,038.8
Total net sales	3,083.9	3,391.9

	2023 MCHF	2022 MCHF
Net sales by markets		
Germany	880.1	1,016.9
Switzerland	328.6	342.4
Benelux	264.9	279.5
Italy	246.6	250.5
Austria	181.0	204.3
Central Europe	1,901.2	2,093.6
Western Europe	312.6	324.7
Northern Europe	277.2	319.0
Eastern Europe ¹	243.7	278.7
Europe¹	2,734.7	3,016.0
Middle East/Africa ¹	134.3	138.9
Far East/Pacific	112.6	129.9
America	102.3	107.1
Total net sales	3,083.9	3,391.9

¹ Turkey and a few other smaller countries reclassified from Europe (Eastern Europe) to Middle East/Africa region, previous year adjusted.

	2023 MCHF	2022 MCHF
Share of net sales by customers		
Customers with more than 10% of net sales: customer A	516.9	569.3
Total > 10%	516.9	569.3
Remaining customers with less than 10% of net sales	2,567.0	2,822.6
Total net sales	3,083.9	3,391.9

	2023 MCHF	2022 MCHF
Property, plant and equipment by markets		
Germany	385.8	348.1
Switzerland	199.0	208.3
Benelux	14.0	13.6
Italy	56.3	58.2
Austria	38.6	39.1
Central Europe	693.7	667.3
Western Europe	41.6	38.5
Northern Europe	65.9	60.2
Eastern Europe ¹	129.0	128.7
Europe¹	930.2	894.7
Middle East/Africa ¹	7.6	9.0
Far East/Pacific	28.1	32.5
America	10.3	12.1
Total property, plant and equipment	976.2	948.3

¹ Turkey and a few other smaller countries reclassified from Europe (Eastern Europe) to Middle East/Africa region, previous year adjusted.

29 Related party transactions

In 2023 and 2022, total booked compensation for the Group Executive Board and the Board of Directors was as follows:

	2023 MCHF	2022 MCHF
Remuneration and salary fixed	5.8	5.5
Remuneration and salary variable	2.5	2.2
Options	3.1	2.9
Expenditure on pensions	1.0	1.0
Other	0.1	0.1
Total	12.6	11.7

Further information regarding compensation and investments of the Group Executive Board and the Board of Directors is disclosed in the → Remuneration Report.

In 2022, the Swiss pension fund purchased real estate property in the amount of MCHF 10.7 in Rapperswil-Jona, which is intended to be rented by Geberit companies. Please see also → Note 16 Retirement benefit plans.

In 2023, there were no further material related party transactions.

30 Foreign exchange rates

The following exchange rates were used for the consolidated financial statements:

	Currency		2023		2022	
			Balance sheet	Income statement	Balance sheet	Income statement
European Currency Union	EUR	1	0.9328	0.9739	0.9833	1.0091
United Kingdom	GBP	1	1.0759	1.1174	1.1120	1.1805
USA	USD	1	0.8429	0.8998	0.9236	0.9555
Poland	PLN	100	21.3550	21.3880	20.9700	21.6320
China	CNY	100	11.8820	12.6020	13.2810	14.1690
Denmark	DKK	100	12.5170	13.0510	13.2180	13.5330
Australia	AUD	1	0.5770	0.5962	0.6256	0.6626
Czech Republic	CZK	100	3.7700	4.0540	4.0600	4.1060
Hungary	HUF	100	0.2440	0.2540	0.2460	0.2670
Norway	NOK	100	8.2700	8.5180	9.3200	9.9830
Sweden	SEK	100	8.4400	8.4730	8.8000	9.4530
Singapore	SGD	1	0.6395	0.6699	0.6874	0.6924
South Africa	ZAR	100	4.5500	4.8920	5.4400	5.9010
Turkey	TRY	100	2.8600	3.9040	4.9300	5.8130
Russia	RUB	100	0.9350	1.2150	1.2820	1.0510
Ukraine	UAH	100	2.2030	2.4500	2.5280	2.9390
India	INR	100	1.0140	1.0890	1.1150	1.2170
Nigeria	NGN	100	0.1080	0.1520	0.2060	0.2250
Romania	RON	100	18.7600	19.6170	19.8400	20.4310
Israel	ILS	100	23.1830	24.5480	26.2690	28.5610

31 Subsequent events

The consolidated financial statements are subject to approval by the General Meeting and were released for publication by the Board of Directors on 12 March 2024.

32 Group companies as at 31 December 2023

	Currency	Share capital ('000)	Ownership in %
Switzerland			
Geberit AG, Rapperswil-Jona	CHF	3,519	
Geberit Holding AG, Rapperswil-Jona	CHF	39,350	100
Geberit International AG, Rapperswil-Jona	CHF	1,000	100
Geberit International Sales AG, Rapperswil-Jona	CHF	1,000	100
Geberit Verwaltungs AG, Rapperswil-Jona	CHF	1,000	100
Geberit Vertriebs AG, Rapperswil-Jona	CHF	1,000	100
Geberit Marketing e Distribuzione SA, Rapperswil-Jona	EUR	821	100
Geberit Produktions AG, Rapperswil-Jona	CHF	4,000	100
Geberit Apparate AG, Rapperswil-Jona	CHF	1,000	100
Geberit Fabrication SA, Givisiez	CHF	7,000	100
Geberit Finanz AG, Rapperswil-Jona	EUR	832	100
Australia			
Geberit Pty Ltd., Northmead, NSW	AUD	2,060	100
Austria			
Geberit Vertriebs GmbH & Co KG, Pottenbrunn/St. Pölten	EUR	728	100
Geberit Produktions GmbH & Co KG, Pottenbrunn/ St. Pölten	EUR	7,995	100
Geberit Beteiligungsverwaltung GmbH, Pottenbrunn/ St. Pölten	EUR	35	100
Geberit Huter GmbH, Matrei am Brenner	EUR	37	100
Belgium			
Geberit N.V., Meise	EUR	62	100
Channel Islands			
Geberit Reinsurance Ltd., St. Peter Port, Guernsey	EUR	2	100
China			
Geberit Plumbing Technology Co. Ltd., Shanghai	CNY	268,386	100
Geberit Shanghai Trading Co. Ltd., Shanghai	CNY	5,000	100
Geberit Shanghai Investment Administration Co. Ltd., Shanghai	CNY	13,638	100
Czech Republic			
Geberit spol. s.r.o., Prague	CZK	6,000	100
Denmark			
Geberit A/S, Lystrup	DKK	10,000	100
Finland			
Geberit Oy, Helsinki	EUR	50	100
Geberit Service Oy, Tammisaari	EUR	3	100
Geberit Production Oy, Tammisaari	EUR	2,813	100
France			
Geberit S.a.r.l., Samoreau	EUR	1,686	100
Geberit Holding France S.A., Samoreau	EUR	10,388	100
Geberit Services S.A.S., Selles-sur-Cher	EUR	1,931	100
Geberit Production S.A.S., Limoges	EUR	4,577	100

	Currency	Share capital ('000)	Ownership in %
Germany			
Geberit Verwaltungs GmbH, Pfullendorf	EUR	50	100
Geberit Service GmbH & Co. KG, Pfullendorf	EUR	50	100
Geberit Vertriebs GmbH, Pfullendorf	EUR	1,000	100
Geberit Produktions GmbH, Pfullendorf	EUR	7,500	100
Geberit Logistik GmbH, Pfullendorf	EUR	500	100
Geberit Mapress GmbH, Langenfeld	EUR	2,701	100
Geberit RLS Beteiligungs GmbH, Langenfeld	EUR	50	100
Geberit Lichtenstein GmbH, Sankt Egidien	EUR	1,025	100
Geberit Keramik Holding GmbH, Pfullendorf	EUR	65	100
Geberit Keramik Service GmbH & Co. KG, Pfullendorf	EUR	100	100
Geberit Keramik GmbH, Wesel	EUR	12,500	100
Ceravid GmbH, Essen	EUR	26	100
Greece			
Geberit Greece S.M.P.C, Athens	EUR	1,410	100
Hungary			
Geberit Kft, Budapest	HUF	49,900	100
India			
Geberit Plumbing Technology India Pvt. Ltd., Bengaluru	INR	12,861	100
Geberit India Manufacturing Pvt. Ltd., Pune	INR	56,875	100
Israel			
Geberit Israel Ltd., Caesarea	ILS	10	100
Italy			
Geberit Produzione S.p.a., Villadose	EUR	4,200	100
Geberit Service S.p.a., Villadose	EUR	120	100
Geberit Ceramica S.p.a., Villadose	EUR	10,000	100
Lithuania			
Geberit UAB, Vilnius	EUR	1,250	100
Netherlands			
Geberit B.V., Nieuwegein	EUR	18	100
Geberit International B.V., Nieuwegein	EUR	51	100
Nigeria			
Geberit Nigeria Ltd., Ikoyi, Lagos	NGN	10,000	100
Norway			
Geberit AS, Lorenskog	NOK	4,400	100
Geberit Service AS, Porsgrunn	NOK	282	100
Poland			
Geberit Sp. z o.o., Warsaw	PLN	10,638	100
Geberit Service Sp. z o.o., Lodz	PLN	1,800	100
Geberit Ozorków Sp.z o.o., Ozorkow	PLN	32,400	100
Geberit Produkcja Sp.z o.o., Kolo	PLN	100,000	100
Portugal			
Geberit Tecnologia Sanitária S.A., Lisbon	EUR	275	100
Geberit Produção S.A., Carregado	EUR	2,750	100
Romania			
Geberit SRL, Bucharest	RON	13,500	100
Russia			
Geberit RUS LLC, Moscow	RUB	150,010	100
Saudi Arabia			
Geberit International for Marketing Services LLC, Jeddah	SAR	4,000	100

	Currency	Share capital ('000)	Ownership in %
Singapore			
Geberit South East Asia Pte. Ltd., Singapore	SGD	100	100
Slovakia			
Geberit Slovensko s.r.o., Bratislava	EUR	200	100
Slovenia			
Geberit proizvodnja d.o.o., Ruše	EUR	104	100
Geberit prodaja d.o.o., Ruše	EUR	42	100
South Africa			
Geberit Southern Africa (Pty.) Ltd., Johannesburg	ZAR	4	100
Spain			
Geberit S.A.U., Barcelona	EUR	3,823	100
Sweden			
Geberit AB, Bromölla	SEK	700	100
Geberit Service AB, Bromölla	SEK	50	100
Geberit Production AB, Bromölla	SEK	20,000	100
Turkey			
Geberit Tesisat Sistemleri Ticaret Ltd., Istanbul	TRY	197,705	100
Ukraine			
Slavuta Holding PrJSC, Kiev	UAH	65,655	100
Geberit Ceramic Production PrJSC, Slavuta	UAH	57,400	100
Geberit Trading LLC, Kiev	UAH	24,264	100
United Kingdom			
Geberit Sales Ltd., Warwick	GBP	1,360	100
Geberit Service, Alsager	GBP	0.4	100
USA			
Duffin Manufacturing Co., Elyria	USD	69	100
The Chicago Faucet Company, Des Plaines	USD	100	100

Report of the statutory auditor



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Report of the statutory auditor
to the General Meeting of Geberit AG
Rapperswil-Jona

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Geberit AG and its subsidiaries (the Group), which comprise the → consolidated balance sheet as at 31 December 2023, and the → consolidated income statement, the → consolidated statement of comprehensive income, the → consolidated statement of changes in equity, the → consolidated statement of cashflows for the year then ended, and → notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and its consolidated financial performance and its consolidated cashflows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.

Basis for opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISAs) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, as well as the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach

Overview



Overall Group materiality: CHF 37,000,000

We concluded full scope audit work at 19 Group companies in 9 countries. These Group companies contributed 66% to the Group's net sales. The selection of companies is renewed each year.

In addition, specified audit procedures were performed on three Group companies in three countries. The remaining companies were addressed by analytical reviews.

As key audit matter the following area of focus has been identified:

Impairment testing of goodwill and of trademarks

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the consolidated financial statements as a whole.

Overall Group materiality	CHF 37,000,000
Benchmark applied	Profit before income tax expenses
Rationale for the materiality benchmark applied	We chose profit before income tax expenses as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured, and it is a generally accepted benchmark for materiality considerations.

We agreed with the Audit Committee that we would report to them misstatements above CHF 3,700,000 identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

The approach for the audit of the consolidated financial statements was determined taking into account the work performed by the component auditors in the PwC network. The Group auditor performed the audit of the consolidation, disclosures and presentation of the consolidated financial statements. We were sufficiently involved in the audit to ensure sufficient appropriate audit evidence was obtained to provide a basis for our opinion on the consolidated financial statements. Our involvement comprised communicating the risks identified at Group level, evaluating the materiality limits, specifying the materiality

thresholds, participating in closing meetings, examining the reporting and conducting conference calls with the component auditors during the interim audit and the year-end audit.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment testing of goodwill and of trademarks

Key audit matter

Impairment testing of goodwill and of trademarks was deemed a key audit matter for the following two reasons:

Goodwill and trademarks represent a significant amount on the balance sheet (goodwill totalling CHF 1,090.1 million and trademarks totalling CHF 222.7 million). A useful life is defined for trademarks that are integrated progressively into the Geberit trademarks. Goodwill and trademarks with an indefinite useful life are not regularly amortised but tested for impairment at least annually. Further, in calculating the value-in-use for these assets, the Board of Directors and Management have significant scope for judgement in determining revenue and margin growth assumptions and the discount rates to be applied to the expected cash flows and in determining the cash-generating units (CGUs).

With regard to the accounting policies and information on goodwill and trademarks, please refer to the notes to the consolidated financial statements: → 1. 'Basic information – Main sources of estimation uncertainty', → 3. 'Summary of material accounting policies – Goodwill and intangible assets' and → 11. 'Goodwill and intangible assets' (tables).

How our audit addressed the key audit matter

Impairment testing of goodwill and trademarks with an indefinite useful life is based on a process defined by the Board of Directors. This process uses the business plans approved by the Board of Directors. As part of the process, Management estimates the cashflows for the cash-generating units concerned.

We assessed the determination of the CGUs taking into account the IFRS Accounting Standards and our knowledge of the organisation, structure and governance of the Geberit Group.

We compared the business results of the year under review with the forecasts prepared in the prior year in order to identify any assumptions that, with hindsight, appeared too optimistic regarding the cashflows. The business results of the year under review were slightly below budget due to the increase of costs.

We compared Management's assumptions concerning long-term revenue growth and margin growth with industry growth figures and historical margin data, respectively. We compared the discount rate with the cost of capital of the Group and of analogous firms. In addition, we performed a plausibility check on the forecast change in net working capital.

The assumptions used were consistent and in line with our expectations.

We tested the sensitivity analyses of the key assumptions. These analyses enabled us to assess any potential impairment of goodwill or of trademarks.

On the basis of the evidence obtained from our audit, we consider the valuation method and the assumptions used to be an appropriate and adequate basis for the impairment testing of goodwill and of trademarks.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the consolidated financial statements

The Board of Directors is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISAs and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Swiss law, ISAs and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them regarding all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the consolidated financial statements.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG



Thomas Illi
Licensed audit expert
Auditor in charge



Martin Knöpfel
Licensed audit expert

Zürich, 12 March 2024

Financials

Financial statements Geberit AG

Balance sheet

	31.12.2023 MCHF	31.12.2022 MCHF
Assets		
Current assets		
Cash	4.5	3.1
Other current receivable		
- Third parties	5.5	6.2
- Group companies	20.5	8.7
Prepaid expenses	2.4	1.9
Total current assets	32.9	19.9
Non-current assets		
Loan to group companies	1,250.0	950.0
Investments	1,212.3	1,212.3
Total non-current assets	2,462.3	2,162.3
Total assets	2,495.2	2,182.2
Liabilities		
Current liabilities		
- Third parties	15.6	15.6
- Bonds	125.0	150.0
- Group companies	255.0	19.9
Total current liabilities	395.6	185.5
Long term interest-bearing liabilities		
Bonds	1,125.0	800.0
Total long term interest-bearing liabilities	1,125.0	800.0
Shareholders' equity		
Capital stock	3.5	3.6
Legal capital reserves		
- General reserves, share premium	0.8	0.8
Legal reserves from retained earnings		
- Reserves for treasury shares held by group companies	431.2	366.0
Free reserves from retained earnings		
- Free reserves	605.1	543.4
- Retained earnings	458.5	992.5
Treasury shares		
- against free reserves	-524.5	-709.6
Total shareholders' equity	974.6	1,196.7
Total liabilities and shareholders' equity	2,495.2	2,182.2

Income statement

	2023	2022
	MCHF	MCHF
Income		
Dividends from Group companies	451.0	977.1
Other financial income	22.9	9.4
Other operating income	0.5	0.1
Total income	474.4	986.6
Expenses		
Administrative expenses	4.1	3.1
Financial expenses	19.7	5.4
Direct tax expenses	1.1	0.5
Total expenses	24.9	9.0
Net income	449.5	977.6

Notes to the financial statements

1. Standards

1.1 General

The financial statements were prepared in accordance with the provisions on commercial accounting of the Swiss Code of Obligations. The significant valuation principles, which are not statutory, are described below.

1.2 Treasury shares

The treasury shares are recorded at cost and are shown as a minus position in equity. For the shares of Geberit AG, held by the subsidiary Geberit Holding AG, reserves for own shares are recorded in the equity of Geberit AG.

1.3 Interest-bearing liabilities

The interest-bearing liabilities are stated at their nominal value. Costs incurred in the context of the placement of bonds are capitalised in the prepaid expenses and amortised linearly over the term of the bond.

1.4 Derivatives

Derivative instruments used for hedging purposes are valued together with the underlying transaction. Positive or negative fair market values will not be recognised during the lifetime of the contract but at settlement date.

1.5 Waiver of cashflow statement and additional information in the notes

As the Geberit Group prepares a consolidated financial statement in accordance with a recognised standard for financial reporting (IFRS), Geberit AG waived in present financial statements, in accordance with the statutory provisions, to present separate notes to interest-bearing liabilities and auditing fees and the presentation of a cashflow statement.

2. Other statutory disclosures

2.1 Guarantees, assets pledged in favour of third parties

	31.12.2023	31.12.2022
	MCHF	MCHF
Guarantee Revolving Facility, due November 2028	500.0	500.0
Guarantee GRI Pensions	0.1	0.1

The guarantees are limited to the distributable reserves of the company.

2.2 Significant investments

	2023	2023	2022	2022
	Ownership in %	Capital stock	Ownership in %	Capital stock
Geberit Holding AG, Rapperswil-Jona	100	TCHF 39,350	100	TCHF 39,350
Geberit Reinsurance Ltd., Guernsey	100	TEUR 2	100	TEUR 2

The investments are stated separately at the respective acquisition costs, less any adjustments required. The indirect investments are shown in the → Notes to the Consolidated Financial Statements Geberit Group, Note 32.

2.3 Share capital

As of 31 December 2023, the share capital of Geberit AG consists of 35,189,082 ordinary shares with a par value of CHF 0.10 each.

	2023	2022
	pcs.	pcs.
Number of shares issued		
January 1	35,874,333	35,874,333
Capital reduction as at April 2023	-685,251	0
December 31	35,189,082	35,874,333

2.4 Treasury shares

Treasury shares held by Geberit AG or by companies in which Geberit AG holds a majority interest:

	Number of registered shares	Highest price in CHF	Average price in CHF	Lowest price in CHF
Balance at December 31, 2022	1,945,202			
Purchases share buyback programme 2022–2024	493,150	548.73	482.77	415.20
Cancellation share buyback programme	-685,251			
Other purchases	198,776	520.34	503.91	490.99
Sales	-61,912	550.00	499.99	419.50
Balance at December 31, 2023	1,889,965			
Number of treasury shares held by Geberit AG	1,120,750			

The share buyback programme 2020–2022, started in September 2020, was concluded in June 2022. In total, 826,251 shares were acquired at a sum of CHF 500 million. At the General Meeting of 19 April 2023, a proposal was submitted and confirmed for the cancellation of 685,251 shares. The shares to be cancelled – originally 826,251 shares, of which 141,000 were already cancelled in June 2021 – originate from the share buyback programme 2020–2022.

On 20 June 2022, a new share buyback programme was launched. As a part of this programme, shares amounting to a maximum value of CHF 650 million will be repurchased at purchase value over a maximum period of two years. By 31 December 2023, 1,120,750 shares were acquired at a sum of CHF 524 million.

The legal reserves for treasury shares were recorded at cost.

2.5 Bonds

Geberit has the following bonds outstanding:

- a bond of MCHF 125 with a term of five and a half years and a coupon of 0.1%, due 17.10.2024
- a bond of MCHF 225 with a term of two and a half years and a coupon of 2.25%, due 26.09.2025
- a bond of MCHF 200 with a term of four years and a coupon of 1.5%, due 14.09.2026
- a bond of MCHF 150 with a term of five and a half years and a coupon of 0.75%, due 29.09.2027
- a bond of MCHF 125 with a term of nine and a half years and a coupon of 0.6%, due 17.10.2028
- a bond of MCHF 200 with a term of seven years and a coupon of 1.75%, due 14.09.2029
- a bond of MCHF 225 with a term of nine and a half years and a coupon of 2.3%, due 27.09.2032

2.6 Shareholdings of members of the Board of Directors and of the Group Executive Board

As at the end of 2023 and 2022, members of the Board of Directors held the following shares in the company:

	A. Baehny Chair	E. Zehnder-Lai Vice Chair	F. Ehrat	B. Koch	W. Karlen	T. Bachmann	Total
2023							
Shareholdings Board of Directors							
Shares	115,304	2,735	5,405	1,580	1,177	945	127,146
Call options	0	0	0	0	0	0	0
Share of voting rights	0.33%	< 0.1%	< 0.1%	< 0.1%	< 0.1%	< 0.1%	0.36%

	A. Baehny Chair	E. Zehnder-Lai Vice Chair	F. Ehrat	B. Koch	W. Karlen	T. Bachmann	Total
2022							
Shareholdings Board of Directors							
Shares	114,776	2,171	4,943	1,131	691	518	124,230
Call options	0	0	0	0	0	0	0
Share of voting rights	0.32%	< 0.1%	< 0.1%	< 0.1%	< 0.1%	< 0.1%	0.35%

As at December 31, 2023, there were no outstanding loans or credits between the company and members of the Board of Directors.

As of the end of 2023 and 2022, the Group Executive Board held the following shares in the company:

	Maturity	Average exercise price in CHF	C. Buhl CEO	T. Knechtle CFO	R. van Triest	M. Baumüller	M. Ziegler	C. Rapp	A. Lange	Total
2023										
Shareholdings Group Executive Board										
Shares			20,024	887	2,090	4,965	5,928	2,373	690	36,957
Percentage voting rights shares			< 0.1%	< 0.1%	< 0.1%	< 0.1%	< 0.1%	< 0.1%	< 0.1%	0.11%
Call options ¹										
End of vesting period:										
Lapsed	2023–2029	417.63	174,483	0	50,408	40,930	46,002	27,756	6,281	345,860
	2024	2030	569.65	36,784	0	11,870	10,063	14,907	12,710	87,904
	2025	2032	584.10	48,788	14,911	12,395	10,478	16,203	13,687	118,264
	2026	2033	504.45	36,996	12,501	9,226	7,295	12,111	10,272	96,449
Total options			297,051	27,412	83,899	68,766	89,223	64,425	17,701	648,477
Percentage potential share of voting rights options			0.84%	< 0.1%	0.24%	0.20%	0.25%	0.18%	< 0.1%	1.84%

¹ Purchase ratio 1 share for 1 option. The invested options are subject to a performance-based vesting condition.

	Maturity	Average exercise price in CHF	C. Buhl CEO	T. Knechtle CFO	R. van Triest	M. Baumüller	M. Ziegler	C. Rapp	A. Lange	Total
2022										
Shareholdings Group Executive Board										
Shares			18,580	215	2,090	5,660	4,776	1,957	528	33,806
Percentage voting rights shares			< 0.1%	< 0.1%	< 0.1%	< 0.1%	< 0.1%	< 0.1%	< 0.1%	0.09%
Call options ¹										
End of vesting period:										
Lapsed	2022–2028	409.16	87,650	0	20,781	17,219	14,317	3,320	2,965	146,252
	2023	2028–2029	441.85	88,457	0	29,627	23,711	32,109	24,436	201,656
	2024	2030	569.65	36,784	0	11,870	10,063	14,907	12,710	87,904
	2025	2032	584.10	48,788	14,911	12,395	10,478	16,203	13,687	118,264
Total options			261,679	14,911	74,673	61,471	77,536	54,153	9,653	554,076
Percentage potential share of voting rights options			0.73%	< 0.1%	0.21%	0.17%	0.22%	0.15%	< 0.1%	1.54%

¹ Purchase ratio 1 share for 1 option. The invested options are subject to a performance-based vesting condition.

As of December 31, 2023, there were no outstanding loans or credits between the company and members of the Group Executive Board.

2.7 Significant shareholders

According to the information available to the Board of Directors, the following shareholders have attained or exceeded the threshold of 3% of the share capital of Geberit AG:

	31.12.2023	31.12.2022
Black Rock, New York (notification dated: 09.08.2019)	5.21%	5.21%
Geberit AG, Jona (notification dated: 13.09.2023)	5.00%	5.01%
UBS Fund Management (Switzerland) AG (notification dated: 11.07.2023)	3.10%	<3.00%

2.8 Employees

At Geberit AG no employees are employed.

3. Profit distribution

Proposal for the appropriation of available earnings

Proposal by the Board of Directors to the General Meeting:

Appropriation of available earnings

	2023 CHF	2022 CHF
Available earnings		
Net income	449,539,442	977,552,213
Balance brought forward	8,914,252	14,953,113
Total available earnings	458,453,694	992,505,326
Transfer to free reserves	20,000,000	550,000,000
Proposed/paid dividend	432,667,816	433,591,074
Balance to be carried forward	5,785,878	8,914,252
Total appropriation of available earnings	458,453,694	992,505,326

Dividend payments

The Board of Directors proposes a dividend of CHF 12.70 per share (PY: CHF 12.60). The dividend payment is subject to withholding tax.

The number of shares with dividend rights will change if the number of shares held by Geberit AG changes. The Board of Directors may therefore adapt the total amount of the proposed dividend to the number of shares with dividend rights at the General Meeting.

Report of the statutory auditor



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Report of the statutory auditor
 to the General Meeting of Geberit AG
 Rapperswil-Jona

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Geberit AG (the Company), which comprise the → balance sheet as at 31 December 2023, and the → income statement for the year then ended, and → notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements comply with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach

Overview



Overall materiality: CHF 5,000,000

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

As key audit matter the following area of focus has been identified:

Impairment testing of investments

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Overall materiality	CHF 5,000,000
Benchmark applied	Total assets
Rationale for the materiality benchmark applied	We chose total assets as the benchmark because, in our view, it represents a relevant and generally accepted benchmark for holding companies.

We agreed with the Audit Committee that we would report to them misstatements above CHF 500,000 identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment testing of investments

Key audit matter

Impairment testing of investments was deemed a key audit matter for the following two reasons:

Investments in Geberit Holding AG and Geberit Reinsurance Ltd. in the amount of CHF 1,212.3 million represent the largest asset category on the balance sheet (48.6% of total assets). If this investment had to be written down, it would have a significant impact on the equity of the Company.

Testing for impairment depends on the future results of the companies concerned. In addition, there is significant scope for judgement in determining the assumptions underlying forecast results.

Please refer to the notes to the financial statements and, specifically, the recognition, valuation and disclosure methods in note → 2.2 'Significant investments'.

How our audit addressed the key audit matter

Management has performed impairment tests on the investments in Geberit Holding AG and Geberit Reinsurance Ltd as at 31 December 2023.

We performed the following:

- compared the actual results of each company with its prior budget in order to identify any assumptions that, with hindsight, appeared too optimistic;
- checked for plausibility the outlook based on the multiyear plan approved by the Board of Directors and discussed the outlook with Management;
- compared the carrying value of the investments with net assets of the subsidiaries.

We consider the valuation process applied by management to be adequate and a sufficient basis for the impairment testing of investments in subsidiaries.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them regarding all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the financial statements.

We further confirm that the proposal for the appropriation of available earnings complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Thomas Illi
Licensed audit expert
Auditor in charge

Martin Knöpfel
Licensed audit expert

Zürich, 12 March 2024

Geberit Group

Sustainability

Sustainability

Introduction sustainability report (Report on non-financial matters)

The sustainability report constitutes the report on non-financial matters, pursuant to Art. 964a ff. of the Swiss Code of Obligations (CO). The sustainability report of Geberit AG is published as part of the online Annual Report on a shared platform. The company's systematic and transparent communication on the subject of sustainability is addressed to a range of target groups, including customers, partner companies, investors, the general public and company employees.

Since 2006, a sustainability performance report has been presented annually in accordance with the guidelines of the Global Reporting Initiative (GRI). In recent decades, GRI was the leading, international standard for sustainability reporting. As part of the reporting in compliance with GRI (first in accordance with the GRI G3 and G4 guidelines, then in compliance with the GRI Standards), Geberit endeavoured to provide comprehensive reporting on all material topics and deployed the "comprehensive" option until the revision of the standard. This approach is also followed in the present report.

The sustainability report now also meets the requirements regarding non-financial reporting in the revised Swiss Code of Obligations. The necessary reporting on climate, social and employee matters, adherence to human rights and fighting corruption has been integrated into existing reporting, which has been developed according to the GRI Standards over the course of many years. Information on risks, concepts (including the due diligence review), measures and performance indicators were, where necessary, supplemented and are integrated in existing management approaches in accordance with the GRI Standards in the material topics (matters), see also → [Content Index on non-financial reporting according to the Swiss Code of Obligations \(Art. 964a ff. CO\)](#). Necessary information on the business model and the value chain has also been summarised in a separate chapter.

The Geberit sustainability report (report on non-financial matters) comprises not only the Sustainability Performance Report compiled in compliance with the GRI Standards, but also further information at different levels:

- → [Business model and value chain](#)
- → [Materiality analysis](#)
- → [Sustainability strategy](#)
- → [Sustainability Performance Report](#)
- → [Key figures sustainability](#)
- → [GRI Content Index](#)
- → [Art. 964a ff. CO Content Index](#)
- → [SASB Content Index](#)
- → [SDG Reporting](#)
- → [Communication on Progress UNGC](#)
- → [TCFD Reporting](#)
- → [Audit Report Greenhouse Gas Balance](#)

Sustainability

Business model and value chain

With its innovative solutions for sanitary products, Geberit aims to achieve sustained improvement in people's standard of living. The economy benefits from Geberit's leading role in the change towards a sustainable sanitary industry. Geberit contributes to this change in the industry through better sanitary and hygiene standards, a durable, resource-efficient sanitary infrastructure, through know-how transfer in the sanitary industry, via impetus for the economy in regional economic areas, and through strong and long-term relationships with suppliers.

"Go-to-market" model (business model)

Geberit offers customers high-quality, durable sanitary products and solutions for applications in buildings. The products are used in both renovation projects and new buildings. The product area Installation and Flushing Systems comprises all sanitary installation technology plus a broad range of flushing systems for toilets including cisterns and fittings. The product area Piping Systems includes building drainage and supply systems and comprises all piping technology found in buildings for drinking water, heating, gas and other media. The Bathroom Systems product area comprises all relevant furnishings in a bathroom such as bathroom ceramics, furniture, showers, bathtubs, taps and controls and shower toilets. For further information on the product range, see → www.geberit.com > Company > Products > Product portfolio.

In terms of market cultivation, Geberit relies on a three-stage distribution channel, see also → [Business Report > Business and financial review > Financial Year 2023 > Customers](#). The vast majority of products are distributed via the wholesale trade. Dealerships then sell them to plumbers and present them at exhibitions and other events where end customers can gain information. At the same time, Geberit provides plumbers and sanitary engineers with intensive support through training and advice.

In 2023, net sales amounted to a total of CHF 3,084 million (previous year CHF 3,392 million). For net sales by markets/regions as well as by product areas, see → [Business Report > Business and financial review > Financial Year 2023 > Net sales](#). Significant indicators for the creation and distribution of value can be found in the → [financial reporting](#).

Value chain

Geberit forms part of the value chain in the construction industry. It has significant impacts for the employees, on the customer side at sanitary engineers, plumbers and end users, as well as at suppliers and transport companies. Continuous investment in the production plants in Europe, China, India and the USA, as well as the logistics centre in Germany for installation and flushing systems and piping systems as well as the decentralised network of 13 European distribution sites for ceramic appliances and bathroom furniture will strengthen these individual economic areas. Geberit know-how and Geberit products and system solutions significantly reduce the burden on water and drainage systems, thus reducing the associated costs and consumption of resources.

Geberit is committed to sustainable sanitary systems which, as elements in construction, help to shape the infrastructure as a whole. Geberit lends impetus to the sanitary industry with new products that are sold and installed worldwide by wholesalers, plumbers and sanitary engineers. In the reporting year, some 60,000 professionals were provided with education and further training on Geberit products, tools, software tools and installation skills at 30 Geberit Information Centres in Europe and overseas. In this way, Geberit supports innovation, growth and value added in the sanitary industry.

Furthermore, Geberit is an important employer for the communities around its sites. Added to this is Geberit's contribution as a training company for apprentices. At the end of 2023, Geberit employed 274 apprentices, thus supporting training in different countries, see also → [GRI 404](#).

The economic impact on suppliers and transport companies is also significant. In 2023, Geberit procured goods amounting to CHF 883 million (previous year CHF 1,136 million) and had business relations with a total of 1,603 direct suppliers. Geberit does not have its own transport fleet and therefore generates orders for external transport companies.

For further information on management of the value chain, see → [Procurement](#) as well as the chapters → [Procurement](#), → [Production](#) and → [Logistics](#) in the business and financial review.

Value creation – an overview

The → [value creation graphic](#) summarises how Geberit creates value for employees, society, customers, the environment as well as shareholders. The long-term corporate strategy is based on four pillars: Focus on sanitary products, Commitment to innovation and sustainability, Selective geographic expansion and Continuous optimisation of business processes. Values such as integrity, team spirit, enthusiasm, modesty and an ability to embrace change are core factors. This strategy is implemented on the basis of seven growth and earnings drivers. These are as follows: “go-to-market” model, technology penetration, value strategy, innovation leadership, sustainability leadership in the sanitary industry, selective technology penetration, and continuous process and cost optimisation. The sustainability strategy supplements the corporate strategy with twelve modules. These modules strengthen the “go-to-market” model (business model) and generate added value for various stakeholders in the areas People (employees and society), Planet (environment) and Profit (value chain including compliance and governance) in a targeted manner. The results of these activities show the diverse added value in the three dimensions of sustainability. At the same time, the results contribute to the UN Sustainable Development Goals (SDGs) set out in the 2030 Agenda for Sustainable Development, see → [SDG Reporting](#).

Sustainability

Materiality analysis

Process of determining material topics (GRI 3-1)

Since 2006, Geberit has been reporting in accordance with the guidelines of the Global Reporting Initiative (GRI). In the present report, Geberit implements the current GRI Standards from 2021. The starting point is a materiality analysis that has been developed further over the years, which is based on the procedure described in the GRI Standards.

Material topics are determined in a gradual process. Twenty topics were chosen from a range of economic, social and environmental issues relating to common sustainability standards, industry-specific information as well as the corporate strategy and sustainability strategy of Geberit. These were evaluated according to their relevance for the success of the business in an internal process involving different managers. The stakeholder panel convened by Geberit on a regular basis was used to evaluate the relevance of issues in terms of their impact on the business activities of Geberit. The results were consolidated in a list of economic, social and environmental issues and were validated and approved by the Board of Directors and the Group Executive Board. The materiality analysis has been updated on a regular basis since the first analysis in 2014.

Material topics and related measures are presented in compact form within the → [Sustainability strategy](#). Also of a material nature are the principles of the UN Global Compact that Geberit has committed itself to uphold and that are presented in the → [Communication on Progress UN Global Compact](#).

For further information on sustainability topics that were of particular relevance in the reporting year, see Business and financial review with the following chapters: → [Employees](#), → [Customers](#), → [Innovation](#), → [Procurement](#), → [Production](#), → [Logistics](#), → [Sustainability](#), → [Social responsibility](#) and → [Compliance](#).

List of material topics (GRI 3-2)

In accordance with the principle of double materiality, Geberit classifies topics as material if they are significant for the business success of Geberit or if the business activities of Geberit have significant economic, environmental or social effects. A differentiated assessment according to these two dimensions is not shown. The plan for 2024 is to adapt the materiality analysis to correspond to the new guidelines of the Corporate Sustainability Reporting Directive (CSRD) of the European Union.

The topics that Geberit identified as material in the economic, environmental and social dimensions are shown in the graphic below.

People		Planet		Profit	
Employee attraction & retention	Diversity & equal opportunity	Resources & circular economy	Energy & CO ₂	Products & innovation	Operations
Health & safety	Social responsibility	Water	Eco-design & sustainable products	Customer relations	Compliance & governance

The following topics will not be processed further or shown in more detail by Geberit:

- **Taxes:** As part of its reporting, Geberit provides information on income taxes, see → [Note 25](#) in the consolidated financial statements.
- **Biodiversity:** Geberit production sites do not endanger biodiversity in protected areas. Biodiversity plays a role when procuring mineral raw materials for ceramic production. This subject was addressed and examined as part of supplier audits. During these audits, it was found that the suppliers in this sector actively address the topic of biodiversity and take appropriate measures within the context of their licence to operate.
- **Politics:** No support is given to political parties or politicians. Participation in the political process is confined to membership in certain associations and is therefore limited.

Sustainability

Sustainability strategy

For Geberit, sustainability means being oriented towards the future as well as operating and being successful over the long term. To do this, a balance has to be struck between economic, environmental and social aspects in all decision-making processes. In addition to sustained high profitability, value is simultaneously created for many other stakeholders: innovative, design-oriented and durable products; training and education of plumbers, sanitary engineers and architects; the smallest possible environmental footprint along the entire value chain; production sites with prospects for employees in numerous regions; a cooperation with suppliers and business partners that is based on fairness; and leadership for sustainable development in the sanitary industry.

Sustained improvement in quality of life

For more information on the “go-to-market” model (business model) at Geberit and how Geberit implements integrated sustainability along the entire value chain and thus creates value, see → [Business model and value chain](#). The vision of achieving sustained improvement in the quality of people’s lives with innovative sanitary products represents the starting point. To bring this vision to fruition, Geberit continuously refines its products, systems and services and sets new standards as a market leader in the area of sanitary products. Values such as integrity, team spirit, enthusiasm, modesty and an ability to embrace change are core factors.

People, Planet and Profit in harmony

The long-term corporate strategy is based on four pillars: Focus on sanitary products, Commitment to innovation and sustainability, Selective geographic expansion and Continuous optimisation of business processes. This strategy is implemented on the basis of seven growth and earnings drivers. The sustainability strategy supplements the corporate strategy and the growth and earnings drivers with twelve modules. These modules strengthen the “go-to-market” model (business model) and generate added value for various stakeholders in the areas People (employees and society), Planet (environment) and Profit (value chain including compliance and governance) in a targeted manner. The results of these activities show the diverse added value in the three dimensions of sustainability.

Contribution to sustainable development

At the same time, the results contribute to the UN Sustainable Development Goals (SDGs) set out in the 2030 Agenda for Sustainable Development, see → [SDG Reporting](#). Goal 4 ("Quality Education"), Goal 6 ("Clean Water and Sanitation"), Goal 11 ("Sustainable Cities and Communities") and Goal 13 ("Climate Action") are a key focus for Geberit. Compared with the previous year, Goal 8 ("Decent Work and Economic Growth") and Goal 9 ("Industry, Innovation and Infrastructure") have been replaced in order to define in even more concrete terms the areas where Geberit achieves added value for society.

The modules of the sustainability strategy bundle current and future projects, initiatives and activities. Each module contains clear responsibilities with measurable objectives, derived measures and quantifiable key figures for effective monitoring.

People		Planet		Profit	
Employee attraction & retention	Diversity & equal opportunity	Resources & circular economy	Energy & CO ₂	Sustainable supply chain	Green production
Health & safety	Social responsibility	Water	Eco-design & sustainable products	Green logistics	Compliance & governance



The following pages contain an overview of the sustainability modules with important facts and achievements from 2023, plus an outlook for the years 2024 to 2026. This sustainability strategy covers the entire Geberit Group and indicates how Geberit wants to be a leader in the sanitary industry when it comes to sustainability.

Employee attraction & retention



Geberit is an attractive employer and strives to offer jobs of the highest quality.

Important facts and achievements 2023

- Completion of the implementation of a new performance management process ("valYOU") for performance assessment, defining objectives and succession planning at all sites worldwide.
- Development programmes (GROW and LEAD) for young professionals within the company. Establishment and development of management, methodological and social skills in preparing for the next career step.
- Operations Development Programme (ODP) for talented internal and external prospects in Operations.
- Promotion of decentralised collaborations with universities, plus active participation in the international UNITECH network.
- Development programme for over 100 regional sales managers from European sales companies based on standardised management principles and instruments.
- Selective roll-out of active sourcing activities for recruiting new employees (in selected countries for selected functions).
- Regular exchange of best practices in the area of employee attraction and retention.
- Employment of 274 apprentices with a transfer rate to a permanent employment relationship of 65%.

Outlook for 2024 to 2026

- Revision and roll-out of the Geberit Compass and Geberit Code of Conduct for Employees in 2024.
- Introduction of the Operations Development Programme (ODP) for internal and external managerial staff in Sales and Marketing.
- Continuation of the development programme for managerial staff at the sales companies.
- Group-wide employee survey in 2025.
- Short surveys on specific topics in individual areas and companies.
- Redesign of employer branding for selected target groups.
- Targeted support for transfer of apprentices to a permanent position. Target rate is 75%.

Diversity & equal opportunity



Geberit is committed to equal opportunities for all employees. The company promotes mixed teams, offers working conditions for good reconciliation of family and working life, and is committed to inclusive workplaces.

Important facts and achievements 2023

- Approval of strategy for promoting inclusive workplaces and derivation of suitable measures.
- Development of a Group-wide directive on diversity and equal opportunity.
- Workshops for disabled persons were commissioned with assembly and packaging work totalling CHF 9.2 million.

Outlook for 2024 to 2026

- Medium-term goal of 5% share of inclusive workplaces (internal and external).
- More intensive collaboration with third-party institutions.
- Communication of the directive on diversity and equal opportunity and derivation of suitable measures.
- Annual reporting on diversity and inclusive workplaces as part of personnel reporting.

Health & safety



Geberit operates safe production plants and logistics sites, and promotes a health and safety culture at a high level.

Important facts and achievements 2023

- Initial certification of the plant in Stryków (PL) according to ISO 45001. Global certification of all production plants and central logistics in accordance with ISO 45001 (occupational health and safety).
- Implementation of the new Group-wide safety standards for the targeted increase of the level of safety in the production plants and in logistics.
- Exchange of best practices and accident analyses encouraged, plus implementation of cross-site audits based on the new safety standards.
- Roll-out of the eLearning programme on occupational safety at a further four production plants.
- Decrease in the accident frequency rate (AFR) by 11% to 7.3 (accidents per million working hours) and in the accident severity rate (ASR) by 24% to 119.7 (days lost per million working hours). The absenteeism rate due to accidents and illness improved to 5.2%.
- Increased occupational health and safety and ergonomics as part of the continuous optimisation and modernisation of processes and systems, by replacement of hazardous substances, by reduction of noise emissions and by the use of robots and lifting aids.
- The comprehensive "Geberit Vital" healthcare programme is offered at six locations and is available to around 40% of the entire workforce.
- Continuation of the action plan for reducing quartz dust, including measurements and monitoring of targets in the ceramics plants.

Outlook for 2024 to 2026

- Halving of the accident frequency rate and accident severity rate between 2015 and 2025; AFR target: 5.5; ASR target: 90.
- Further development of the existing safety standards.
- Conduction of further cross-site audits and integration in the internal audit tool.
- Roll-out of the eLearning programme on occupational safety at further production plants.
- Revision of the methods used for accident analysis and safety inspections.
- Further improvement in ergonomics, particularly in the ceramics plants and in logistics.
- Continuation of the action plan for reducing quartz dust.

Social responsibility



Geberit fulfils social responsibilities in society within the scope of the UN Sustainable Development Goals.

Important facts and achievements 2023

- Geberit employees contributed 2,790 hours of charitable work as part of social projects.
- Implementation of a social project in India with eleven Geberit apprentices. Construction of a new sanitary wing and renovation of the water supply at a primary school.
- Support of the "Youth Water Challenge" for students focusing on water and hygiene, carried out by the Swiss Water Partnership network.
- Continuation of the training programme for plumbers in Ukraine with the local sales company in collaboration with the Swiss Agency for Development and Cooperation (SDC).
- Approval of the strategy for social commitment at Geberit. Development of a training programme for plumbers in Kenya in collaboration with the Hilti Foundation.

Outlook for 2024 to 2026

- Implementation of a social project in Cambodia with apprentices.
- Start of the training programme for plumbers in Kenya in collaboration with the Hilti Foundation.
- Review of the effectiveness of social projects with apprentices two to three years after their implementation.

Resources & circular economy



Geberit conserves natural resources and practises the circular economy along the value chain.

Important facts and achievements 2023

- The absolute environmental impact decreased by 17.6%, while the environmental impact in relation to currency-adjusted net sales (eco-efficiency) was reduced by 13.4%. This figure is clearly above the target of 5% per year.
- Global certification of all production plants and central logistics in accordance with ISO 14001 (environment). Group certificate valid until 2024.
- The quantity of hazardous substances used in the production plants was reduced by 11%. This figure is clearly above the target of 5% per year.
- Internal recycling of around 7,200 tonnes of plastic waste from production, with high-quality post-consumer regranulate used: 792 tonnes ABS, 49 tonnes LDPE and 2 tonnes PP.
- Active participation in Operation Clean Sweep to prevent the pollution of the environment with plastic pellets.
- Resource efficiency in ceramic production reduced by 2.2% to 0.42 kg waste/kg ceramic.

Outlook for 2024 to 2026

- Improvement of eco-efficiency by 5% per year.
- Reduction of hazardous substances in production plants by 5% per year.
- Renewal of the ISO Group certificate with validity until 2027.
- Search for further high-quality plastic regranulates and subsequent implementation.
- Identification of ways in which to close internal material cycles and make production waste useful as secondary materials.
- Reduction of scrap rate and improvement of resource efficiency in ceramic production by 10% from 2021 to 2024 to 0.4 kg waste/kg ceramic.

Energy & CO₂



Geberit actively contributes to climate change mitigation and consequently reduces its energy consumption and CO₂ emissions along the value chain.

Important facts and achievements 2023

- Comprehensive CO₂ strategy with internal CO₂ reference price, bonus-related component and external validation of CO₂ emissions.
- Decrease of absolute CO₂ emissions (Scopes 1 and 2) by 19.6% to 121,014 tonnes, and reduction of CO₂ emissions in relation to currency-adjusted net sales (CO₂ intensity) by 15.6%.
- Improvement in CO₂ intensity of 63.2% since the acquisition of the ceramics business, or 11.8% per year on average.
- The volume of purchased green electricity increased by 16.5 GWh to 128.3 GWh. Renewable energy sources accounted for 78.9% of electricity and 5.2% of combustibles.
- 3.0 GWh of green electricity was produced in Givisiez (CH) and Pfullendorf (DE).
- Five German production plants received ISO 50001 certification (energy).
- New function in the area of energy focusing on ceramics plants. Detailed review, establishment of a network, exchange of best practices and further development of the energy master plan.
- Replacement of three old, inefficient kilns with a new, modern tunnel kiln in Carregado (PT).
- Refinement of the calculation of CO₂ emissions for processed materials (Scope 3).

Outlook for 2024 to 2026

- Same medium-term improvement in CO₂ intensity (Scopes 1 and 2) as for eco-efficiency by 5% per year on average.
- Reduction of relative CO₂ emissions (Scopes 1 and 2) by 80% between 2015 and 2035, corresponding to 121,000 tonnes of CO₂.
- Further refinement of the calculation of CO₂ emissions for processed materials (Scope 3).
- Evaluation of technologies and alternative fuels for achieving carbon-neutral ceramic production.
- Commissioning of the new, modern tunnel kiln in Carregado (PT).
- Certification of further production plants in Poland according to ISO 50001 (energy).

Water



Geberit supports the economical and careful use of water along the value chain.

Important facts and achievements 2023

- Almost 100% of the water consumed by Geberit can be attributed to the product usage phase.
- Since 1998, some 34,940 million m³ of water have been saved to date through the use of water-saving flushing systems (according to a model calculation, compared to 9-litre full flush volume). In 2023 alone, the water saved amounted to 2,940 million m³.
- Water consumption in relation to the amount of ceramic produced increased by 11.7% to 7.1 l/kg ceramic.

Outlook for 2024 to 2026

- Registration of additional water-saving products in accordance with the European water label.
- Reduction of water consumption in relation to the amount of ceramic produced by 5% to 5.6 l/kg ceramic by 2024 compared to 2021.

Eco-design & sustainable products



In the development process, Geberit products are optimised with regard to their environmental friendliness, resource consumption, CO₂ emissions and recyclability. Geberit is the leading partner for sustainable sanitary solutions in green building.

Important facts and achievements 2023

- Over 185 eco-design workshops have been held in product development since 2007.
- Various new products with a reduced ecological footprint:
 - Acanto WC with TurboFlush – allows for improved flushing-out performance thanks to optimised hydraulics, with minimal water consumption.
 - Dual-flush units type 208 and type 212 for cisterns – backwards-compatible, flexible setting and allows for good flushing out of the WC pan with minimal water consumption.
 - CleanLine50 shower channel – slim design, integrated slope, and 50% less material used.
- Guaranteed spare parts availability of 50 years for concealed cisterns, and lifetime guarantee for ceramic products.
- 97% of bathroom furniture of the Geberit brand and 75% of the remaining bathroom furniture is FSC™ certified (FSC-C134279).
- Creation of a new environmental product declaration according to EN 15804 +A2 for the actuator plate Sigma 01/10/20/30. Products with an EPD now account for around 34% of Group sales.
- Purchase of high-quality CO₂ certificates for ceramic appliances in selected series as part of a forest conservation project run by the Swiss myclimate foundation in Tanzania.
- Interdisciplinary project for developing expertise in the field of green building.

Outlook for 2024 to 2026

- Eco-design workshops to be carried out in product development and basic projects.
- Exchanges with recycling companies and integration of “Design for Recycling” principles in product development.
- Further expansion of the portfolio of sustainable products: fill valve type 383 (backwards-compatible, efficient and quiet), use of ABS regranulate and Silent-Pro SuperTube (saves space and resources).
- 100% of bathroom furniture of the Geberit brand and over 80% of the remaining bathroom furniture is FSC™ certified (FSC-C134279).
- Update of existing environmental product declarations in accordance with EN 15804 +A2 and creation of further new EPDs.
- More systematic recording of environmentally relevant product data, i.e. for BIM.
- Further training and development of expertise in the field of green building at the sales companies.

Sustainable supply chain



Suppliers demonstrably comply with Geberit's high standards for environmentally friendly and socially responsible production, and support Geberit in reducing CO₂ emissions (Scope 3).

Important facts and achievements 2023

- The Code of Conduct was signed by 3,745 suppliers. This equates to over 90% of the total procurement value. No incidents were reported via the Integrity Line for suppliers.
- EHS (Environment, Health and Safety) audits were conducted and tracked, particularly in the highest sustainability risk category. This comprises 168 suppliers (some 6% of the procurement value).
- Update of the supplier sustainability risk matrix, which contains human rights and other aspects. Five external EHS audits were carried out at suppliers in China, India, Slovenia and Turkey.
- Regular training on procurement and sustainability at the sales organisation. Exchanges on sustainability at two Supplier Days with the top 100 suppliers, who constituted around 75% of CO₂ emissions.
- Derivation and implementation of measures resulting from new legal requirements, including clarifications on conflict minerals.
- New function for sustainability and compliance in the area of Corporate Purchasing. Detailed analyses on alternatives in the area of plastics and metal, plus clarifications on the availability of data on CO₂ emissions. Exchange of best practices with other large companies.
- With 76 out of 100 points (same as previous year) EcoVadis gold rating.

Outlook for 2024 to 2026

- All new suppliers have to sign the Code of Conduct, with the introduction of a customised process for large companies with a global structure.
- Expansion of the supplier sustainability risk matrix (including human rights) with the addition of indirect spend (including calculation of CO₂ emissions).
- Further EHS audits of suppliers are to be carried out by Geberit and external partners, with the corrective measures being checked.
- Integration of EHS audits in the internal audit tool.
- Development of a concept for more intensive collaboration with suppliers in the areas of compliance and the reduction of CO₂ emissions (Scope 3), including the definition of goals.

Green production



Geberit procures, builds and operates durable, high-quality, efficient and resource-saving infrastructures such as buildings, equipment and tools.

Important facts and achievements 2023

- Completion of the expansion of logistics in Pune (IN) to create a central distribution centre for India, and further construction of a production hall in Lichtenstein and Pfullendorf (both DE).
- 242 injection moulding machines (69%) with energy-efficient drive technology (hybrid, fully electrical, standby) and commissioning of a seventh fully electrical blow-moulding machine.
- Process optimisation in the production of welded Mapress Stainless Steel fittings in order to improve efficiency, quality, waste and ergonomics, while also simultaneously reducing pickling step by step.
- Manufacture of a WC seat and lid using recyclable thermoplastics instead of non-recyclable duroplast plastics in Pfullendorf (DE).
- Replacement of existing systems with the latest generation of WC high-pressure casting cells in Ekenäs (FI) in order to increase efficiency while simultaneously reducing energy consumption.
- Replacement of conventional plaster casting systems with modern high-pressure casting systems in Koło and Włocławek (both PL) in order to increase efficiency, improve ergonomics and reduce raw material consumption and plaster waste.
- Installation of further glazing robots in Carregado (PT) in order to increase efficiency, improve ergonomics and reduce raw material consumption.
- Modernisation of raw material processing, including the installation of silos and conveyor systems and automatic dosing in order to increase efficiency and reduce dust emissions in Koło and Włocławek (both PL).

Outlook for 2024 to 2026

- Further increase in the number of injection moulding machines with energy-efficient drive technology from 242 to 268. Commissioning of an eighth fully electrical blow-moulding machine.
- Continued process optimisation in the production of welded and straight Mapress fittings.
- Further installation of the latest generation of WC high-pressure casting cells in Ekenäs (FI).
- Further replacement of conventional casting systems in Koło and Włocławek (both PL).
- Further automation of the glazing process for ceramic appliances in Carregado (PT).
- Modernisation of raw material processing in Carregado (PT).

Green logistics



Geberit optimises its logistics with regard to energy consumption, emissions and packaging.

Important facts and achievements 2023

- The transport service providers handled 524.7 million tkm, which was down on the previous year (644.5 million tkm) mainly due to the decline in volumes. This resulted in CO₂ emissions of 52,815 tonnes (previous year 65,889 tonnes).
- Increased share of state-of-the-art Euro 6 trucks at 89% (previous year 87%).
- Four trucks powered by natural gas in operation between Jona (CH) and Pfullendorf (DE) and on other routes.
- The optimised calculation, better utilisation of freight capacity, bundling of long-goods deliveries and deployment of super-size trucks in Scandinavia reduced the number of trips required.
- The eco-efficiency of logistics (environmental impact per tkm) has improved by 28% since 2015.
- Development and approval of an applicable Group-wide packaging strategy with the aim of harmonising processes and reducing costs and resources. Improvement of master data and harmonisation of processes, plus the development of an inspection catalogue for reducing transport damage.
- Standardisation and reduction of packaging for Geberit AquaClean Mera and Sela shower toilets by one-third. Identification of alternatives to expanding PUR-foam in transport logistics.

Outlook for 2024 to 2026

- Further optimisation of loading capacity through scheduling and organisational changes as well as the use of larger shipping containers.
- More intensive use of Euro 6 vehicles.
- Identification of suitable alternative drive technologies for trucks as part of a pilot project with a transport service provider.
- Roll-out of the packaging strategy in the plants and logistics, plus integration in the product development process. Implementation of projects with substantial reduction potential.
- Replacement of physical product instructions with digital alternatives wherever possible (QR code).

Compliance & governance



Geberit complies with all laws, guidelines, norms and standards. Geberit checks the effectiveness of its internal monitoring systems and guidelines and implements appropriate measures in the event of misconduct.

Important facts and achievements 2023

- The review of adherence to the Geberit Code of Conduct in all organisational units and in interviews conducted by the Internal Audit Department with managing directors on topics from the Code of Conduct resulted in the discovery of no significant breaches.
- No relevant incidents were reported via the Geberit Integrity Line for employees, and no incidents were reported via the Integrity Line for suppliers.
- Numerous training courses carried out on antitrust legislation and roll-out of a new eLearning tool for the European markets.
- Processing of enquiries on the permissibility of marketing and sales campaigns under antitrust legislation, plus execution of numerous internal audits in the area of antitrust legislation.
- Processing of enquiries on data protection. Further expansion of the data protection management system, comprehensive training activities and execution of numerous internal audits.
- Geberit Integrity Line for employees adjusted to meet new legal requirements.
- Migration of the EHS compliance tool for the production plants to a new software version.

Outlook for 2024 to 2026

- Regular training activities and execution of audits in the area of antitrust legislation in collaboration with the Internal Audit Department.
- Further development of the data protection management system, regular training activities and execution of audits in collaboration with the Internal Audit Department.
- New eLearning tool for data protection for the European markets.
- Further roll-out of the EHS compliance tool in production plants in Europe.

Sustainability

Sustainability performance report

Organisational profile

GRI 2-1 Organisation

The Geberit Group has its headquarters in Rapperswil-Jona (CH). Geberit AG, the parent company of the Geberit Group, is a stock corporation (AG) under Swiss law, see also → [Business Report > Corporate Governance > Group structure and shareholders](#).

Geberit has its own representatives in over 50 countries. The products are sold in more than 120 countries throughout the world. The Geberit Group operated 26 plants at the end of the reporting year, 22 of which are located in Europe, two in the US, one in China and one in India. Logistics consists of a central logistics centre in Pfullendorf (DE) for installation and flushing systems and piping systems as well as a network of 13 European distribution sites for ceramic appliances and bathroom furniture. For a list of the countries in which Geberit operates, see → [Financials > Consolidated financial statements Geberit Group > Notes > Note 32](#).

GRI 2-2 Basis of consolidation

In general, the report covers the entire Geberit Group. If only part of the company is meant as an example or due to the availability of data, this is clearly indicated. For the reporting limits in the consolidated financial statements, see → [Financials > Consolidated financial statements Geberit Group > Notes > Note 32](#).

GRI 2-3 Reporting period, cycle and contact point for questions regarding the report

The reporting period is the financial year 2023. Geberit reports annually as part of the integrated online reporting for a given financial year. Should you have any questions concerning sustainability at Geberit, please contact:

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Geberit International AG
Schachenstrasse 77, CH-8645 Jona
Tel: +41 55 221 63 56
sustainability@geberit.com

GRI 2-4 Restatements of information

If, in individual cases, a new form of presentation, calculation method or optimised data collection has led to other results for the previous years, then this is noted under the respective statements.

GRI 2-5 External assurance

There is no external review of the sustainability report in its entirety. Instead, individual processes, results and statements are inspected in detail by external parties:

- Financial reporting is audited by an external auditor, see → [Financials > Financial statements Geberit AG > Report of the statutory auditor](#).
- The greenhouse gas balance (Scope 1 and 2) is audited by an external auditor, see → [Audit Report Greenhouse Gas Balance](#).
- Furthermore, reporting on the energy and greenhouse gas balance sheet is submitted as part of the Carbon Disclosure Project (CDP) and assessed. Since 2016, Geberit has also been publishing its detailed water balance as part of the CDP Water Program.
- The Geberit Group has a → [Group certificate](#) in accordance with ISO 9001 (quality), ISO 14001 (environment) and ISO 45001 (occupational health and safety) that is valid until 2024. All production plants, central logistics, and the management company incorporating all Group functions at headquarters in Rapperswil-Jona (CH) are certified in accordance with these three standards. In addition, five German plants are certified in accordance with ISO 50001 (energy) and nine sales companies in accordance with ISO 9001 (quality).
- In 2015, all Geberit companies implemented the European Energy Efficiency Directive 2012/27/EU for the first time. A further review was carried out in 2019, with the last review taking place in 2023.
- On-site audits (quality, environment, occupational health and safety) of suppliers are carried out by Geberit as well as certified third-party specialists. In 2023, five external audits were carried out, see → [Procurement](#).

Activities

GRI 2-6 Activities, value chain and business relationships

For activities, value chain and business relationships, see → [Business model and value chain](#).

GRI 2-7, GRI 2-8 Composition of the workforce and further employees

At the end of 2023, the Geberit Group employed 10,947 staff worldwide (previous year 11,514 employees). This represents a decrease of 567 people or 4.9% compared to the previous year. This decrease was due to capacity adjustments in production and logistics to counteract the significant decline in volume, together with the reduction of activities in Russia. In contrast, additional employees were required in several markets outside Europe due to focused sales initiatives. For key figures and further information on the workforce by country, area (production, marketing and sales, administration, research and development, apprentices), employment relationship (permanent, temporary), degree of employment (full-time, part-time), executive level (management, employees) as well as gender and age structure, see → [Key figures sustainability > Employees and society](#).

For further information on apprentices and interns, see → [GRI 404](#) and on the commissioning of workshops for people with disabilities, see → [Social responsibility](#).

Governance

GRI 2-9 Governance structure

The Board of Directors determines the strategic objectives and the general resources for achieving these, and decides on major business transactions. For details about the internal organisation of the Board of Directors and its committees, see [→ Business Report > Corporate Governance > Board of Directors > Internal organisational structure](#).

The operating management structure of Geberit is broken down into seven Group Executive Areas:

- CEO Division
- Sales Europe
- Sales International
- Marketing & Brands
- Products
- Operations
- Finance

The assignment of clearly distinguished responsibilities minimises the number of interfaces. For more details about the organisational structure, see [→ Business Report > Management structure](#).

At the end of 2023, the Board of Directors was composed of six non-executive, independent members. Albert M. Baehny is Chairman of the Board of Directors. The composition of the Board of Directors should reflect strategic requirements, the company's targets, geographical presence and corporate culture. The Board of Directors should be diverse in every respect, i.e. in terms of gender, nationality, geographical/regional experience and business experience. The members of the Board of Directors have in-depth knowledge in their respective areas of expertise. Together, they ensure that the Board of Directors has all the necessary competencies. All of the committees formed by the Board of Directors are comprised exclusively of independent members. For further details, see [→ Business Report > Corporate Governance > Board of Directors](#).

GRI 2-10 Nomination and selection process of the Board of Directors

The term of office for a member of the Board of Directors is one year and ends at the closing of the following ordinary General Meeting. Members of the Board of Directors are elected on an individual basis. Re-election is possible. For further details, see [→ Business Report > Corporate Governance > Board of Directors > Elections and terms of office](#).

GRI 2-11 Separation of Chair of Board of Directors and Executive Management

Christian Buhl is Chief Executive Officer (CEO) and Albert M. Baehny is Chairman of the Board of Directors. For further details, see [→ Business Report > Corporate Governance > Board of Directors](#).

GRI 2-12 Role of top management and Board of Directors in monitoring the impacts of Geberit's business activities

Geberit's long-standing success is based on the fact that the Board of Directors and the Group Executive Board pursue a long-term perspective. The Board of Directors and Group Executive Board have defined and adopted key mission statements and principles such as the [→ Geberit Compass](#) and the [→ Geberit Code of Conduct](#), see [→ GRI 2-23](#). The Board of Directors determines the corporate strategy and sustainability strategy together with the Group Executive Board. The Group Executive Board is responsible for the implementation (including the CO₂ strategy as part of the sustainability strategy). The Geberit Compass is reviewed as part of the annual strategy process of the Group Executive Board and updated, when required. The publication of a comprehensive, new version of the Compass is planned for 2024.

The impacts, risks and opportunities in terms of sustainability are discussed and reviewed by the Board of Directors and the Group Executive Board annually in connection with the sustainability report and the sustainability strategy. Results and the achievement of objectives are submitted to the Board of Directors and to the Group Executive Board for verification at least once annually. This also comprises the [→ TCFD Reporting](#), the [→ SDG Reporting](#) and the internal Geberit Compliance Report, including the audit results with respect to adherence to the Code of Conduct.

Key figures on energy and CO₂ are presented monthly and key figures on occupational safety quarterly to the Group Executive Board. They are presented on a regular basis to the Board of Directors.

In 2022, Geberit consulted a → Stakeholder Panel for the sixth time. Their mandate was to give feedback on the sustainability performance, materiality analysis, CO₂ strategy, strategic approaches on the topics of diversity and inclusion, and ESG governance. This input is used for the strategic review and continued development of the company.

The → participatory rights of shareholders are based on the → Articles of Incorporation of Geberit AG. The employee representatives of the European sites meet regularly with a member of the Group Executive Board and the Head Corporate Human Resources. Concerns can be addressed to the Board of Directors through this channel. There is no employee representative on the Board of Directors.

The Geberit Group has a risk management system that is approved by the Board of Directors. The risk policy defines a structured process according to which the business risks, including sustainability and climate risks, are systematically addressed. In this process, the risks are identified, analysed and assessed in terms of their probability of occurrence and extent, and measures are then defined to control the risks. Operationally, the Group Executive Board is responsible for controlling risk management. In addition, responsible persons are designated in the company for significant individual risks; in the case of sustainability and climate risks, this is the Head Corporate Sustainability and Process Management. These responsible parties decide on specific actions for risk management and monitor their implementation. The Internal Audit Department coordinates the risk management process and issues a risk report for the attention of the Board of Directors every other year. Significant risks are also constantly discussed in the meetings of the Group Executive Board and Board of Directors, which take place on a regular basis.

The risk management process involves the following steps:

1. Risk identification and classification: Correct identification and assessment of the significant risks. These are discussed in depth every other year by the Group Executive Board and the Board of Directors.
2. Risk analysis: Assessment of specific business risks and analysis of the changes since the last survey. The probability of occurrence is assessed on a scale of improbable (1) to frequent (5). To scale the effects of a risk that has been identified, the scale of the Impact of Risk Event is used. The scale ranges from insignificant (1) to very critical (5). The risks are classified on the basis of the combined scores.
3. Risk management: Instruments, measures and responsibilities are defined for each risk. These are checked at regular intervals.
4. Risk monitoring and reporting: Risk monitoring is part of regular reporting to the Group Executive Board and the Board of Directors, and is also part of the risk assessment that takes place every two years.

Risks associated with climate change are an integral part of the overall risks of the company and are therefore also taken into account in risk assessment. For further information on risk management by Geberit, see → Business Report > Business and financial review > Strategy and goals > Risk management. For further information on climate-related risks and opportunities, see → TCFD Reporting. For an overview of the Geberit compliance topics, see → Business Report > Business and financial review > Financial Year 2023 > Compliance.

GRI 2-13 Delegation of authority on economic, environmental and social matters

The responsible and future-oriented corporate governance strengthens the resilience of the Geberit “go-to-market” model (business model) and thus the long-term value creation of the company. All positions involved in the sustainability strategy and its implementation, with the corresponding tasks and responsibilities, are listed in the → TCFD Reporting, which includes a chart on ESG governance.

The Board of Directors determines the corporate strategy, see → Business Report > Business and financial review > Strategy and goals > Strategy and the → Sustainability strategy. To the extent legally permissible and in accordance with the Organisational Regulations, the Board of Directors has assigned the operational management and the implementation of the strategy to the Chief Executive Officer. Within the operational management structure, responsibility is delegated further for specific economic, environmental and social issues, see → GRI 2-9.

At every meeting, the members of the Group Executive Board inform the Board of Directors of current business developments and major business transactions of the Group or Group companies. Between meetings, the Board of Directors is comprehensively informed in writing about current business developments and the company’s financial situation on a monthly basis.

The Board of Directors determines the strategic objectives and the general resources for achieving these, and decides on major business transactions. Within the operational management structure, responsibility is determined for specific economic, environmental and social issues. The responsible individuals report either directly to the CEO (including Corporate Human Resources, Corporate Communications and Investor Relations, Strategic Planning), or to other members of the Group Executive Board.

Sustainability has been addressed actively for over 30 years and has had a dedicated function at the company since 1992, starting with a focus on environmental topics and then successively with added topics and responsibilities. The central environment and sustainability department has reported directly to the CEO for over 20 years. Since 2020, this department has

also been responsible for Group-wide process management and → ISO certification and was renamed Sustainability and Process Management. Among other aspects, it coordinates the further development of the sustainability strategy and CO₂ strategy, plus the associated activities. 2023 saw the addition of the functions “sustainability and compliance” in purchasing and “energy management” in ceramic production.

Either the individual business units or – centrally – Sustainability and Process Management are responsible for planning and implementing the measures detailed in the twelve modules included in the sustainability strategy. In terms of direct responsibility, the production plants are responsible for the green production module, Group logistics for the green logistics module, and Group purchasing for the sustainable supply chain module. A network of EHS managers at the production plants implement the targets and measures laid down in the sustainability strategy worldwide. Additionally, a global meeting takes place once a year, where managers discuss best practice and further develop Group-wide standards and processes, see → [Business Report > Business and financial review > Financial Year 2023 > Sustainability](#).

GRI 2-14 Review and approval of sustainability reporting

The sustainability report (report on non-financial matters pursuant to Art. 964a ff. CO) is examined and approved by the Board of Directors and Group Executive Board as part of the integrated annual report.

GRI 2-15 Processes in place for the Board of Directors to avoid conflicts of interest

Conflicts of interest are avoided via the → [Regulations in the Articles of Incorporation concerning the number of permissible activities](#). The → [Organisational Regulations of the Board of Directors](#) stipulate how conflicts of interest of members of the Board of Directors are avoided. The members of the Board of Directors are obliged to refrain from involvement in the handling of matters affecting either their personal interests or those of a company with which they have an affiliation. This obligation to refrain from involvement has no influence on the requirements for a quorum when passing resolutions. Business dealings between the company and governing bodies or related parties are subject to the principle of conclusion at conditions as with independent third parties.

GRI 2-16 Procedures for communicating critical concerns

The Board of Directors is available to address the concerns of stakeholders and shareholders. Matters brought forward by shareholders within the context of the General Meeting are dealt with in accordance with the Articles of Incorporation. No matters were submitted directly to the Board of Directors outside the General Meeting in 2023.

GRI 2-17 Enhancement of top management's and Board of Directors' related know-how on economic, environmental and social issues

Internal business processes are designed to ensure continuous improvement and innovation. These values are closely associated with the Geberit brand. At the same time, stakeholder concerns are taken seriously, and the Group Executive Board and Board of Directors receive feedback and input for the continued development of the sustainability strategy from the external stakeholder panel, for example.

The members of the Board of Directors have in-depth knowledge in their respective areas of expertise. Together, they ensure that the Board of Directors has all the necessary competencies. This also includes the subject of sustainability, see → [Business Report > Corporate Governance > Board of Directors](#).

In compliance with the → [Organisational Regulations](#), the Board of Directors undertakes at least one assessment of the way in which it works together every year. This includes an assessment of how well-informed the members of the Board of Directors are about the Group and its business performance and the expertise contributed by the Board of Directors.

GRI 2-18 Processes for evaluation of the sustainability performance of the Board of Directors

Geberit's long-standing success is based on the fact that the Board of Directors and the Group Executive Board pursue a long-term perspective, thus enabling the company to demonstrate its performance clearly in areas including sustainability. There is no formal procedure for assessing the performance of the Board of Directors from an integrated sustainability perspective. As part of the annual review of the sustainability strategy, findings are discussed and areas where action is needed are determined, see → [GRI 2-12](#).

GRI 2-19 Remuneration policies for the governance bodies

Geberit publishes a detailed annual Remuneration Report, which discloses the precise points of its remuneration policy. Geberit's remuneration policy states that remuneration programmes must be balanced between the reward of short-term success and long-term value creation. For information about the remuneration of the management bodies, see [→ Business Report > Remuneration Report](#).

Since 2022, the achievement of objectives regarding the reduction of the relative CO₂ emissions (CO₂ intensity) has been integrated as an additional, equal fifth criterion in the bonus matrix for members of Group management as well as employees in Switzerland. This means the annual objectives for emissions are now relevant to bonuses for some 220 managers and a total of around 1,500 employees.

GRI 2-20 Processes for determining remuneration

Geberit publishes a detailed annual [→ Business Report > Remuneration Report](#), which discloses the precise points of remuneration paid to the Board of Directors and Group Executive Board while taking the concerns of all stakeholders into consideration.

GRI 2-21 Ratio of annual remuneration paid

The ratio of the annual remuneration paid to the highest-paid employee to the average annual remuneration of all employees (excluding the highest-paid employee) based on the average full-time equivalents (FTEs) was 51.4.

The ratio of the percentage increase in annual remuneration paid to the highest-paid employee to the level of the percentage increase in annual remuneration for all employees (excluding the highest-paid employee) based on the average full-time equivalents (FTEs) was 0.1.

Strategy, policies and practices

GRI 2-22 Statement of the Chairman of the Board of Directors and the CEO on sustainability

The Chairman of the Board of Directors and the CEO comment on sustainability in the → [Editorial](#).

GRI 2-23 Values, standards and codes of conduct

For Geberit, sustainability means bringing about an improvement in people's standard of living through innovative sanitary products and thereby generating long-term added value for customers, society and investors. This means striking a balance in decision-making processes between economic, environmental and social aspects. One focal point of Geberit involves identifying important technological and social trends in good time in dialogue with stakeholders and developing suitable products and services for customers that also generate added value for other stakeholders. The long-term orientation minimises risks for business development not only of a financial nature but also with regard to social developments and environmental challenges, such as climate change and water scarcity, for example.

Since 1990, Geberit has followed a long-term environmental and sustainability strategy that includes both ongoing and future projects, initiatives and activities. All strategy modules contain clear responsibilities with measurable objectives, measures and quantifiable key figures for effective monitoring. The → [sustainability strategy](#) is based on the → [materiality analysis](#). This was drawn up on the basis of the GRI Standards and highlights how Geberit prioritises the key topics and the areas in which added value for stakeholders is created. The material topics are:

- durable products with exceptional quality and design, which can be cleaned and repaired easily,
- resource-optimised, water-saving and sustainable sanitary systems for water management in buildings,
- environmentally friendly and resource-efficient production,
- comprehensive, measurable climate change mitigation that is geared towards implementation,
- a supply chain and logistics which satisfy high environmental and ethical standards,
- good and safe working conditions for all employees.

Social responsibility is realised among other things within the scope of diverse, local activities for inclusive jobs and global social projects relating to the core competencies of water and sanitary facilities.

The Sustainable Development Goals (SDGs) of the United Nations define concrete targets for 17 different themes, which the states are required to implement by 2030. Integration of the economy plays a pivotal role in implementing these targets and indicators. As a result, major opportunities with growth potential are also arising for companies geared towards sustainable products and services – such as Geberit. Geberit sees its contribution above all in four UN Sustainable Development Goals. The contributions to Goal 4 "Quality Education", Goal 6 "Clean Water and Sanitation", Goal 11 "Sustainable Cities and Communities" and Goal 13 "Climate Action" are included in the → [SDG Reporting](#). The major economic, environmental and social effects of Geberit's operations also lie in these four areas.

Compliance and the adherence to applicable laws and regulations in the relevant areas comprises several guidelines for social, economic and environmental responsibility. These define ethical and social standards and Geberit commits to sustainability and integrity. Central elements for compliance in the company are the → [Geberit Compass](#), which describes the cornerstones of the corporate culture, namely the joint mission, the shared values, the operational principles and the success factors, the → [Geberit Code of Conduct for Employees](#) introduced in 2007 as well as the → [Code of Conduct for Suppliers](#). The Compass is reviewed as part of the annual strategy process of the Group Executive Board and updated, when required. The publication of a new version of the Compass is planned for 2024. The Code of Conduct for Employees, which was last updated in 2015, is currently being revised and will also be relaunched in 2024.

When reporting on its commitment to sustainability, Geberit also relies on the requirements of established rating agencies. In this way, Geberit serves the growing needs of customers, suppliers, investors and other stakeholders for transparency and comparability, with the rapidly increasing number of reporting standards and ratings making a focus increasingly necessary. Various awards and rankings also serve to confirm Geberit's perceived role as a leader in sustainability in sanitary technology.

GRI 2-24 Implementation of standards and codes of conduct

Geberit's compliance organisation is decentralised and a consistently implemented compliance programme in all relevant risk areas forms the basis of the high-quality compliance standards. The main compliance activities for Geberit encompass the areas antitrust legislation (→ [GRI 206](#)), corruption (→ [GRI 205](#)), data protection (→ [GRI 418](#)), product liability (→ [GRI 416](#), → [GRI 417](#)), fundamental employee rights (→ [Communication on Progress UNGC](#), sections on human rights and labour) as well as environment, health and safety (→ [GRI 2-27](#), → [GRI 403](#)). For further information, see → [Business Report > Business and financial review > Financial Year 2023 > Compliance](#).

All new employees at Geberit are trained on the Code of Conduct as part of the Welcome events. Among other things, specific training films on the topics of corruption, IT misuse, workplace bullying and sexual harassment are deployed especially for this. The Geberit Intranet (GIN), which since 2020 has also been available to all employees via mobile app, also serves as an important basis for this. The compliance organisation and Code of Conduct are presented and explained here.

In terms of the environment, the precautionary approach plays an important role for Geberit as a production company. This approach is described in the → [Geberit Code of Conduct](#). The Geberit Group has a → [Group certificate](#) in accordance with ISO 9001 (quality), ISO 14001 (environment) and ISO 45001 (occupational health and safety) that is valid until 2024. The renewal of the group certificate for another three years until 2027 is planned for 2024. All production plants, central logistics, and the management company incorporating all Group functions at headquarters in Rapperswil-Jona (CH) are certified in accordance with these three standards. In addition, five German plants are certified in accordance with ISO 50001 (energy) and nine sales companies in accordance with ISO 9001 (quality). The audit tool developed in 2020 and implemented in 2021 was further developed. It enables the digital management of internal and external audits and provides an overview of the measures and their implementation as part of the process improvement. Furthermore, the Group-wide availability of the tool makes it easier to share best practices.

In terms of employee protection and human rights, the UN Guiding Principles on Business and Human Rights apply to the business activities of Geberit. Geberit is active across the world, including in regions posing a certain degree of risk with regard to the upholding of fundamental employee and human rights. The upholding of human rights at all Geberit Group companies is subject to a survey each year as part of the verification of the Code of Conduct. With regard to the implementation of due diligence in procurement, see → [Procurement](#).

In addition, internal audits with compliance reviews took place at 20 companies of the Geberit Group in the reporting year. For further information, see → [GRI 2-26](#), → [GRI 2-27](#).

Geberit also discloses the efforts it makes to minimise social and environmental risks through ratings. In this context, the EcoVadis rating is particularly relevant, with Geberit awarded the gold rating for its sustainability management; see also → [Customer relations](#).

GRI 2-25 Handling negative effects

An extensive system for the control and management of all risks involved in business activities is in place throughout the Group. For further information, see → [Business Report > Corporate Governance > Board of Directors > Information and control instruments vis-à-vis the Group Executive Board](#). For climate risks, see → [TCFD Reporting](#). Geberit has a comprehensive compliance system for the topics of antitrust legislation, corruption, data protection, product liability, fundamental employee rights, and environment, health and safety, see → [GRI 2-27](#). For information on handling non-compliance with standards and guidelines in the fields of employees and supply chain, see → [GRI 2-26](#).

GRI 2-26 Ethical advice and concerns

Geberit has established an effective compliance system to ensure that its conduct is both ethical and legally compliant, see → [GRI 2-24](#) and → [GRI 2-27](#). It is of utmost importance to Geberit that the Geberit Code of Conduct is adhered to by the employees. It forms the basis for daily work in a constantly changing international environment. It is expected that all employees are familiar with and understand this Code of Conduct and act accordingly without exception. A comprehensive review on compliance with the Code of Conduct takes place as part of the annual reporting. All companies receive over 60 questions on the key topics, see → [GRI 2-27](#). In addition, on-site audits are performed by the Internal Audit Department. These also comprise separate interviews with the managing directors of the individual companies on the topics mentioned in the Code of Conduct. The findings from the survey and audits form the basis for the annual Compliance Report submitted to the Board of Directors and Group Executive Board and are published in accordance with the GRI guidelines in this report. Non-compliance with the Code of Conduct will be systematically sanctioned.

Employees who openly address actions and circumstances which represent breaches of applicable law, ethical standards or the Code of Conduct are acting correctly and in accordance with the Geberit Code of Conduct. As a general rule, employees should first seek a personal meeting with their supervisor. Alternatively or additionally, all employees can also report cases of misconduct or violations via the Geberit Integrity Line. This whistleblower hotline makes it possible for employees to report compliance-relevant misconduct and/or legal violations anonymously, and is available around the clock seven days a week, in all relevant languages. The Integrity Line is operated by an external company with experience in this area and meets the requirements set by the EU Whistleblower Directive. In addition to the existing Group-wide reporting point, national reporting channels have also been set up in several European countries (PT, SE, SI, IT, NL, BE) for implementing the national laws adopted based on the EU Whistleblower Directive. No relevant cases were recorded by the Integrity Line for employees in the reporting year.

Geberit expects the business activity of its partners along the value chain to be correct in every respect. Geberit has defined the mandatory central requirements for its suppliers and business partners in a Code of Conduct for Suppliers and a Code of Conduct for Business Partners. Among other aspects, these documents focus on the areas of human rights (including child and forced labour), occupational health and safety, pay, environmental protection as well as integrity (including bribery and

corruption). Since 2017, an Integrity Line has also been available to suppliers for anonymously reporting irregularities in the procurement process or non-compliance with the Code of Conduct for Suppliers. There were no reports from suppliers in the reporting year.

GRI 2-27 Compliance with laws and regulations

In order to guarantee compliance with the requirements of the Code of Conduct, Geberit has established an effective compliance system that focuses on the following key topics (the respective department responsible is then detailed in brackets): antitrust legislation, corruption, data protection (Corporate Legal Services), product liability (Corporate Product Quality), fundamental employee rights (Corporate Human Resources), environment, health and safety in production and logistics (Corporate Sustainability and Process Management) as well as supply chain laws and implementation of due diligence obligations in the supply chain (Corporate Purchasing). In practice, the system comprises various elements such as guidelines, continuous training, job orientation for new employees, eLearning campaigns, compliance-related audits, annual reporting on the Code of Conduct and the Geberit Integrity Line – a whistleblower hotline for employees and suppliers. The training concepts and tools were also developed further and training sessions further intensified in the reporting year. The focus remained unchanged on the topics of antitrust legislation and data protection.

As only very few sales companies work with agents, there is no significant risk exposure in this area. Nevertheless, a → [Code of Conduct for Business Partners](#) was drawn up in 2016 based on the Geberit Code of Conduct and communicated to the agents by the managing directors of the local sales companies.

For further information on the topic of compliance, see → [Business Report > Business and financial review > Financial Year 2023 > Compliance](#).

As part of the annual reporting on the Code of Conduct for Employees, compliance with the requirements set out there is subject to controls. All companies receive over 60 questions on the above-mentioned key topics. In addition, on-site audits are performed by the Internal Audit Department and corrective measures taken in the event of misconduct. The audits also comprise special interviews with the managing directors of the individual companies on the topics mentioned in the Code of Conduct. The respective information is verified. The findings from the survey and audits form the basis for the annual Compliance Report submitted to the Board of Directors and the Group Executive Board, and are published in the annual report.

With regard to the implementation of compliance in procurement, see → [Procurement](#).

In 2021, KPMG carried out a comprehensive external audit of the compliance organisation, focusing on antitrust legislation, corruption, sustainability, employee rights and product liability, with good results achieved overall.

There were no violations or non-monetary sanctions with regard to occupational health and safety or environmental regulations in the reporting year.

GRI 2-28 Membership of associations

Geberit is involved in various associations and organisations that make a contribution toward sustainable development. In addition, various Geberit companies are members of national associations on topics such as sustainable building, environmentally friendly production, energy, waste management and employee protection:

- Since June 2000, a member of the Transparency International organisation, supporting its objectives for combating corruption.
- Since 2000, an active member of TEPPFA, the European organisation for plastic pipes and fittings, where the topics of sustainability and circular economy are central.
- Since October 2008, a formal member of the UN Global Compact – the company was also a founding member of the local Swiss network in 2011.
- Since 2012, a member of the non-profit organisation Swiss Water Partnership. This platform seeks to bring together all those involved in the topic of water supply (from academic, economic as well as public and private spheres) to collectively address future challenges and promote international dialogue on water.
- Member of Cerame-Unie, the European Ceramic Industry Association, since the acquisition of the ceramics business in 2015. As is the case with TEPPFA, the subject of sustainability is also a central element in this association.

Stakeholder engagement

GRI 2-29 Identification and selection of stakeholders, plus stakeholder engagement

Significant stakeholder groups for Geberit are customers, shareholders, analysts, the media, employees and trade unions, neighbours, municipalities and authorities, research institutes, suppliers, transport companies, associations, non-government organisations and the general public.

A systematic guided dialogue with stakeholders helps Geberit to identify possible conflict issues and opportunities for further development and to respond to these in good time. On national and international levels, the Geberit Group and its local companies maintain relations with organisations and institutions in the respective countries that direct requests and suggestions to the company. The stakeholders have been identified as important for systematic stakeholder dialogue as they fulfil at least one of two criteria: either the stakeholder group exerts a strong influence on the economic, environmental or social performance of Geberit and/or the stakeholder group is strongly affected by the economic, environmental or social performance of Geberit. An external stakeholder panel helps Geberit to review its assessment of important stakeholder groups and their concerns.

In 2022, Geberit consulted an external [→ Stakeholder Panel](#) for the sixth time. Their mandate was to give feedback on the sustainability performance, materiality analysis, CO₂ strategy, strategic approaches on the topics of diversity and inclusion, and ESG governance. The results are presented in the Panel Statement. The external review and the recommendations contained therein are dealt with in detail in the response from Geberit to the Panel Statement.

Based on the stakeholder analysis, Geberit identifies both potential for conflict and opportunities, and pursues a cooperative approach when it comes to discussing and further developing possible measures with the stakeholders concerned. Feedback from stakeholder dialogues is incorporated into the [→ Materiality analysis](#) and into the [→ Sustainability strategy](#).

Engagement of stakeholders according to stakeholder group:

Customers

- Technical advisors working in the field who are in daily contact with plumbers, sanitary engineers and architects.
- In the reporting year, some 60,000 professionals were provided with education and further training on Geberit products, tools, software tools and installation skills at 30 Geberit Information Centres in Europe and overseas. Furthermore, some 18,000 people took part in a wide range of webinars and alternative training formats.
- The further expanded trade fair concept first presented in 2022 with its open, modular booths was used again in the reporting year. Geberit was present with a large booth at the leading global trade fair ISH in Frankfurt (DE). In addition to this, other important presentations were made at VVS in Odense (DK), the Energiesparmesse trade fair in Wels (AT) and at BouwBeurs in Utrecht (NL).
- Further expansion and intensification of social media presence and the sending of newsletters.

For further information, see [→ Business Report > Business and financial review > Financial Year 2023 > Customers](#).

Shareholders and analysts

- Shareholders have statutory [→ participatory rights](#).
- Regular telephone conferences, bilateral meetings, conferences and roadshows with the CEO, CFO and Head Corporate Communications and Investor Relations.

Media

- Regular conference calls, bilateral meetings and interviews with the relevant media for Geberit.
- Sustainability topics and in particular Geberit's performance in this area play an important role in the media activities of Geberit.

Employees and trade unions

- Geberit Europe Forum with employee representatives from most European countries, during which a member of the Group Executive Board and the Head Corporate Human Resources meet with the delegates.
- Training and feedback opportunities on topics regarding the Code of Conduct.
- Group-wide Geberit Integrity Line to enable all employees across the world to report irregularities anonymously in the corresponding language.
- Regular employee survey of all employees of the Geberit Group, most recently in 2021. The next survey is planned for 2025. Furthermore, short surveys on specific topics in individual areas and companies are due to take place in the meantime.

For further information, see [→ Business Report > Business and financial review > Financial Year 2023 > Employees](#).

Neighbours, municipalities and authorities

- Consultation with and inclusion of the neighbours of production plants in larger construction projects.

Research institutes

- Partner of the → [research platform NEST](#) (Next Evolution in Sustainable Building Technologies) at EAWAG (aquatic research institute of the ETH Domain) and Empa (Swiss Federal Laboratories for Materials Science and Technology) in Dübendorf (CH). In the Water Hub, systems are tested that use water and waste water as efficiently and diversely as possible.
- Cooperation on technological trends and developments directly related to sanitary technology with Empa Dübendorf, University of Applied Sciences OST Rapperswil, University of Zurich, University of Applied Sciences and Arts Northwestern Switzerland Brugg-Windisch, Lucerne University of Applied Sciences and Arts (all CH), as well as the Rosenheim Technical University of Applied Sciences and the Westphalian University of Applied Sciences (both DE) and others.

Suppliers

- Initial contact within the scope of the assessment procedure and implementation of the Code of Conduct for Suppliers.
- Regular discussions with suppliers on site.
- On-site audits (quality, environment, occupational health and safety) carried out by Geberit and external partners.
- Integrity Line for suppliers for anonymously reporting irregularities in the procurement process or non-compliance with the Code of Conduct for Suppliers.
- Increased exchange on product data during the creation of environmental product declarations (EPDs), on sustainable product solutions and on possibilities of reducing CO₂ emissions in the supply chain.

For further information, see → [Procurement](#) or → [Business Report > Business and financial review > Financial Year 2023 > Procurement](#).

Transport companies

- Discussions with transport service providers based on the results of environmental monitoring.

For further information, see → [Logistics](#) or → [Business Report > Business and financial review > Financial Year 2023 > Logistics](#).

Associations

- Involvement in various associations and organisations with participation in corresponding management bodies and programmes, see → [GRI 2-28](#).

Non-government organisations and the general public

- Membership of the charitable organisation Swiss Water Partnership, which brings together members from academia, civil society, and the public and private sector to address challenges in the area of water.

GRI 2-30 Collective bargaining agreements

There are currently 9,041 employees (corresponding to around 80% of the workforce) who are covered by collective agreements (e.g. collective labour agreements, wage agreements). In Germany, Austria, Switzerland, France, Italy, Finland, Sweden, Poland and Ukraine, around 90% of employees are subject to a collective labour or wage agreement. There are no collective agreements with Geberit employees in place in the USA. The employment conditions of employees who are not covered by collective agreements are also in line with market standards.

Employees

Introduction

Geberit positions itself as an attractive employer and strives to offer jobs of the highest quality. The corporate culture at Geberit is characterised by a simple, functional organisation as well as a high degree of personal responsibility. In this way, Geberit motivates every employee to exploit their potential to the full and contribute to the success of the company.

Geberit's most important ambassadors are its employees. They represent Geberit in their day-to-day contact with customers and many other stakeholders. As the employees embody the company and its values, Geberit has defined its central corporate and brand values in the → [Geberit Compass](#). Geberit aims to act as a role model for ethically unimpeachable, environmentally friendly and socially responsible operations. The → [Geberit Code of Conduct](#) fills this objective with tangible content and offers an important orientation guide. The revision of the Compass and Code of Conduct is planned for 2024. In addition, Geberit continues to develop its internal communication with employees.

Committed, well-trained employees with comprehensive know-how are decisive to the company's future success. Geberit positions itself on the job market as an employer with an open corporate culture and international development opportunities at the interface between craft, engineering and sales. Potential employees are increasingly being addressed via digital channels. Whilst classic job advertisements and direct contact are still used, employee portraits and success stories are also utilised, see → www.geberit.com > [Insights](#).

The responsibility for all material aspects of the GRI Standards with respect to labour practices at the Geberit Group lies with the Head Corporate Human Resources, who reports directly to the CEO.

Employment (GRI 401)

Management approach employment

For Geberit, it is imperative to acquire and retain the right employees for the company. Geberit sees itself as an attractive employer with an open corporate culture that offers international development opportunities at the interface between the craft, engineering and marketing and sales sectors, see → www.geberit.com > [Career](#) > [What we offer](#).

The working conditions at Geberit considerably influence employee motivation and performance. Poor working conditions result in risks such as lower productivity and low levels of employee satisfaction and loyalty, additional costs due to high fluctuation rates and difficulties in recruiting qualified personnel. This is why Geberit focuses on offering good working conditions to achieve benefits such as high employee satisfaction and productivity, low absence rates, considerable innovation capability and a high level of employee loyalty.

Working conditions, such as the maximum number of working hours, are governed in accordance with legal requirements on a country-specific basis. Employees enjoy attractive employment conditions, which was confirmed by the employee survey conducted in 2021. The results show that the employees demonstrate an above-average level of both motivation and loyalty. The next Group-wide survey is planned for 2025. Furthermore, short surveys on specific topics in individual areas and companies are due to take place in the meantime. For further information, see → [Business Report](#) > [Business and financial review](#) > [Financial Year 2023](#) > [Employees](#).

In 2023, salaries and social benefits amounted to CHF 750 million (previous year CHF 776 million). The employees can also take part in share participation plans at attractive conditions, see → [Financials](#) > [Consolidated financial statements Geberit Group](#) > [Notes](#) > [Note 17](#) and the → [Remuneration Report](#).

Employee fluctuation (GRI 401-1)

The average fluctuation rate (in terms of employees with permanent contracts, without natural departures and long-term leaves of absence) was 7.2% (previous year 7.9%). Including natural departures, it was 9.4% (previous year 9.6%). For key figures on fluctuation by age group, gender and region, see → [Key figures sustainability](#) > [Employees and society](#).

Benefits provided to full-time employees (GRI 401-2)

Geberit essentially grants the same benefits to full-time and part-time employees. However, employees with temporary contracts are not always entitled to the same benefits as permanent employees. For example, employees in Switzerland with temporary employment contracts of less than three months are not insured in the pension fund. Geberit bases its employee benefits on country-specific standards.

Parental leave (GRI 401-3)

Geberit implements the currently applicable legal framework conditions. It also attempts in individual cases to find solutions that are as suitable as possible for the affected person and their team.

100% of all permanently employed women are entitled to paid maternity leave, and 136 or 5.8% permanently employed women made use of paid maternity leave in 2023. Of these, around 58% or 79 women returned to Geberit following their parental leave.

98% of all permanently employed men are entitled to paid paternity leave. In India, employment law does not provide for paternity leave. 264 or 3.7% permanently employed men made use of paid paternity leave in 2023. Of these, around 96% or 252 men returned to Geberit following their parental leave.

Training and education (GRI 404)

Management approach training and education

Education and further training play a central role at Geberit in encouraging further qualifications and the innovative performance of the employees. As a technology-oriented company, Geberit is reliant on the innovative strength of its employees. Their know-how makes a significant contribution to the development of the company and the entire value chain. With an insufficiently qualified workforce, risks such as unsatisfactory product and process quality as well as reduced innovation and competitiveness increase. Geberit aims to minimise risks such as the departure of highly qualified personnel. The company invests in the promotion of education and further training and thus in the innovation capability of the employees. This both strengthens their adaptability to market changes and increases employee satisfaction and loyalty.

New employees are introduced to the company and its products through various job orientation programmes on joining the company. The programmes range from individually designed introduction talks in various departments to the one-week Welcome to Geberit course that provides practical knowledge in small groups.

A standard Performance assessment, Development and Compensation process has been in place since 2012. At the end of 2020, a new performance management process ("valYOU") was successively launched for performance assessment, professional development, succession planning and compensation management. In the reporting year, "valYOU" was implemented at all sites. The managers at the sites take part in one- to two-day management training sessions carried out across the Group. The core element of these sessions was the combination of theory and practice. The new appraisal process now serves as the standard for all employees at the Geberit Group.

Training apprentices is of great significance at Geberit. Young people can start their careers at Geberit with a commercial, industrial or technical apprenticeship. The aim is to impart all the skills that are required for apprentices to pursue their chosen careers in a professional, independent and responsible manner. In Rapperswil-Jona (CH) there are currently 76 apprentices (21 new apprentices in 2023) being trained in eleven trades. State-of-the-art and in particular digital learning methods are used here.

The apprentices are already given the opportunity to get practical insights at other sites during their training. During a six-month assignment at a Geberit site abroad, they work on various projects or support day-to-day business there. Geberit is convinced that experience abroad and the transfer of know-how are an advantage for both young employees and the company alike.

Partnerships with universities and institutes were continued in order to counteract the increasing skills shortage. Locally, the Geberit companies are in contact with institutes of technology and universities regarding project-related collaborations to supervise Bachelor and Master theses and to gain students for internships. Geberit is also part of international engineer networks such as UNITECH, which unites renowned European universities, corporate partners and engineering students.

For further information, see → [Business Report > Business and financial review > Financial Year 2023 > Employees](#).

Scope of training and education (GRI 404-1)

In the reporting year, employees across the Group attended on average 14.5 hours of internal and external education and further training (previous year 17 hours). Unlike the previous year, apprentice hours at vocational school are no longer included. For key figures by gender and executive level, see → [Key figures sustainability > Employees and society](#).

Programmes for skills management and lifelong learning (GRI 404-2)

As part of the leadership development programme developed with an external training provider in the previous year, other local initiatives focussing on leadership and development topics were launched at three companies in 2023 with the goal of further strengthening leadership skills and establishing a consistent management culture.

The internal development programmes GROW and LEAD aim to identify talents in the company and support them along their path to middle or senior management. The programme includes topics such as strategy, digitalisation and the management of change processes. Issues investigated as part of project work are geared towards strategic tasks of relevance to Geberit and provide the decision-makers involved with concrete bases for action. In the reporting year, around 100 employees took part in these programmes. The internal development programmes are intended to help fill at least half of all vacant managerial positions with internal candidates. In 2023, this was achieved for 89% of all Group management vacancies (previous year 57%).

Geberit has been conducting the Operations Development Programme (ODP) since 2020. It is aimed at talented external and internal junior managers in the area of operations (production, logistics and purchasing). The aim is to recruit internationally mobile people with a technical background or who have studied engineering and who, in the medium term, should take up a managerial position at Geberit.

In 2023, 274 apprentices (previous year 283) were employed. The transfer rate to a permanent employment relationship was 65% (previous year 83%). Furthermore, 124 internships were made available and 24 Bachelor and Master theses supervised.

For information, see → [Business Report](#) > [Business and financial review](#) > [Financial Year 2023](#) > [Employees](#).

Performance evaluation and career planning (GRI 404-3)

In everyday working life, the personal and professional development of each individual employee is encouraged in a variety of ways. This covers all areas of work, functions and age groups. 94% of all employees took part in appraisal interviews in 2023 at which development opportunities were also identified and discussed. As part of the standard global “valYOU” process on Performance assessment, Development and Compensation, supervisors and employees discuss performance and agree objectives at least once a year.

Diversity and equal opportunity (GRI 405)

Management approach diversity and equal opportunity

Through diversity and equal opportunity, Geberit can increase its attractiveness as an employer and also make a contribution to the cohesion of society. Little diversity and a lack of equal opportunity in the company harbours risks and can lead to lower levels of employee satisfaction and loyalty as well as impair the reputation of the company. It can also exacerbate the increasing skills shortage in the company and diminish its innovative strength, as the requirements of different target groups are not sufficiently taken into consideration in the development of products. Conversely, diversity and equal opportunity in the company can increase its appeal for both existing and future employees. Cooperation between different population groups also strengthens mutual understanding for their respective needs and purchase behaviour, and gives impetus for innovations in product development and marketing. Geberit has the goal of reinforcing its position as a responsible and attractive employer with specific measures with regard to a heterogeneous workforce.

Geberit offers all employees the same opportunities and strives towards finding the best candidate for every position. Geberit supports diversity and promotes equal opportunities irrespective of gender, ethnic origin, skin colour, age, religion and nationality. In its Code of Conduct, Geberit emphasises the importance of promoting diversity and creating a culture that enables all employees to develop their full potential in the company.

Geberit pursues a fair and non-discriminatory employment practice in accordance with prevailing national and international law. Recruitment, training courses and promotions depend solely on individual performance, as well as skills and potential regarding the requirements of the position in question.

Protection of the principles of equality is anchored in the → [Geberit Code of Conduct](#). This includes the prohibition of discrimination against any employee on the basis of gender. Fair and equal pay for women and men is guaranteed as follows:

- Job assessment by function in accordance with the proven Korn Ferry Hay method on the basis of know-how, thinking ability and accountability. All jobs are pooled in a Group-wide grading system. The resulting grade is the basis for determining an employee’s pay. This guarantees gender-neutral, fair salary structures.
- Binding wage agreements with set pay grades at many Geberit sites.

Based on a strategic review carried out on the topic of diversity and equal opportunity, a Group-wide directive is currently being drawn up that reinforces the company’s commitment towards an inclusive working environment and establishes guidelines for equal opportunity and the reconciliation of working, family and private life. The Group directive should be supplemented by local standards.

Geberit has an inclusive corporate culture and creates jobs for people with disabilities. The share of inclusive jobs (internal jobs plus assembly and packaging jobs consciously outsourced to external workshops) amounted to around 3.5% of all full-time jobs in the last survey in 2021, see → [Social responsibility](#). This share should be further increased in the medium term.

Diversity of governance bodies and employees (GRI 405-1)

The proportion of female employees at the end of 2023 was 24% (previous year 24%), and for management this figure was 11% (previous year 11%). The six-member Board of Directors has two female members, which represents a share of around 30%.

Geberit would welcome more women in managerial positions. However, as is typical for the industry, the number of women in management is only increasing slowly at present. The proportion of females in Geberit’s most important customer target group – plumbers – is also extremely low. For example, in Switzerland the proportion of female plumbers is lower than 3%.

People of all ages work together hand in hand at the company. Senior employees pass on their knowledge to the next generation, and in turn benefit from the new perspectives offered by the young talents. 13% of the workforce is under 30 years of age, 41% between 30 and 45, and 46% over 45. Around 35% of employees have worked at the company for over 15 years. The goal is to have a good mixture of ages.

For key figures on diversity in terms of gender and age structure, see → [Key figures sustainability](#) > [Employees and society](#).

Ratio of remuneration between women and men (GRI 405-2)

According to the annual survey of all Geberit Group companies, no differences between the basic salaries of women and men exist anywhere within the Group.

An equal pay analysis carried out in 2021 at all Geberit companies in Switzerland confirmed that equal pay between female and male employees is upheld. The results were audited and confirmed by the certified auditors PwC.

Non-discrimination (GRI 406)

Management approach non-discrimination

Due to its market position and size, Geberit is an important company in the Swiss industrial landscape and in its own sector. This is why Geberit feels compelled to play a pioneering role when it comes to ethical and social matters, such as non-discrimination in matters of gender. While this is a legal requirement in some countries, it has not yet been achieved in most of them. With a non-discrimination approach that extends beyond the prevention and sanctioning of discrimination, Geberit can make a contribution to the elimination of social and systemic inequalities. The company also strengthens its reputation, its employer brand and its corporate culture with a consistently implemented non-discrimination policy.

The Geberit Code of Conduct forbids discrimination as defined in the International Labour Organization (ILO) core labour standards. Geberit does not tolerate either discrimination or workplace bullying on the basis of skin colour, gender, religion, creed, nationality, age, sexual orientation, physical or mental handicap, marital status, political views or other characteristics protected by law. The company aims to offer a safe working environment for its employees. All forms of workplace violence, including threats, threatening gestures, intimidation, attacks and similar forms of behaviour are forbidden. Compliance with the Code is verified annually as part of a Group-wide survey in order to minimise risks due to violations of the principles of non-discrimination.

According to the → Geberit Code of Conduct, employees who openly address irregularities which represent breaches of applicable law, ethical standards or the Code of Conduct are acting correctly. In doing so, Geberit employees are contributing to their own protection, that of their colleagues and the protection of Geberit's rights and interests.

If issues should occur, employees should seek a personal meeting with their supervisor. The Geberit Integrity Line is available to all employees as a whistleblower hotline in the corresponding language. The service is intended to enable employees to anonymously report cases that represent breaches of applicable law, ethical standards or the Code of Conduct. The Integrity Line is operated by an external company with experience in this area, and is available seven days a week around the clock.

Cases of discrimination (GRI 406-1)

According to the annual Group-wide survey of the Code of Conduct, there were four cases of sexual harassment in the workplace in the reporting year. Three of the accused people were given a warning and referred to the company social counselling office and one accused person has left the company; the cases are now closed. There were also two reports of bullying which are still being clarified. No incidents of discrimination were reported.

Freedom of association (GRI 407)

Management approach freedom of association

The right to join forces for common aims and purposes – particularly in the form of unions – is a human right. It is therefore one of the fundamental rights of the employees at Geberit – regardless of the respective national circumstances. Not all countries in which Geberit is present have legal regulations governing freedom of association. Nonetheless, Geberit gives this personal right of the employees a higher priority than the economic risk of a strike. Rather, it forms the basis of fairness and respect for the employees.

Employees are completely free to join trade unions, associations and similar organisations. No rights with respect to exercising freedom of association or collective bargaining as defined in the ILO core labour standards and the UN Global Compact are subject to restriction at the Geberit Group. Measures such as regular meetings as part of the Geberit Europe Forum support exchanges between our employee representatives.

Non-compliance with the right to freedom of association and collective bargaining (GRI 407-1)

According to the annual Group-wide survey of the Code of Conduct, no infringements of the guarantee of freedom of association and collective bargaining were identified in the reporting year.

Occupational health and safety (GRI 403)

Management approach occupational health and safety

The occupational health and safety of employees at Geberit are of major importance. Geberit wants to gradually get nearer to the target of having healthy employees within an accident-free company and has therefore established a high level of health and safety for its employees. Occupational accidents not only impair the professional career of those affected, but also affect their personal and private lives. In a company, a high accident rate can lead to considerable disruptions in the production processes and adversely affect overall productivity. Furthermore, absenteeism due to accidents and illness leads to considerable costs for the company and can have a negative impact on the company's reputation and the employer brand. The manufacture of sanitary products can generally be said to have a low level of risks at the workplace. Nevertheless, there are still

some individual activities which entail an increased risk of accidents. Typical workplace risks are the lifting and carrying of heavy loads, working at heights and in noisy environments, as well as handling hot surfaces and hazardous substances. As part of the Geberit Safety System, the workplace risks are assessed systematically and appropriate measures implemented to protect the employees. There is an increased risk of work-related illnesses (such as silicosis, also known as dust disease) in ceramic production in particular. Geberit has specified a standard threshold for dust emissions, which is lower than the legally prescribed levels at various sites. Dust measurements are taken in the ceramics plants on a regular basis with a uniform measurement and evaluation procedure. The results of the site-specific measurements are used as the basis for local corrective measures. The topic is also systematically addressed as part of the Geberit Safety System and certification in accordance with ISO 45001 (occupational health and safety). Furthermore, Geberit participates in the NEPSI programme (The European Network on Silica) as a member of FECS, a suborganisation of Cerame-Unie (European Ceramic Industry Association). This includes monitoring exposure to quartz dust and the implementation of best practices.

Geberit cooperates with authorities, trade unions and employers' liability insurance associations on a country-specific basis. Most companies have written agreements with the trade unions. These cover topics such as personal protective equipment, complaints procedures, regular inspections, education and further training and the right to refuse unsafe work.

Using 2015 as the reference year, the company aims to halve the frequency and severity of accidents by 2025. The AFR (Accident Frequency Rate) is to be reduced to a rate of 5.5 occupational accidents (with absences of one day or more) per million working hours. The ASR (Accident Severity Rate) is to be reduced to below 90 days lost per million working hours. These key figures are reviewed regularly at the plant cockpits and are part of the annual appraisal of plant managers. The Group Executive Board is also provided with a compact report on a quarterly basis and a comprehensive report is created for management annually.

For objectives and measures concerning occupational health and safety, see also → [Sustainability strategy](#).

Occupational health and safety management system (GRI 403-1) and its degree of coverage (GRI 403-8)

The topic of occupational health and safety falls under the remit of Sustainability and Process Management, which reports directly to the CEO. The responsibility for implementation lies with each company. All production plants and central logistics have trained safety specialists. The sites Rapperswil-Jona (CH) and Pfullendorf (DE) also have an appointed health manager. The Group-wide Geberit Safety Team also plays an active role in developing occupational health and safety systematically throughout the entire organisation. It does so by defining key topics and exchanging best practices between plants. In the reporting year, the new Group-wide safety standards were implemented in the production plants and in logistics. Furthermore, a concept for cross-site safety audits was introduced and five audits carried out.

The Geberit Safety System – which is valid in all production plants and logistics sites as well as in the management company incorporating all Group functions at headquarters in Rapperswil-Jona (CH) – defines processes that are applicable throughout the Group for promoting the continuous improvement of work processes and workplaces. Special attention is also paid to elements of changes in behaviour, as the majority of occupational accidents and time lost are still attributable to carelessness. Generally valid principles on occupational health and safety as well as prevention are part of the Geberit Code of Conduct and apply to all employees.

All production plants and the central logistics centre in Pfullendorf (DE) are certified in accordance with the occupational health and safety standard ISO 45001.

For further details, see → [Business Report > Business and financial review > Financial Year 2023 > Employees](#).

Risk assessment and investigation of accidents (GRI 403-2)

The risk assessment of workplaces and the systematic investigation of occupational accidents are a central part of the Geberit Safety System and are standardised across the Group. The execution of the risk assessment takes place systematically for all relevant workplaces and is based on a standard method and evaluation matrix.

Every accident is reported, regardless of the employment relationship and accident severity. Furthermore, a standardised accident investigation takes place for all occupational accidents which result in the employee being absent for one working day and more. Based on these reports, effective measures are derived to eliminate deficits permanently and to avoid similar accidents happening again within the company. The insights gained will be shared with other companies to prevent similar accidents in the Group. Launched in 2017, the software-based solution for capturing and systematically analysing accident data is a comprehensive process that is integrated in the SAP environment and has been rolled out at 24 production plants.

Occupational health services (GRI 403-3)

Geberit takes various steps in order to avoid health risks at the workplace. At several production sites, legal requirements require a company physician to be on hand or to be called out if needed. Depending on the risk classification of the particular activity, various measures are implemented for health provision. For example, occupational medical examinations (including auscultation of the lung, lung checks and X-rays) are regularly carried out in the ceramics plants because of quartz dust. Noise pollution and ergonomics are further focal points of the company physicians and external specialists.

Employee participation and communication on occupational health and safety (GRI 403-4)

95.5% of all employees worldwide are represented through an occupational health and safety panel or safety committee at their site, in which employer and employee representatives can discuss occupational health and safety issues. The

occupational health and safety panels are created on behalf of the management and involve all levels of the organisation as well as various specialist roles (including physicians, works council, occupational safety specialists). In addition, employees are involved in relevant processes of the Geberit Safety System, such as the risk assessment of workplaces, the accident investigation or as part of behavioural inspections. The Group-wide Geberit Safety Team – a team of experts from all production areas – also plays an active role in developing occupational health and safety.

Training on occupational health and safety (GRI 403-5)

Training sessions on occupational health and safety are held on a regular basis. At Welcome events, new employees are given information about the valid, local health and safety regulations and internal directives. At production and logistics sites, supervisors also hold workplace-specific training sessions on work-related hazards.

Geberit continues to use an eLearning programme for employees in production and logistics, which should help to correctly identify danger areas in the workplace and rectify them consistently. This was translated into further languages in the reporting year and rolled out at four more production plants.

Promotion of employee health (GRI 403-6)

Across the Group, Geberit carries out a wide range of activities and sets up programmes to promote employees' health and well-being, and also offers its employees precautionary healthcare opportunities through various offers. These include, for example, sports facilities, anti-smoking seminars, health check-ups, massage services, dietary and health tips, presentations on health-related issues and workshops on targeted and correct relaxation. A diverse vitality programme is offered at 18 production and sales sites in the fields of exercise, mental fitness, nutrition and the working environment. The most comprehensive programme "Geberit Vital" is available at six sites and can be accessed by around 40% of the workforce.

Among others, there is a focus on the ergonomic organisation of the workplace, particularly in the ceramics plants. In the reporting year, conventional plaster casting systems were replaced with modern high-pressure casting systems in Koło and Włocławek (both PL) and further glazing robots were installed in Carregado (PT). This improves the ergonomics at the respective workplaces.

Further focal points are training courses for managerial staff in health-conscious management as well as reintegration counselling, with the aim of getting people back to work as soon as possible after a long-term absence due to illness. Examples of individual support include external counselling in Rapperswil-Jona (CH) to assist with problems ranging from on-the-job pressure, partnership and family problems to debt issues, and the telephone helpline created in the USA to discuss problems at work in complete confidentiality. Geberit also promotes fitness in the community with its support of the Geberit sports club, for example. This club features 13 different sports sections and has around 630 members in Rapperswil-Jona (CH) who regularly meet up and exercise together.

Avoiding and minimising danger for business partners (GRI 403-7)

Geberit sets great store by the occupational health and safety of business partners. For example, contractors who carry out work on the factory premises receive a safety briefing and are obliged to observe these rules. Suppliers also commit to ensuring occupational safety and health-promoting working conditions in their operations and supply chain through a Code of Conduct. This is systematically examined as part of supplier audits, see also → [Procurement](#).

In terms of customers, Geberit takes great care – including as part of the eco-design workshops – to ensure that all products are ergonomic and safe during installation and their final use. The assembly of Geberit products is easy and often tool-free. If special tools are needed, these have been optimised in terms of their ergonomics and safety, and their correct handling is trained accordingly.

Accidents and days lost (GRI 403-9)

Geberit is consistently pursuing the creation of safe and clean workstations at the production plants. This is carried out, for example, by optimising and modernising the systems and processes (e.g. an appliance for deburring sharp sheet edges when manufacturing installation modules), replacing hazardous substances (e.g. training on the handling and substitution of substances containing diisocyanates) and the reduction of dust and noise emissions (e.g. by implementing technical noise-reduction measures in the Shanghai plant). Workstations are also being further optimised from an ergonomic point of view through the increasing use of robots and lifting aids.

Thanks to standardised reporting on occupational health and safety, it is ensured that the measures will achieve their desired effect and that corrective measures can be initiated at an early stage. In the reporting year, a total of 132 accidents were recorded (previous year 157 accidents), equivalent to 2,177 lost working days due to occupational accidents (previous year 3,034 lost working days). The statistics show only those occupational accidents that occurred during working hours or business travel and led to lost working time of one working day or more. The most frequent injuries were bruising to the body and cuts and stab wounds on hands. In the reporting year, the accident frequency fell to a value of 7.3 (previous year 8.2), which corresponds to a reduction of 11%. Accident severity decreased by 24% to a value of 119.7 (previous year 157.5) in the same period. Since 2015, the AFR has fallen by 36% and the ASR by 42%. In the reporting year, there was one severe accident and no fatal accidents. Furthermore, the Group-wide absenteeism rate due to accidents and absences due to illness based on regular working hours was 5.2% (previous year 5.5%). Illness-related absences accounted for 98.4% of this rate (previous year 98.2%).

Further key figures can be found under → [Key figures sustainability > Employees and society](#).

Work-related illness (GRI 403-10)

Around 50% of employees in ceramic production are regularly exposed to increased levels of quartz dust. Technical, organisational and personal protection measures are implemented for the protection of these employees. In the area of personal protective equipment, as well as in hygiene and cleaning, minimum standards were defined and implemented. Geberit makes substantial efforts towards either avoiding the exposure of employees to these risks (e.g. through the installation of glazing robots) or minimising this exposure (e.g. through the use of special extraction devices and filters, dust masks or the provision of training in correct behaviour at the workplace). Furthermore, the employees regularly undergo occupational medical examinations (including auscultation of the lung, lung checks and X-rays).

Society

Anti-corruption (GRI 205)

Management approach anti-corruption

As a member of Transparency International Switzerland and the UN Global Compact, Geberit is committed to high standards in combating corruption. Corruption is categorically rejected. By preventing corruption and encouraging fairness, transparency and accountability, Geberit is able to protect the interests of various stakeholders such as employees, customers, suppliers, owners and communities. Incidents of corruption can have negative consequences, such as obstructing fair market structures, distorting competition, as well as a loss of trust and negative social impacts on society. In addition, violations can harbour legal risks for Geberit that can lead to fines and even harm the reputation of the company in the event of a high media presence. Geberit minimises risks and assumes responsibility as a trustworthy and reliable partner for customers, suppliers and other stakeholders.

For prevention there are clear, internal donation guidelines, and employees receive training in this area. Compliance with the guidelines is monitored as part of an annual survey at all Group companies. In addition, the Internal Audit Department conducts on-site audits. In the event of misconduct, corrective measures are taken. For further information about the compliance system, see → [GRI 2-24](#).

Operations subjected to reviews on the risk of corruption (GRI 205-1)

The annual survey at all Group companies contains a range of questions aiming to identify incidents of corruption. The topic of corruption is also a component of the audit programme for the periodic inspections of the production plants, sales, logistics and management companies by the Internal Audit Department. The annual audit planning of the Internal Audit Department is risk-oriented. Each company is audited at least every five years, or considerably more frequently if it has a high-risk profile. In 2023, the Internal Audit Department audited a total of 20 companies.

Communication and training on anti-corruption (GRI 205-2)

All new employees at Geberit are trained on the Code of Conduct as part of the Welcome events. Among other things, specific training films on the topics of corruption, IT misuse, workplace bullying and sexual harassment are deployed especially for this.

All employees also receive information via the intranet about what is permitted and what is not. The guidelines on the correct handling of donations (i.e. anti-corruption guidelines) are updated regularly and made accessible to the affected employees in Purchasing and Sales via the various communication channels.

Incidents of corruption (GRI 205-3)

According to the annual survey carried out at all Group companies and the audits conducted by the Internal Audit Department, there were no cases of corruption in 2023.

Anti-competitive behaviour (GRI 206)

The prevention of anti-competitive behaviour is a matter of top priority for Geberit. Anti-competitive behaviour of any kind is categorically rejected. Anti-competitive behaviour has a significant impact on the market and on relationships with customers, suppliers and competitors. Negative consequences resulting from violations include obstructing the development of fair market structures, distorting competition, as well as a loss of trust and negative impacts on the fabric of society. Violations give rise to fundamental reputation risks that can cause lasting harm to the company's public image, as well as to legal risks that can lead to heavy fines. Geberit focusses on being a trustworthy partner for customers, suppliers and stakeholders, and maintaining fair relationships with competitors.

Following on from the training courses already carried out last year, extensive additional general and topic-related courses for the in-depth teaching of knowledge relating to antitrust legislation were held in the reporting year in nine sales companies. The existing basic eLearning course was revised and modified according to the current legal situation. In addition, a new interactive, particularly practice-oriented eLearning course on antitrust legislation was developed and introduced.

An internal antitrust audit was carried out at four sales companies in 2023 to verify and further improve compliance in this area.

As part of numerous enquiries from the Geberit markets, Corporate Legal Services once again dealt with the permissibility of a wide range of marketing and sales activities under antitrust and competition law in the reporting year. The enquiries once again demonstrated a marked sensibility among the employees in the area of antitrust legislation.

Legal proceedings due to anti-competitive behaviour (GRI 206-1)

In the reporting year, there were no allegations, court action or fines arising from non-compliance with antitrust legislation.

Child labour (GRI 408)

Management approach child labour

Preventing child labour serves to uphold basic human rights. Child labour is categorically rejected. Violations give rise to fundamental reputation risks that can cause lasting harm to the company's public image, as well as to legal risks. Preventing child labour is, therefore, not only an ethical obligation, but also crucial in terms of avoiding legal, reputation and financial losses.

Geberit commits itself to the protection of human rights in its → [Code of Conduct](#), including the categorical rejection of child labour. Geberit's exposure with respect to child labour within the company is considered very low because of its industry, business model, high level of vertical integration and high quality requirements.

The basic principles set out in the → [Code of Conduct for Suppliers](#) explicitly include compliance with the ILO core labour standards for the exclusion of child labour. The raw materials and semi-finished products procured by Geberit primarily come from suppliers in Western Europe (84.2% of procurement value). Owing to the high level of vertical integration as well as the very high share of Western European suppliers, the general risk profile of the supply chain in terms of social risks is relatively low. Regarding the implementation of Geberit's due diligence in preventing child labour in the supply chain, see → [Procurement](#).

Cases of child labour (GRI 408-1)

According to the annual Group-wide survey of the Code of Conduct, there were no cases of child labour revealed in 2023. There were likewise no such cases uncovered during the audits carried out at suppliers. Regarding the reporting of results on due diligence in the supply chain, see → [Procurement](#).

Forced or compulsory labour (GRI 409)

Management approach forced or compulsory labour

Preventing forced or compulsory labour serves to uphold basic human rights. Forced and compulsory labour are categorically rejected. Violations give rise to fundamental reputation risks that can cause lasting harm to the company's public image, as well as to legal risks. Preventing forced and compulsory labour is, therefore, not only an ethical obligation, but also crucial in terms of avoiding legal, reputation and financial losses.

Geberit commits itself to the protection of human rights in its → [Code of Conduct](#), including a categorical rejection of forced and compulsory labour. Geberit's exposure with respect to forced and compulsory labour within the company is considered very low because of its industry, business model, high level of vertical integration and high-quality requirements.

The basic principles set out in the → [Code of Conduct for Suppliers](#) explicitly include compliance with the ILO core labour standards for the exclusion of forced or compulsory labour. The raw materials and semi-finished products procured by Geberit primarily come from suppliers in Western Europe (84.2% of procurement value). Owing to the high level of vertical integration as well as the very high share of Western European suppliers, the general risk profile of the supply chain in terms of social risks is relatively low. Regarding Geberit's risk management and the avoidance of social risks in the supply chain, see → [Procurement](#).

Cases of forced or compulsory labour (GRI 409-1)

According to the annual Group-wide survey of the Code of Conduct, there were no cases of forced or compulsory labour revealed in 2023. There were likewise no such cases uncovered during the audits carried out at suppliers, see → [Procurement](#).

Social responsibility

Management approach social responsibility

Taking on social responsibility through partnerships in social projects and the application of in-house know-how in these projects makes a positive contribution to social development in disadvantaged regions. However, if this commitment is not taken seriously, this can give rise to reputation risks that could impair public perception of the company. Therefore, social responsibility at Geberit is exercised within the scope of long-term partnerships with social institutions. In addition, Geberit has been carrying out social projects with its own apprentices annually since 2008. These projects exhibit a relationship to the topic of water and sanitary facilities, as well as to Geberit's core competencies and corporate culture. Equally important is the aspect of personal and professional education. By getting actively involved in the social projects in developing regions, apprentices become familiar with other cultures and acquire new social, linguistic and professional competencies. Furthermore, these social projects make a tangible contribution to the Sustainable Development Goals (SDGs) of the United Nations, which include giving all humans access to clean drinking water and basic sanitation by 2030. A review of what has been achieved is carried out on a regular basis.

Infrastructure investments and promoted services (GRI 203-1)

Donations and financial contributions, including product donations, totalling CHF 3.7 million (previous year CHF 4.4 million) were made during the reporting year. Geberit employees also carried out charitable work totalling around 2,790 hours in the reporting year (previous year 1,890 hours).

The focus was on the following projects and partnerships in the reporting year:

- Eleven apprentices from Germany, Austria and Switzerland travelled to India as part of the social project. In collaboration with the Swiss NGO Stiftung Usthi, the apprentices constructed a new sanitary wing in the Ananda School. They also installed water supply pipes in the school kitchen. The new sanitary installations and improved access to running drinking water benefit the 246 schoolchildren and their teachers.
- Despite the war in Ukraine, the local Geberit sales company continued its long-standing project for supporting the professional training of plumbers in the country. Geberit Ukraine is carrying out this project in collaboration with the Swiss Agency for Development and Cooperation (SDC), the Swiss foundation Swisscontact and the Ukrainian Ministry of Education. By the end of June 2023 (end of the three-year project phase), around 2,730 young people – including 48 women – had taken part in dual studies as plumbers. Around 230 teaching staff were also trained as part of this project. Geberit also provided additional support to 25 vocational schools in Ukraine with material and equipment.
- As a long-standing member of the Swiss Water Partnership network, Geberit supported a newly launched competition for students and young professionals. As part of the “Youth Water Challenge”, participants drew up suggestions for projects that improve access to water, drinking water quality or hygiene. Seven of these projects were awarded and put into action.
- Geberit also provided sanitary equipment to the “L'Unique Foundation”. Established by a Swiss sanitary enterprise and based in Basel (CH), this foundation finances the construction and renovation of sanitary facilities at schools and children’s homes in Nepal.

The Geberit Group’s social commitment is rounded off by a multitude of other initiatives at a local level. At various Geberit sites in Europe, such as Germany, Austria, Poland, France and Switzerland, for example, assembly and packaging work is regularly awarded to workshops for people with disabilities. In the reporting year, this work amounted to CHF 9.2 million.

As a basic principle, all social projects carried out by Geberit are regularly checked by company employees in the respective country or in partnership with non-governmental organisations – even after the completion of the corresponding projects. All donations are neutral from a party-political point of view. No donations were made to parties or politicians. This is ensured globally as part of the annual audit of the → [Code of Conduct](#). For further information, see also → [Business Report > Business and financial review > Financial Year 2023 > Social responsibility](#).

Environment

Introduction

Geberit had already drawn up its first environmental strategy and implemented specific measures in 1990. Over the years, this strategy was gradually developed into a comprehensive → Sustainability strategy, is now an integral part of the corporate culture, and makes a significant contribution to the UN Sustainable Development Goals, see → [SDG Reporting](#).

Geberit stands for a high level of environmental awareness and is committed to environmentally friendly, resource-saving production as well as the development of innovative, water-saving and sustainable products. Systematic, Group-wide environmental management takes centre stage here. This is the remit of Sustainability and Process Management. Guidelines and measures pertaining to all significant environmental issues are coordinated here. A network of environmental managers practises active environmental protection at the production plants, thus ensuring that the targets and measures derived from the sustainability strategy are implemented worldwide. The environmental and occupational safety managers from all production plants meet once a year to discuss best practice and further develop Group-wide standards.

Eco-design has been an integral part of the product development process since 2007, with the aim of making each product more environmentally friendly than its predecessor throughout the entire product life cycle, see → [Product management and innovation](#). The goal here is for products to be manufactured locally, where possible, using durable, sustainable raw materials from carefully selected, predominantly regional suppliers in order to keep transport routes as short as possible. The developed products are optimised both in terms of the amount of materials used and in resource and energy consumption during usage. Returning products to an appropriate material cycle after removal is becoming increasingly important here.

Environmental criteria are considered in all decision-making processes. These processes are continuously being examined so that a proven high standard is achieved which often greatly exceeds legal requirements. Geberit's environmental principles are defined in the → [Code of Conduct](#). The Geberit Group has a → [Group certificate](#) in accordance with ISO 9001 (quality), ISO 14001 (environment) and ISO 45001 (occupational health and safety) that is valid until 2024. All production plants, central logistics, and the management company incorporating all Group functions at headquarters in Rapperswil-Jona (CH) are certified in accordance with these three standards. In addition, five German plants are certified in accordance with ISO 50001 (energy) and nine sales companies in accordance with ISO 9001 (quality).

The annual preparation of a corporate life cycle assessment has been an established part of Geberit's environmental management since 1991. It covers all production plants worldwide, the logistics centre in Pfullendorf (DE), other smaller logistics units and the larger sales and management companies. The applied Swiss Ecological Scarcity Method takes into consideration a wide range of environmental impact factors (emissions, resources, waste) and summarises them as a key figure known as eco-points (version 2021). In the case of electricity, the effectively purchased local electricity mix (market-based) of the respective supplier is considered.

The environmental impact decreased substantially by 17.6%, and CO₂ emissions (Scopes 1 and 2) by 19.6% in the reporting year. The environmental impact in relation to currency-adjusted net sales (eco-efficiency) dropped by 13.4%, and sales-related CO₂ emissions by 15.6%. These figures are well above the long-term target of 5% per year. This progress is founded largely on measures implemented in the new CO₂ strategy, including improvements in efficiency at the energy-intensive ceramics plants and the targeted purchasing of green electricity with proof of origin. Since the acquisition of the ceramics business in 2015, the absolute environmental impact has been reduced by 49.1% and CO₂ emissions by 50.0%. Eco-efficiency improved by 62.6% in the same period, while sales-related CO₂ emissions (CO₂ intensity) fell by 63.2%. For other measures in the CO₂ strategy, see also → [GRI 305](#).

For a compact overview of all the relevant developments in the reporting year, see → [Business Report > Business and financial review > Financial Year 2023 > Sustainability](#). Detailed key figures on the environmental impact are provided at → [Key figures sustainability > Environment](#). Geberit's contributions to the UN Sustainable Development Goals can be found in the separate → [SDG Reporting](#).

Resources and circular economy (GRI 301)

Management approach resources and circular economy

The use of raw materials, semi-finished products and finished products with a global procurement value of CHF 883 million is a significant production factor for Geberit. CO₂ emissions associated with purchased materials amount to 555,619 tonnes of CO₂ (Scope 3) and are responsible for 55.0% of Geberit's entire CO₂ emissions. These values emphasise the importance of treating raw materials with care.

Geberit considers the resource-efficient use of raw materials as early as the product development process. This has been implemented systematically since 2007 as part of eco-design workshops and is thus a central element of Geberit's CO₂ strategy, see → [GRI 305](#) and → [Product management and innovation](#).

Resource efficiency in plastics processing is already very high. Thanks to internal recycling, almost 100% of all processed plastics can be reused in production. The processes involved in ceramic production result in large quantities of waste (in

particular fired ceramic scrap, used plaster moulds and mineral sludge from waste water). Resource efficiency in ceramic production fell by 2.2% to 0.42 kg waste/kg ceramic in the reporting year. An improvement of 10% to 0.4 kg waste/kg ceramic is envisaged for the period 2021 to 2024.

Risks associated with the unsatisfactory implementation of the strategic approaches primarily consist of rising costs for procurement and processing in production, as well as reputation risks, which can be significant to tenders for green building projects. As part of a resource-saving circular economy, Geberit is looking to identify options for implementing closed material cycles. The aim is to minimise resource and energy usage, lengthen the service life of products as far as possible, close internal and external material cycles to the greatest extent possible, and constantly increase the use of internal and external recycled materials. Of key importance here is that Geberit products must have a very long service life, as many of them will be installed in buildings for decades. This is guaranteed through the use of high-quality materials and the application of strict quality requirements. An important factor here is the availability of spare parts for up to 25 years for a significant proportion of the product range. In 2023, the spare parts availability for concealed cisterns and their mechanical components was increased from 25 to 50 years. A lifetime guarantee was also introduced for ceramic products (excluding seat and lid). Furthermore, Geberit products are usually backwards-compatible and can be cleaned and repaired easily. Attention is also paid to using as little packaging material as possible. All these features combine sustainability aspects and support the circular economy, both in production as well as the use of the products in buildings.

As part of the eco-design workshops, efforts continue towards constantly increasing the share of purchased plastic regranulate used in products (post-consumer waste). Alongside recycled ABS and LDPE, a suitable recycled material was also evaluated for applications involving polypropylene (PP). This will be used increasingly, for example as transport protection for Mepla pipes.

Since 2020, Geberit has also been supporting the Operation Clean Sweep initiative, which is committed to ensuring that plastic granules do not pollute the environment. A review was carried out at all plastic-processing plants worldwide, and measures for improvement defined and implemented. These include raising staff awareness and regularly verifying the implementation of measures as part of the internal and external ISO audits.

Plastic also plays a key role as a material in piping systems, which is why Geberit participated in a TEPPFA study on the overall consideration of environmental aspects in the plastic pipe industry. In the study, the costs and benefits of different measures aimed at reducing CO₂ emissions and improving recyclability were assessed, in particular with regard to the use of plastic regranulate in piping systems.

Materials used (GRI 301-1)

The use of materials depends on the various manufacturing processes: ten plants for manufacturing sanitary ceramics, eleven plants for processing plastic and metal, four plants in the area of metal composites and metal, and one plant for manufacturing bathroom furniture. The range of production processes used thus includes the areas of ceramic production, plastic injection moulding, plastic blow moulding, plastic extrusion, metal- and thermoforming, woodworking and assembly.

The most important materials in the production of sanitary products are plastic and metal raw materials, mineral raw materials and various semi-finished products and finished products. A total of 381,524 tonnes of materials were used in 2023 (previous year 468,344 tonnes). Detailed key figures on the use of materials can be found at [→ Key figures sustainability > Environment](#).

In 2017, the implementation of a software-based solution for managing hazardous substances began and has since been rolled out in 24 production plants. This means that a standardised, efficient process now exists for managing hazardous operating and auxiliary materials. In 2023, the volume of hazardous substances used was reduced by 11%. For example, process optimisation in the production of welded, bent Mapress Stainless Steel fittings not only helped improve efficiency, quality, ergonomics and waste, but also reduced pickling step by step.

Percentage of recycled material (GRI 301-2)

When determining the share of recycled material in production, a distinction is made between internal and external sources.

Internal sources:

Thanks to internal recycling, almost 100% of all processed plastics can be reused in production. The internally generated recycled material is ground either on site or via a decentralised mill and fed back into the process. The proportion fluctuates depending on the manufacturing process. For blow moulding it is around 35%, for injection moulding around 15%, depending on product class, and for pipe extrusion around 3%. This corresponds to around 7,200 tonnes in total (previous year 9,100 tonnes).

Raw materials are also recycled internally and fed back into the process in ceramic production. The recycling rate for the ceramic slip is 5 to 10% and 20 to 40% for the glaze, corresponding to around 22,900 tonnes in total.

External sources:

With plastics, virgin material is primarily used. The search for suitable, high-quality regranulate from external plastic waste (post-consumer waste) is, however, an integral part of Geberit's procurement strategy. In terms of the material Acrylonitrile Butadiene Styrene (ABS), a suitable alternative made of 100% recycled material was found. This alternative is based on high-quality plastic waste from the electronics industry (e.g. used computer cases). According to the supplier, the manufacture of this regranulate

consumes over 80% less energy compared to the manufacture of a tonne of new petrochemical-based plastic, while releasing around four tonnes less CO₂ per tonne of regranulate into the atmosphere. In 2023, 792 tonnes of ABS regranulate (previous year 934 tonnes) were used for various components in exposed and concealed cisterns, the mounting frame for actuator plates, and in the plastic flush guide of WC ceramic appliances. Thanks to an intelligent redesign, around half of the material used for the fill and flush valves launched in 2021 for the range of floor-standing WCs in the Nordic countries is made of high-quality ABS regranulate, for example. The new fill valve type 383 will also contain ABS regranulate. The use of plastic regranulate is generally to be increased further and applied to other product areas. Other high-quality recycled plastics (post-consumer waste) used include polyethylene (LDPE) and polypropylene (PP), with annual volumes of 49 tonnes and 2 tonnes, respectively.

The share of recycled material in purchased metals is relatively high. This data originates from the Wuppertal Institute for Climate, Environment and Energy. Extrapolated, the raw material metal purchased contains around 30,000 tonnes of recycled material.

Reuse of products and packaging materials (GRI 301-3)

Due to their long service life and the way in which they are installed, Geberit products can be reused or recycled only to a very limited extent. Recyclability can be improved by using recyclable thermoplastics instead of non-recyclable duroplast plastics, as is the case with the manufacture of WC seats and lids at the plant in Pfullendorf (DE).

In the reporting year, a Group-wide packaging strategy was developed with the aim of harmonising processes and reducing costs and resource consumption. In the first step, the quality and availability of master data will be improved and processes harmonised. In addition, an inspection catalogue has been drawn up with the aim of reducing transport damage (especially to ceramics). In the case of packaging materials, Geberit's goal – also as part of eco-design workshops – is to keep amounts as low as possible, to continuously increase the share of recycled material, and to simplify the recycling and return processes for packaging materials. Efforts to reduce packaging amounts are already starting to bear fruit. For example, certain packaging levels are being omitted, bags reduced in size or thinner foils used, while instructions are printed directly on the packaging or replaced by a QR code, thus saving paper. The use of polystyrene (EPS) and expanding foam are avoided wherever possible and, where necessary, replaced with recyclable cardboard. The first results from this strategy can be seen on the shower toilet. The packaging has been standardised and simplified, allowing the amount of packaging used to be reduced by a third. The next step will see the new packaging strategy rolled out in production and logistics and integrated more effectively into the product development process. In addition, further pilot projects with substantial reduction potential are to be evaluated and implemented. In 2023, around 29,300 tonnes of packaging material were used (previous year 35,400 tonnes).

Energy (GRI 302)

Management approach energy

The consumption of energy plays an important role at Geberit, particularly in production, and has both a direct (burning of fuels) and indirect (purchase of electricity and heat) impact on the environment. In addition, the increased purchase of renewable energy sources has an impact on regional energy systems. Excessive energy consumption harbours various risks, such as high energy costs, difficulties in procurement and reputation risks with regard to the use of environmentally harmful energy sources and the associated emissions. Opportunities arise from the careful use of energy, not only in terms of quantity, but also quality and origin. Above all, this includes the reduction of energy costs, CO₂ and other emissions, as well as greater autonomy from the fossil-fuel market.

Representing a 97.3% share of the corporate life cycle assessment, the consumption of energy in the form of electricity, combustibles and fuels represents Geberit's greatest environmental impact. Software introduced in 2012 permits monthly monitoring of energy and water consumption, as well as the Group-wide calculation of environmental impact and CO₂ emissions. Furthermore, systematic energy and CO₂ monitoring and an energy master plan are being implemented in the most energy-intensive plants to manage and plan energy consumption.

Pivotal in energy management and the CO₂ strategy are measures for saving energy, increasing efficiency and procuring energy in the plants. The proportion of renewable energies is being further increased throughout the company, always taking the internal CO₂ reference price and the economic efficiency of the planned projects into consideration. There are various ways of doing this: purchasing green electricity with proof of origin, long-term Power Purchase Agreements (PPA) with selected operators, or the installation of photovoltaic systems on the roofs of the production plants to generate electricity to be used within the company. A special guideline on planning and building such installations was prepared in 2022. In the reporting year, the purchase of green electricity was centralised and the planning process simplified.

The five German plants in Lichtenstein, Pfullendorf, Langenfeld, Wesel and Haldensleben are certified in accordance with the ISO 50001 standard for energy management. In 2015, all Geberit companies implemented the European Energy Efficiency Directive 2012/27/EU and this was reviewed in 2019 and 2023.

For the development of energy-efficient products, see → [Product management and innovation](#).

Energy consumption within the organisation (GRI 302-1)

Geberit generally uses energy purchased externally. The direct energy carriers (Scope 1) include the combustibles natural gas, biogas, liquefied petroleum gas (LPG), diesel for power generation, heating oil extra light, as well as the fuels diesel, gasoline,

liquefied petroleum gas (LPG) and natural gas (CNG). The indirect energy carriers (Scope 2) include electricity and district heating.

Energy consumption decreased by 11.1% in the reporting year – primarily due to the decline in volume, a mild winter and targeted energy efficiency measures – and is now 633.4 GWh (previous year 712.6 GWh). Since the acquisition of the energy intensive ceramics business in 2015, it has been possible to reduce energy consumption by 30.5%, making a significant contribution to reductions in the environmental impact and CO₂ emissions.

Combustibles (primarily for ceramic production), including district heating, still account for the greatest share of energy consumption at 64.6% (previous year 65.8%), followed by electricity with 31.4% (previous year 30.7%) and fuels with 4.0% (previous year 3.5%).

Since 2012, a block heating station has been in use in Pfullendorf (DE). In 2023, this plant was fed by 6.1 GWh of regionally produced biogas. The electricity generated by the plant (2.5 GWh) is fed into the transmission grid, whereas the resulting heat (3.1 GWh) can be used in production.

Since 2013, the roof area at the plant in Givisiez (CH) has been made available to an energy services provider for a 3,050 m² photovoltaic installation. It generated 0.5 GWh of electricity in 2023. However, this contribution is not included in the energy balance as the energy produced is managed by the regional energy supplier. Overall, the volume of purchased green electricity with proof of origin was increased by 16.5 GWh to 128.3 GWh in 2023, which corresponds to around 65% of the entire volume of purchased electricity.

For detailed key figures on the consumption of combustibles and fuels (Scope 1), as well as electricity and district heating (Scope 2) and the electricity mix, see → [Key figures sustainability](#).

Energy consumption outside the organisation (GRI 302-2)

Where the energy balance outside the organisation is concerned, Geberit concentrates on purchased materials, business flights, intercompany and distribution logistics, and the use of products sold.

In 2023, purchased materials resulted in grey energy consumption of around 11,600 TJ (previous year 13,600 TJ).

Business flights have been recorded and included in the assessment since 2012. The flight distances are calculated according to the respective departure and arrival airports. Energy consumption arising from business flights amounted to 9.9 TJ in the reporting year (previous year 10.5 TJ).

Intercompany and distribution logistics are provided by external transport service providers. Since 2010, a logistics calculator developed by Geberit has been used for monitoring purposes. In the reporting year, the transport service providers handled 524.7 million tkm (tonne-kilometres), previous year 644.5 million tkm. This gave rise to energy consumption of 973 TJ (previous year 1,187 TJ). The reduction in transport services and energy consumption was mainly due to the decline in volume. For further information, see → [Logistics](#).

Energy consumption arising from use of the products sold is due to the electricity consumed by the products themselves (especially shower toilets) and the heating of water in the washbasin taps. This indicator is based on the average annual consumption of the product in question multiplied by the sales figures in the reporting year and its expected useful life, and amounted to around 352 TJ in the reporting year.

Energy intensity (GRI 302-3)

Energy intensity is an important performance indicator at the production plants. It refers to the quantities produced in unit equivalents and, in the ceramics plants, also to the quantity produced in terms of weight. Energy intensity is recorded monthly. Those plants which are certified to ISO 50001 (energy) have also introduced a more refined system of monitoring. At Group level, net sales constitute a key indicator alongside environmental impact and CO₂ emissions. In 2023, energy consumption in relation to currency-adjusted net sales improved by 6.6% compared to the previous year.

Energy saved (GRI 302-4)

Important ongoing energy-saving measures in production include:

- The optimisation of production processes in terms of efficiency, utilisation level, stability, scrap, energy and resource consumption.
- The continuous modernisation of the machinery and the purchase of energy-efficient equipment, and the systematic switchover of lighting to LED technology.
- The optimisation of cooling systems through the use of natural ambient cold (free cooling or ground water).
- The improved use of waste heat available internally (heat recovery, e.g. for the pre-heating of plastic granules or the drying of plaster moulds and ceramic blanks).
- The careful use of compressed air and use of waste heat generated.
- Improved insulation of buildings.

Concrete examples that show the reduction in energy consumption in production:

- Increase in the number and share of injection moulding machines with energy-efficient drive technology (hybrid, fully electrical, standby) to 242 machines (69%), and commissioning of a seventh fully electrical blow-moulding machine.
- Process optimisation in the production of Mapress Stainless Steel fittings in Langenfeld (DE) leading to a reduction in consumption of electricity, natural gas and chemicals.
- Replacement of conventional plaster casting systems with modern high-pressure casting systems in Koło and Włocławek (both PL) in order to increase efficiency, improve ergonomics and reduce raw material consumption and plaster waste.
- Commissioning of further glazing robots in Carregado (PT) in order to increase efficiency, improve ergonomics and reduce raw material consumption.
- Replacement of three old, inefficient kilns with a new, modern tunnel kiln in Carregado (PT).

Measures to reduce energy consumption in intercompany and distribution logistics:

- Product deliveries from the logistics centre in Pfullendorf (DE): More efficient utilisation of the capacity of the loading vessels thanks to the optimised calculation of loading space and implementation of organisational measures.
- Efficient utilisation of freight capacity: Use of high cube swap bodies (around 10% more capacity), double-decker systems, and the double stacking of cisterns for major customer deliveries, and deployment of super-size trucks in Scandinavia with a length of up to 34 metres and a total weight of up to 76 tonnes (up to twice the load volume of a standard truck).
- Use of state-of-the-art truck technology: The share of transport services handled by state-of-the-art Euro 6 trucks was 89% (previous year 87%). In addition, four trucks powered by natural gas are in operation between Rapperswil-Jona (CH) and Pfullendorf (DE) and on other routes.
- Shifting of truck traffic to rail: From Pfullendorf, almost 100% of ocean freight shipments to Hamburg (DE), 80% of shipments to Italy, and 15% of shipments to Switzerland are conducted by rail. The percentage of rail consignments from Italy to Pfullendorf is 59% and to Switzerland 86%.

Reductions in energy requirements of products and services (GRI 302-5)

The biggest environmental contribution by Geberit products lies in the conservation of water, which indirectly also saves on energy. According to the Ecoinvent database (version 3.8), some 9.9 MJ of energy are required and 0.6 kg of CO₂ emissions released per cubic metre for the conveyance, processing and distribution of water and the subsequent processing of the unpolluted waste water in a treatment plant. The water footprint calculated for Geberit shows that nearly 100% of water consumption is attributable to the product use phase, and it is here where the potential for saving water is greatest: according to a model calculation, all Geberit dual-flush and stop-and-go cisterns installed in place of traditional flushing systems (with 9-litre full flush volume) since 1998 have so far saved around 34,940 million m³ of water. These water savings indirectly result in substantial energy savings and reductions in CO₂ emissions.

Specific examples of energy-saving products include:

- The → [Geberit DuoFresh module](#) removes unpleasant odours by extracting the air directly from the WC ceramic appliance and purifying it using a ceramic honeycomb filter. This can save around 50 litres of heating oil per year compared to opening the window for ventilation.
- The → [Geberit energy retaining valve ERV](#) uses a magnetic diaphragm system to cap the ventilation pipe for waste water above the roof. This opens only when required and ensures pressure compensation only when this is necessary. This helps avoid unnecessary heat loss and can save around 50 litres of heating oil a year.
- The → [Geberit AquaClean Sela Comfort](#) shower toilet uses innovative WhirlSpray and heating-on-demand technology to reduce energy consumption.
- The → [Geberit urinal system](#) comprises urinals with electronic flush controls but also with completely waterless operation. The central elements are the two rimless urinal ceramics Preda and Selva, which were developed by Geberit. Thanks to low energy and water consumption and the option of a control system supplied with electricity by an autonomous energy source, the urinals satisfy the most stringent requirements for sustainable building and economic operation. For this purpose, a proprietary environmental and cost calculator was developed for various sales companies, see → www.international.geberit.com.
- The modular → [Geberit tap system](#) combines optimal user-friendliness and ease of installation with minimal water and energy consumption.
- The → [Geberit Control App](#) enables product configuration via smartphone, meaning appliances can be operated simply and also constantly optimised in terms of energy management and water consumption, among other aspects.

CO₂ and other emissions (GRI 305)

Management approach CO₂ and other emissions

Geberit sets out its approach to climate change and, in particular, the associated risks and opportunities in reports drawn up in accordance with TCFD recommendations, see → [TCFD Reporting](#).

Geberit has been calculating its carbon footprint along the value chain (Scopes 1 to 3) since 2012. Within this context, the following activities are relevant: the purchase of (production) materials and the provision of combustibles and fuels (both Scope 3), the manufacture of products (Scopes 1 and 2), logistics, and the use and disposal of products (all Scope 3). An analysis revealed that the purchase of (production) materials (55.0%) is by far the largest source of CO₂ emissions. Manufacturing (12.0%) and the disposal of sold products (21.7%) also play a major role. Intercompany and distribution logistics (5.2%), the provision of combustibles and fuels (2.3%), business flights (<0.1%), and the use of products sold (3.8%, direct emissions resulting from electricity consumption) result in only few emissions. For further information, see → [Key figures sustainability > Environment](#).

The calculation of greenhouse gas emissions is based on the internationally recognised Ecoinvent database (version 3.8) and the IPCC (Intergovernmental Panel on Climate Change) factors from 2013. Production-related process emissions are also taken into consideration and, where possible, the effectively purchased local electricity mix (market-based). Greenhouse gas emissions were calculated according to IPCC and are shown as a sum parameter (CO₂ equivalents or simply CO₂).

Production emissions are recorded, calculated and analysed in detail as part of the corporate life cycle assessment. CO₂ emissions are particularly important to Geberit. Other → [Air emissions \(NO_x, SO₂, hydrocarbons, etc.\)](#) are also recorded and calculated, but have a comparatively minor impact on the environment. The reduction of these emissions is directly related to the reduction targets of the CO₂ strategy.

The Geberit Group stands for an ambitious and implementation-oriented approach in its activities. This also applies to the CO₂ strategy, which was revised in 2022. This stipulates that the CO₂ intensity (Scopes 1 and 2) should fall by an average of 5% per year. As such, Geberit is looking to achieve a long-term reduction in absolute CO₂ emissions from 183,886 tonnes in 2021 to 121,000 tonnes by 2035. In comparison with the reference year 2015, relative CO₂ emissions are to be reduced by 70% by 2030 and by 80% by 2035, while absolute CO₂ emissions are to fall by 47% and 50% by 2030 and 2035 respectively. The targeted reduction in emissions (Scopes 1 and 2) corresponds to a contribution to a reduction path that limits CO₂ emissions to “well below 2°C” above pre-industrial levels.

A central element of the CO₂ strategy is its integration in all relevant and existing business processes as well as the handling of CO₂ emissions as external costs by means of internal CO₂ pricing. In this way, Geberit wants to ensure that the procedure of reducing the company's carbon footprint is widely supported within the company, incorporated in daily business activities, and that the measures taken have a long-term, sustainable effect. The CO₂ strategy consists of six elements: transparency, accountability, CO₂ pricing, energy, structural reduction, and offsetting or removal.

Transparency

The annual preparation of a comprehensive corporate life cycle assessment is an established part of environmental management. It covers all production plants worldwide, central logistics in Pfullendorf (DE), other smaller logistics units and the larger sales companies. Geberit has been calculating its carbon footprint along the value chain (Scopes 1 to 3) since 2012, see → [Key figures sustainability > Environment](#).

As part of the revised CO₂ strategy, internal CO₂ reporting was further expanded: key figures on CO₂ emissions were included in the regular monthly reporting and forecasting processes. Additionally, the calculation of CO₂ emissions (Scopes 1 and 2) was audited externally as part of a limited assurance engagement, see → [Audit Report Greenhouse Gas Balance](#).

In addition to focusing on Scope 1 and 2 emissions, work also continued on the transparency of Scope 3 emissions. This took place on a product level as part of environmental product declarations (EPDs) and also for Scope 3 emissions of the (production) materials from the supply chain.

Accountability

Since 2022, the annual achievement of targets in reducing CO₂ has been integrated as one of five equally weighted criteria in the calculation of the Group bonus. The annual reduction goals are thus bonus-related with a weighting of 20% for the entire Group management (around 220 managers) as well as for the employees in Switzerland (a total of around 1,500 employees).

CO₂ pricing

The internal CO₂ pricing is of central importance. Once a year, the Group Executive Board proposes a CO₂ reference price as part of the budget, which is then approved by the Board of Directors – this was EUR 80 per tonne of CO₂ for 2023. This figure is based on the price of the European Emissions Trading System (ETS) for CO₂. The internal CO₂ reference price embodies the reference costs for saving one tonne of CO₂. An implicit CO₂ project price is calculated for each project using an economic efficiency calculation. This serves as a basis for deciding on investments in measures to reduce energy or CO₂. The lower the CO₂ project price, the more attractive the project, whereby the price for implementing a project has to be under the CO₂ reference price.

Energy

Pivotal in the CO₂ strategy are measures for saving energy, increasing efficiency, heat recovery and procuring energy in the plants. The corresponding measures are drawn up and implemented as part of an energy master plan and a rolling CO₂ forecasting of the significant plants. The proportion of renewable energies is being further increased throughout the company, always taking the internal CO₂ reference price and the economic efficiency of the planned projects into consideration. There are various ways of doing this: purchasing green electricity with proof of origin, long-term Power Purchase Agreements (PPA) with selected operators, or the installation of photovoltaic systems on the roofs of the production plants to generate electricity to be used within the company (→ GRI 302, → GRI 305-5).

Structural reduction

The area of ceramics, which accounts for around two-thirds of all Geberit's CO₂ emissions (Scopes 1 and 2), has the largest savings potential. This includes a special focus on the reduction of scrap rates and refiring rates. The firing process and the use of the resulting waste heat will be continually optimised. This can be used for other process steps, such as drying the cast plaster moulds or ceramic blanks. Furthermore, projects were launched to investigate the possibilities of switching to renewable energy sources – for example, biogas or green hydrogen – in the long term, as well as the systematic reuse of ceramic waste, see → GRI 301.

Geberit contributes to reducing Scope 3 emissions as part of purchasing and product development. Since 2007, all new products have been optimised in terms of sustainability as part of eco-design workshops, see → Eco-design. With regard to the individual areas in the upstream and downstream value chain, the planned measures are aiming for the following improvements:

- Ensuring high quality, durability and repairability
- Reduction of water and energy consumption when the products are used
- Reduction of the quantities of material used and prevention of hazardous substances
- Increasing the share of recycled and sustainable, CO₂-reduced materials
- Simplification of dismantling and recycling products and their components
- Reduction of packaging material
- Optimisation of transport routes and maximising shipping container utilisation

The sustainable design of products has a major impact on Scope 3 emissions at Geberit. Through the continuous development of products, the company can secure competitive advantages at customers with an increased awareness of sustainability and reduce potential risks resulting from future regulations.

A sustainable supply chain also contributes to reducing Scope 3 emissions. The selection of suitable raw materials with minimal CO₂ emissions plays an increasingly important role, and is addressed in discussions with suppliers and included in decision-making processes, see → Procurement.

Offsetting or removal

Geberit has the goal of significantly reducing CO₂ emissions on its own, wherever possible. There is an increasing demand for CO₂-reduced or carbon-neutral products among customers. As part of the CO₂ strategy, Geberit is testing out the approach of compensating for currently unavoidable CO₂ emissions from ceramic production with the purchase of high-quality CO₂ certificates as part of a pilot project run by the Swiss myclimate foundation. The environmental product declaration (EPD) of sanitary ceramic forms the basis for calculation here.

Direct greenhouse gas emissions (Scope 1) (GRI 305-1) and indirect, energy-related greenhouse gas emissions (Scope 2) (GRI 305-2)

In 2023, CO₂ emissions (Scopes 1 and 2) amounted to 121,014 tonnes (previous year 150,591 tonnes), corresponding to a reduction of 19.6%. This includes 3,468 tonnes of CO₂ emissions (2.9% of Scope 1 and 2 emissions) from rented or leased buildings and vehicles. At 69.8% (previous year 64.3%), combustibles are the largest source of CO₂, followed by electricity at 23.9% (previous year 30.9%) and fuels at 5.7% (previous year 4.4%), as well as process emissions and district heating at 0.6% in total (previous year 0.4%).

Key figures concerning greenhouse gas emissions can be found at → Key figures sustainability > Environment.

Other indirect greenhouse gas emissions (Scope 3) (GRI 305-3)

Where other indirect greenhouse gas emissions (Scope 3) are concerned, Geberit concentrates on the following categories:

- The calculation of CO₂ emissions from purchased (production) materials was further refined and optimised in the reporting year. The resulting CO₂ emissions amounted to 555,619 tonnes (previous year 706,192 tonnes).
- CO₂ emissions from the provision of combustibles and fuels, which in 2023 accounted for 19,114 tonnes from combustibles (previous year 21,683 tonnes) and 4,539 tonnes from fuels (previous year 4,590 tonnes). CO₂ emissions of electricity generation from the upstream chain are included in → [GRI 305-2](#).
- Business flights, at 695 tonnes of CO₂ emissions (previous year 732 tonnes). These CO₂ emissions comprise direct and indirect emissions and are based on the Ecoinvent database (version 3.8) and the IPCC factors from 2013.
- Intercompany and distribution logistics (see → [GRI 302-2](#)), which gave rise to a total of 52,815 tonnes of CO₂ in 2023 (previous year 65,889 tonnes). The reduction in CO₂ emissions was mainly due to the decline in volume. Since 2015, Geberit has managed to improve the eco-efficiency of its logistics operations (environmental impact per tkm) by 28%.
- Use of the products (shower toilets and washbasin taps): Consumption of electricity required to operate the products or provide hot water, and the resulting CO₂ emissions at 38,152 tonnes (previous year 44,668 tonnes).
- Disposal of products: Rough estimate of CO₂ emissions resulting from the disposal of products. CO₂ emissions amounted to 219,151 tonnes (previous year 265,750 tonnes) in the reporting year. The calculation is based on the assumption that plastic parts are incinerated at a waste incineration plant, mineral products are sent to landfill, and metals, cardboard and paper are recycled.

Intensity of greenhouse gas emissions (GRI 305-4)

CO₂ emissions (Scopes 1 and 2) in relation to currency-adjusted net sales (CO₂ intensity) decreased by 15.6% in 2023. Since the acquisition of the ceramics business in 2015, CO₂ intensity has been reduced by 63.2%, or 11.8% per year on average. This figure is clearly above the target of 5% per year.

Reduction of greenhouse gas emissions (GRI 305-5)

The measures for implementing the CO₂ strategy (Scopes 1 and 2) are based on the three pillars energy saving, heat recovery, and the replacement of fossil fuels with renewable energy sources, see also → [GRI 302](#).

In the reporting year, the purchase of green electricity with proof of origin increased by 16.5 GWh to 128.3 GWh (previous year 111.8 GWh). Overall, renewable energy sources thus accounted for 78.9% of electricity (previous year 71.3%). As a result, CO₂ emissions were reduced by around 57,500 tonnes (previous year 51,400 tonnes).

The share of renewable energies for district heating and combustibles was 5.2% in total in 2023 (previous year 4.9%). The block heating station in Pfullendorf (DE), which was commissioned in 2012 and which was fed by 6.1 GWh of regionally generated biogas in 2023, makes a key contribution. Additionally, 14.9 GWh of district heating was sourced from a paper factory and a block heating station powered by wood.

A wide range of measures for saving energy and increasing efficiency is planned at the plants. Accordingly, the area of ceramics, which accounts for around two-thirds of all Geberit's CO₂ emissions, has the largest structural savings potential. This includes a special focus on the reduction of scrap rates. The firing process and the use of the resulting waste heat will be further optimised. This can be used for other process steps, such as drying the cast plaster moulds or ceramic blanks. Furthermore, projects were launched to investigate the possibilities of switching to renewable energy sources – for example, biogas or hydrogen – in the long term, as well as the systematic reuse of ceramic waste.

Fuel consumption is determined primarily by the company's own and leased fleet of cars and delivery vans. Since early 2008, binding guidelines have also applied to the purchase of new vehicles and in 2019, these rules were adjusted to take into account the new Worldwide Harmonised Light Vehicles Test Procedure (WLTP).

Geberit also encourages awareness among all employees for the promotion of environmentally friendly behaviour. New employees receive training on the subject of sustainability at Geberit as part of their job orientation programme. In the largest plants, this is also tailored to the target group of production employees.

The consistent application of → [eco-design](#) in product development is paramount in terms of reducing CO₂ emissions in Scope 3. Specific examples of sustainable, CO₂-reducing products can be found at → [Product management and innovation](#).

All targets and measures for improving the carbon footprint are disclosed in detail as part of the company's participation in the Carbon Disclosure Project (CDP) and in the → [TCFD Reporting](#) on climate-related risks and opportunities.

Emissions of ozone-depleting substances (GRI 305-6)

Emissions of ozone-depleting substances, measured in CFC-11 equivalents (chlorofluorocarbons), can be calculated based on the corporate life cycle assessment using the basic data from the Ecoinvent database (version 3.8). The calculation includes both direct emissions (Scope 1) from the burning of combustibles and fuels and process emissions (solvents), as well as indirect emissions (Scope 2) resulting from electricity consumption and the provision of district heating. Key figures concerning ozone-depleting substances can be found at → [Key figures sustainability > Environment](#).

Nitrogen oxides (NO_x), sulphur oxides (SO_x) and other air emissions (GRI 305-7)

Emissions of NO_x, SO₂, NMVOC (non-methane VOC) and dust (PM 10) can be calculated based on the corporate life cycle assessment using the basic data from the Ecoinvent database (version 3.8). The calculation includes both direct emissions (Scope 1) from the burning of combustibles and fuels and process emissions (solvents), as well as indirect emissions (Scope 2) resulting from electricity consumption and the provision of district heating. Key figures concerning emissions can be found at → [Key figures sustainability > Environment](#).

Water and waste water (GRI 303)

Management approach water and waste water

Water is of key importance to Geberit. The biggest environmental contribution made by Geberit products lies in the conservation of water. This is the most pivotal aspect in the company's contribution towards sustainable development, increasing the resilience of water systems, and indirectly reducing energy consumption and CO₂ emissions. The risks for Geberit connected to water are low, as its own water consumption is minimal compared to the water consumption and water saved by the products. Opportunities for Geberit can be found in the limited local availability of water in many places as the result of climate change. In the risk analyses conducted periodically by the World Economic Forum (WEF) and published in its Global Risk Report 2024, water scarcity (a central topic in the context of crises in natural resources) was classified as one of the ten highest global risks in terms of impact over the next ten years. This trend has an influence on the development of sanitary technology. Water-saving, resource-efficient products will become increasingly important. Geberit is taking advantage of the opportunity to meet the growing worldwide demand for water-saving products and to contribute towards a more diligent handling of water.

According to one model calculation, all Geberit dual-flush and stop-and-go cisterns installed in place of traditional flushing systems (with 9-litre full flush volume) since 1998 have so far saved around 34,940 million m³ of water. In 2023 alone, the water saved amounted to 2,940 million m³. Since 2016, Geberit has been publishing its detailed water balance as part of the CDP Water Program. For further information, see → [Product management and innovation](#).

Handling and use of water (GRI 303-3, GRI 303-5)

The water footprint calculated along Geberit's value chain shows that nearly 100% of water consumption is attributable to the use of the products, while the manufacture of the products by Geberit accounts for less than 0.1% of water consumption.

The corporate life cycle assessment shows a similar picture. Here, the environmental impact caused by water consumption and subsequent waste water treatment also accounts for only a minor share of the company's overall impact (0.5%). Nonetheless, Geberit also strives to optimise its own water consumption. This includes measures such as reusing water in laboratories and production processes. Ceramic production accounts for the biggest share of water consumption. Water consumption in relation to the amount of ceramic produced (l water/kg ceramic) increased by 11.7% compared to the previous year and amounted to 7.1 l/kg. Compared to 2015, it has been possible to reduce this key figure by 0.5%.

Overall it has been possible to further reduce water consumption in production to 850,178 m³ in the reporting year (previous year 908,407 m³). This is categorised into drinking water (31.4%), well water (44.4%), lake and river water (23.4%) and rain water (0.8%). Geberit's risk management includes monitoring the extent to which certain sites are exposed to a water risk. According to the Water Risk Atlas from the World Resources Institute (WRI), the production sites in Gaeta (IT), Koło (PL), Ozorków (PL), Michigan City (USA), Shanghai (CN) and Pune (IN), which together account for 19% of Geberit's total water consumption in production, are located in areas with high or very high water stress. Key figures concerning water consumption by source can be found at → [Key figures sustainability > Environment](#).

Water withdrawal and water consumption (GRI 303-1)

The manufacture of ceramic sanitary appliances accounts for around 80% of water consumption in production, and this is necessary for the preparation of the ceramic slip and glaze, and for cleaning the moulds and systems. On average, 7.1 litres of water are needed for every kilo of ceramic produced. 5 to 10% of the water used in ceramic production is recycled internally, corresponding to around 68,300 m³ in 2023.

Another major consumer is the Geberit sanitary laboratory in Rapperswil-Jona (CH), where newly developed products are tested. The tests required 85,026 m³ of water, of which only around 1.6% was fresh water. The remaining 98.4% was reused in a closed-circuit system.

Other processes that consume water are steam foaming of expandable polystyrene (EPS), cleaning work, powder coating, and water used in staff sanitary facilities.

Waste water of varying quality accounts for around 75% of the water withdrawn, see → [GRI 303-4](#). The remaining 25% evaporates into the atmosphere either during cooling processes or when the plaster moulds and ceramic blanks dry.

Handling of waste water (GRI 303-2)

All resulting process waste water and domestic waste water is treated. Process waste water can contain inorganic substances (e.g. mineral raw materials). This water is cleaned in a two-stage process involving sedimentation and filtration before being fed into the public sewage system or returned to surface waters. Only few Geberit processes (e.g. powder coating, electroplating,

cleaning of metal fittings) produce waste water that is more heavily contaminated. This waste water is treated in a separate stage before being fed into the public sewage system.

Waste water (GRI 303-4)

The 2023 figure for waste water was 645,851 m³ (previous year 673,330 m³). At 72.3%, process waste water from the production of sanitary ceramics accounted for the largest share of the total. Another important category is domestic waste water (25.7%), which passes into the communal waste water treatment plant or is pretreated and fed into receiving waters. The remaining waste water (2.0%), which is pretreated and fed into a communal waste water treatment plant, is of lesser importance. Waste water was not reused by external companies. Detailed key figures on waste water can be found at [→ Key figures sustainability > Environment](#).

Waste (GRI 306)

Management approach waste

Waste occurs along Geberit’s entire value chain: during the manufacture of purchased raw materials and of semi-finished and finished products, during transportation and production, as well as during the installation and utilisation of products right through to their ultimate disposal when a building is renovated or dismantled. While Geberit works to minimise waste in all phases, the greatest leverage for reducing waste can be found in production. However, according to the corporate life cycle assessment, waste disposal in production accounted for just 1.6% of the overall environmental impact. Accordingly, risks such as rising costs attributable to waste management and disposal are also considered to be on the low side. The avoidance, reduction and safe handling of waste is promoted at the plants within the scope of environmental management in compliance with ISO 14001. Accordingly, the potential reputation costs are also considered to be low. Waste is sorted so that as much as possible is recycled, and as little as possible has to be incinerated or sent to landfill sites. As part of a resource-saving circular economy, efforts are being made to generate secondary material for other processes (by-products) from waste.

Waste generation and management of waste-related impacts (GRI 306-1 and GRI 306-2)

Production waste at suppliers can only be influenced by Geberit to a limited extent. By complying with the Code of Conduct for Suppliers, providers undertake – among other things – to reduce the quantity of waste they produce. The matter is also addressed during visits to suppliers and audits. Packaging waste that occurs when raw materials and semi-finished products are delivered to production and logistics can be influenced to a greater extent. For example, agreements with suppliers can stipulate that reusable containers are used instead of disposable ones, or that silo deliveries are made rather than supplying goods in sacks.

Consistent efforts are made to minimise waste in Geberit’s production plants, with actions prioritised as follows: avoid and reduce waste, sort the waste and, if possible, recycle it internally or externally; if this is not possible, use the waste for energy recovery by burning it as fuel at an incineration plant or dispose of it in an inert waste landfill. Wherever possible, hazardous waste requiring special disposal and treatment is avoided. The same applies to waste that has to be sent to a mixed waste landfill. As part of a resource-saving circular economy, efforts are being made to generate secondary material for other processes (by-products) from waste. The type and quantity of waste generated depends to a large degree on the relevant production processes. The most important production processes at Geberit are:

1. Plastics processing (injection moulding, blow moulding, extrusion): These processes primarily generate plastic waste, mostly of which can be processed and recycled internally (either directly at the machine or via a decentralised mill). The proportion that can be recycled internally fluctuates according to the manufacturing process, see [→ GRI 301-2](#).
2. Metalworking (bending, stamping, drilling, welding, forming): These processes primarily generate metal waste that can be recycled and reused externally. In addition, typical waste from metal processing – such as lubricating oils, machine oils and emulsions – are produced.
3. Manufacture of bathroom furniture: This primarily generates wood waste that can be recycled externally.
4. Ceramic production: This process generates the largest volume of waste in terms of weight. The waste mainly comprises fired ceramic scrap, mineral sludge (from waste water treatment), and plaster (from used ceramic moulds). As well as minimising the volume of waste through efficient, stable process management, ways of recycling waste internally or externally are also being explored. Trials are under way to examine the possibility of grinding fired ceramic scrap externally and then feeding it back into the production process. As far as external recycling is concerned, fired ceramic scrap can be recycled for use in tile production or road building. A further option is to replace conventional plaster casting systems with modern high-pressure casting systems, as is already the case in Koło and Włocławek (PL). This serves to increase efficiency, improve ergonomics and reduce raw material consumption and plaster waste. Moreover, in 2023, 5,200 tonnes of plaster (previous year 7,400 tonnes) were delivered to the cement industry as a by-product for further use, which reduced the amount of waste sent to landfill accordingly.

Geberit also aims to minimise the volume of packaging waste for customers, see [→ GRI 301-3](#).

Construction site waste is waste that is generated during the installation and processing of products. Apart from product packaging, this typically includes pipe sections that remain after drinking water and waste water pipes have been assembled, protective caps on fittings and pipes that have to be removed prior to assembly, pressing indicators that fall off when the

fittings are pressed, various protective components that are removed after tiling is completed, and sections of GIS profiles or plaster panels left over after a prewall has been installed. This waste is disposed of either by the plumber or by local waste management at the construction site. Since 2021, as part of the roll-out of the new Geberit FlowFit supply system, Geberit has also been offering the possibility of returning protective caps from drinking water fittings and pipes to a Geberit recycling partner.

Only small quantities of waste are produced during product use. This is because Geberit products have a very long service life, the majority of them require little maintenance, and they can be repaired easily in the event of a problem. They are also easy to clean, which means less cleaning work for end users and reduces the amount of cleaning agents used. Waste includes used active carbon filters, batteries, seals and defective components. Geberit has a very large selection of spare parts offering a high degree of backwards compatibility, with availability of up to 25 years for a significant proportion of the product range. In 2023, spare parts availability for all mechanical components on concealed cisterns was increased from 25 to 50 years, and a lifetime guarantee introduced for ceramic products (excluding seat and lid). This ensures the durability and functionality of the products while simultaneously saving resources.

Waste is also produced when a sanitary installation or bathroom is renovated or dismantled. Since Geberit products can have a service life of up to 50 years, they will often be dirty or blocked with limescale upon removal (e.g. WC ceramic appliances, waste water and drinking water pipes) or may be connected to other parts of a building (e.g. a tiled prewall or waste water systems embedded in concrete). This makes the products more difficult to recycle. The obligation to take back used electrical equipment such as tools, electronic washbasin taps and control systems, shower toilets and other electronic components is regulated by the WEEE Directive (Waste Electrical and Electronic Equipment). As part of the eco-design initiative, Geberit also ensures that its products are easy to sort and recycle, and that product materials are clearly labelled.

Volume of waste (GRI 306-3, GRI 306-4, GRI 306-5)

The total volume of waste amounted to 60,613 tonnes in 2023 (previous year 67,554 tonnes). 24.2% of the waste was disposed of, while 75.8% (previous year 83.6%) was recycled externally. The total amount includes 1,227 tonnes (previous year 1,359 tonnes) of hazardous waste, of which 48.0% (previous year 47.0%) was disposed of by incineration and 52.0% (previous year 53.0%) was able to be recycled.

The reduction and safe handling of waste is promoted at the plants within the scope of environmental management according to ISO 14001. At Geberit, all waste is disposed of and recycled by licensed disposal companies, who are visited and inspected as part of external audits.

Key figures concerning waste by category are provided at → [Key figures sustainability > Environment](#).

Products and innovation

Product management and innovation

Management approach product management and innovation

Sustainable products play a pivotal role for Geberit in generating added value for customers and society and for contributing to sustainable development as set out by the UN Sustainable Development Goals. Product management and innovation at Geberit have a significant impact on the consumption of water, energy and resources in buildings, as well as on the health and well-being of its customers. Its innovations also have an impact on the sanitary industry as a whole.

Geberit's innovative strength, which is above average for the sector, is founded on its own, wide-ranging research and development activities. 25 patents were applied for in the reporting year – and a total of 159 patents over the past five years. In the reporting year, a total of CHF 70 million (previous year CHF 72 million) – or 2.3% of net sales – was invested in the development and improvement of products, processes and technologies, not to mention investments in tools and equipment for the manufacture of newly developed products. The scientists and engineers at Geberit have the very latest technologies and infrastructures at their disposal for their development projects, and these are modernised and expanded on an ongoing basis. Worthy of particular mention here are the possibilities for simulating production processes, the rapid and cost-effective production of prototypes thanks to outstanding 3D printing capacities and the ability to thoroughly inspect prototypes and series parts.

With a wide range of products in front of and behind the wall, Geberit spans the entire flow of water within a building and helps to optimise significant aspects of the system as a whole, such as water and energy consumption or sound insulation. In addition to its quality, durability and high degree of water and resource efficiency, the Geberit product range also impresses with its good environmental compatibility and recyclability. The basis for sustainable products is a systematic innovation process in which the most environmentally friendly materials and functional principles possible are chosen, risks are minimised and a high level of resource efficiency is targeted for the production process as well as the product itself.

For an overview of product development topics, see → [Business Report > Business and financial review > Financial Year 2023 > Innovation](#). For an overview of new products, see → [New products](#).

Geberit regards eco-design as the key to environmentally friendly products. The aim is to develop and optimise products in such a way that each new product adds value in ecological terms, either because material, water or energy have been saved, the products can be recycled more easily, or because less CO₂ is emitted during production. Eco-design has been an integral part of the development process since 2007. Employees from different disciplines take part in eco-design workshops so that each new product outperforms its predecessor in environmental aspects. More than 185 eco-design workshops have already been held as part of the development process for new products. The workshops involve systematic product analysis that covers the entire life cycle, a review of legal requirements and an analysis of competing products. In addition, they ensure that environmentally relevant data is collected and made available for later use, something which is of particular benefit to digital planning using BIM (Building Information Modelling). Based on the findings of these eco-design workshops, new solutions such as "Design for Recycling" are developed and, where fit for purpose, adopted into the specifications for that product.

Specially created product life cycle assessments are important decision-making tools for the development process and provide arguments for the use of resource-efficient products. The environmental product declarations (EPDs) in accordance with the European standard EN 15804 are also important and can also be used directly for certification systems for sustainable building such as LEED (Leadership in Energy and Environmental Design). EPDs present relevant, comparable and verified environmental data on products in a transparent manner. Environmental product declarations have been created for the following products: AquaClean Mera and Sela shower toilets, Piave, Brenta as well as type 185 and type 186 electronic washbasin taps, urinal systems, sanitary ceramics, PE, Silent-db20, Silent-PP and Silent Pro drainage pipes, as well as drinking water pipes and fittings for FlowFit, Mapress Stainless Steel, the Duofix WC element, and, most recently, the Sigma 01/10/20/30 actuator plate. This means that products with an EPD now account for around 34% (previous year 30%) of Group sales. In the reporting year, the EPD creation process was further optimised with the aid of external software and publication on the EPD Hub.

The biggest environmental contribution made by Geberit products lies in the conservation of water, see → [GRI 303](#).

Geberit also advocates the economical use of water beyond processes and products. In 2017, it was involved in the establishment of the Unified Water Label Association (UWLA; formerly European Bathroom Forum). The UWLA water label aims to support customers in the selection of resource-efficient products. Geberit actively endorses assessment criteria that allow for an effective differentiation of water-saving products in an effort to meet EU targets for resource efficiency.

The environmental impacts of Geberit's products are improved continually through the consistent application of eco-design principles in product development. Current examples that make a particular contribution to reducing environmental impact or water consumption and CO₂ emissions are as follows:

- CleanLine50 shower channel – slim design, integrated slope, and 50% less material used. As the production of this high-quality material is energy-intensive, using less of it reduces CO₂ emissions by 60% per shower channel.
- Acanto WC with TurboFlush – allows for improved flushing-out performance thanks to optimised ceramic hydraulics, with minimal water consumption.
- Fill valve type 333 for cisterns – flow-optimised, very quiet, and uses 11% less material in the manufacturing process, with around 20% of the plastic in the valve made up of regranulate.
- Dual-flush units type 208 and type 212 for cisterns – flexible setting of the flush volume, backwards-compatible and allows for optimum flushing-out of the WC pan with minimal water consumption.
- Fill and flush valves for floor-standing WCs in the Nordic markets – with flush volumes of up to 4/2 litres and the share of plastic regranulate used exceeding 50%.
- Constant expansion of the range of rimless WC pans helps to simplify cleaning and cut down on cleaning agents.
- ProTect Silent acoustic insulation panel for the prewall – fewer resources used compared with standard construction, good recyclability, and 60% of the material used comes from recycled PET bottles.
- SuperTube optimised building drainage system – lack of a ventilation pipe helps save materials and space in the building.
- Flow-optimised FlowFit piping system for drinking water and heating applications – ergonomically optimised, made of halogen-free materials, and includes a system for returning used protective caps and pressing indicators.
- Purchase of high-quality CO₂ certificates for ceramic appliances in selected series as part of a forest conservation project run by the Swiss myclimate foundation in Tanzania.
- Guaranteed spare parts availability of 50 years for all mechanical components on concealed cisterns, and lifetime guarantee for ceramic products (excluding seat and lid).

Product quality

Management approach quality

See → [GRI 416](#).

Product compliance

Management approach product compliance

See → [GRI 416](#) and → [GRI 417](#).

Operations

Procurement

Supply chain (GRI 2-6)

Geberit's production processes entail a high in-house production depth, i.e. it largely purchases raw materials and semi-finished products with a high share of raw materials. As such, material costs constitute a relatively low share of Geberit's net sales. A prudent procurement strategy with a strong regional and local orientation, institutionalised purchase processes and a strong focus on cooperative relationships with suppliers help to ensure that raw materials are available. This approach can also help minimise potential acute physical risks arising from climate change, see also → [TCFD Reporting](#).

The raw materials and semi-finished products procured by Geberit primarily come from suppliers in Western Europe (84.2% of procurement value). The share of the procurement volume from Eastern Europe amounts to 6.4%, that from Asia 8.3%, from America 0.9% and from Africa 0.2%. Owing to the high level of vertical integration as well as the very high share of Western European suppliers, the general risk profile of the supply chain in terms of environmental and social risks is relatively low.

In 2023, Geberit procured raw materials (29.4%), semi-finished products (43.6%) and finished products (27.0%) with a procurement value of CHF 882.7 million (previous year CHF 1,136.1 million) from 1,603 suppliers around the globe.

As Geberit neither directly imports nor processes conflict minerals (tin, tantalum, tungsten, gold) in the EU or Switzerland, it is not deemed to be an "importer" within the meaning of EU Regulation 2017/821 or Art. 964j ff. of the Swiss Code of Obligations. If products containing such metals are shipped to the USA, the provisions of the Dodd-Frank Act (Sec. 1502) apply.

Management approach procurement

Through the procurement of goods and services, Geberit is accountable for social, environmental and economic impacts in the upstream value chain. The business activities at suppliers result in indirect environmental impacts (Scope 3 emissions). By effectively managing the requirements for suppliers in terms of environmental and social criteria, Geberit can influence supplier compliance with environmental laws, human rights and suitable working conditions. Risks include a loss of reputation in the event of environmental or human rights violations, potential new regulatory challenges with regard to environmental and social criteria, reduced planning certainty, and the risk of legal consequences and fines. Opportunities exist in terms of enhancing the resilience of the supply chain through close collaboration and in cost savings through optimised resource utilisation that can be achieved through sustainable supply-chain practices.

Corporate Purchasing is responsible for procurement in all production plants worldwide and manages the procurement organisation through a team of lead buyers who are strategically responsible for various material groups. Since the reporting year, a new function has been established in the area of sustainability and compliance. Various changes within Geberit's operating environment mean that demands on procurement are constantly increasing. As a result, Geberit drafted a new procurement strategy in 2021 that aims to holistically assess its suppliers ("total value of ownership") in areas including sustainability. In addition, new laws concerning responsible procurement have been developed – especially in Switzerland and Germany – resulting in binding reporting and due diligence obligations for companies with regard to their supply chains. Geberit closely monitors these developments and, in the reporting year, introduced various measures derived from the analysis of regulatory supply-chain due diligence obligations applicable in Switzerland and the EU carried out in 2022. For example, access to Geberit's Integrity Line for suppliers was made easier. Also, a study of the UNICEF Children's Rights in the Workplace Index revealed that Geberit is served by suppliers from countries with an increased risk. As a result, Geberit analysed whether there were suspicions of cases of child labour at high-risk suppliers. Geberit has been fulfilling its due diligence obligations in the context of risk-based supplier management for many years, regardless of legal requirements. In force since 2007, this risk management system has been constantly expanded in recent years.

Geberit's suppliers are obligated to maintain comprehensive standards. The basis for this cooperation is the → [Code of Conduct for Suppliers](#), which is available in 15 languages and was supplemented by an Integrity Line for suppliers in 2017. The Code is guided, among other things, by the principles of the UN Global Compact, the Universal Declaration of Human Rights, and the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work. The Code of Conduct is binding for all suppliers. These include direct suppliers of raw materials and semi-finished and finished products, as well as indirect suppliers such as those providing services, logistics, maintenance, infrastructure and equipment. The Code comprises specific guidelines on quality and meeting environmental, labour law and social requirements and sets out compliance with human rights. The supplier must prepare appropriate documentation in order to demonstrate – upon request by Geberit – compliance with the provisions of the Code and ensure that these papers are available for inspection at all times. Should the supplier fail to comply with the obligations set out in this Code, measures for improvement are implemented. Failure to comply on the part of the supplier is regarded as a serious obstacle to the continuation of the business relationship. If the supplier does not correct this non-compliance, Geberit can terminate the cooperation. When evaluating suppliers, Geberit strives to achieve the greatest possible degree of transparency. All new and existing partners are thus assessed by means of standardised processes and according to the same criteria: company as a whole, quality, sustainability, price, procurement chain, delivery reliability, production and technology. As a rule, the selection of suppliers is required to include a quality audit covering clarification on environmental and occupational safety issues. Where an audit reveals inconsistencies in these criteria, an additional, in-depth audit is conducted.

Supplier management incorporates a risk management approach on environmental, occupational safety and human rights matters (including child labour) that is based on the assignment of suppliers to a particular risk category depending on production location (country) and material group (type of production process). Suppliers in the highest risk category pose an increased risk both in terms of production location and type of production process. In 2017, suppliers and material groups that had been added due to the acquisition of the ceramics business were systematically assessed and included in risk management. In addition, the classification of existing material groups into certain risk categories was reviewed. Since then, the classification has been updated on an annual basis. In the reporting year, 168 existing suppliers (previous year 167) were identified in the highest risk category, which corresponds to around 6% (previous year 7%) of the procurement value of Geberit. In future, indirect suppliers will also be included in the risk analysis and the recording of CO₂ emissions (Scope 3).

A systematic planning and performance of audits is conducted for suppliers in the highest risk category. To ensure neutrality and the expertise required for the audits, Geberit also works with an external partner. This tried-and-tested procedure has been carried out for years and makes an important contribution to ensuring compliance with due diligence in the supply chain at Geberit. In the coming year, the quality and EHS audits carried out will be included in the audit tool developed in-house, which will make it easier to track the measures and assess their effectiveness.

In addition to this risk-based approach, the aim is to develop a concept for more intensive collaboration with suppliers in the areas of compliance and the reduction of CO₂ emissions (Scope 3), including the definition of goals. In the reporting year, a detailed analysis was conducted on alternatives to raw materials in the area of plastics and metal, and the availability of data on CO₂ emissions was evaluated. In addition, two Supplier Days were held to discuss sustainability matters with key suppliers. The participating suppliers represented around 75% of CO₂ emissions (Scope 3).

In addition, new employees in procurement receive training in the process of sustainable procurement, and sustainability also forms part of an employee's annual appraisal meeting. Regular training of lead buyers on procurement and sustainability also takes place, plus participation in a working group of the UN Global Compact on sustainable supply chains.

For further information, see → [Business Report > Business and financial review > Financial Year 2023 > Procurement](#).

Assessment of new suppliers based on sustainability criteria (GRI 308-1, GRI 414-1)

All new suppliers undertake to comply with the Code of Conduct for Suppliers and hence also to international standards governing environmental protection, labour practices and human rights. The Code is guided, among other things, by the principles of the UN Global Compact, the Universal Declaration of Human Rights, and the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work. As of the end of 2023, a total of 3,745 direct and indirect suppliers had signed the Code of Conduct. This equates to over 90% of the total procurement value. The introduction of a customised process for large companies with a global structure is planned for 2024.

In the Code of Conduct for Suppliers, suppliers undertake – wherever possible and appropriate – to ensure that their own suppliers and second-tier suppliers also adhere to the terms of the Code. Geberit may explicitly demand of a supplier that the Code be extended to selected second-tier suppliers. When auditing suppliers, an analysis of their own most important suppliers and second-tier suppliers is included in the investigations. Geberit aims to foster a collaborative relationship with its suppliers, where sustainability risks in the supply chain are jointly analysed and minimised.

Introduced in 2017, the Supplier Integrity Line allows suppliers to anonymously report any violations of the Code of Conduct by Geberit employees or by competitors. The hotline is free of charge for users and is operated by an independent service company in a total of eleven languages. Violations can also be reported online via the Geberit website. No violations of the guidelines set out in the Code of Conduct for Suppliers were reported in 2023.

Sustainability-related impacts in the supply chain (GRI 308-2, GRI 414-2)

In 2023, five third-party audits were carried out at suppliers with increased risk in China, India, Slovenia and Turkey. The results showed that the majority of obligations set out in the Code of Conduct for Suppliers were complied with. Appropriate corrective measures were agreed in cases of non-compliance.

The analysis of child labour at high-risk suppliers did not give rise to any reasonable suspicions.

Production

Management approach production

See → [Business Report > Business and financial review > Financial Year 2023 > Production](#).

Logistics

Management approach logistics

Group logistics comprises the central logistics centre for installation and flushing systems and piping systems in Pfullendorf (DE) as well as a decentralised network of 13 European distribution sites for ceramic appliances and bathroom furniture.

Geberit attaches great importance to central transport management in order to enable cost- and resource-optimised transport solutions. Customers generally receive orders in a single truck delivery. This not only reduces the number of empty kilometres, it also increases truck capacity utilisation and reduces CO₂ emissions.

Geberit does not have its own transport fleet, having outsourced this to external transport service providers. Intercompany and distribution logistics play a major part in Geberit's environmental impact, amounting to a significant proportion of the total figure. Cooperation with the transport service providers is therefore of key importance. Partners agree to actively support Geberit in its efforts to use energy and packaging material efficiently and to reduce emissions. Furthermore, the partners support Geberit by providing the data needed for the environmental reporting. Developed in 2010 and continuously expanded since then, the logistics calculator facilitates the annual capture of data on the vehicle fleet composition, transportation performance and fuel consumption of all transport service providers, as well as the preparation of the eco-balance.

Geberit constantly improves its logistics processes, optimises quality and productivity, and reduces the impact on the environment, see → [Sustainability strategy](#). Since 2015, Geberit has managed to improve the eco-efficiency of its logistics operations (environmental impact per tkm) by 28%.

The situation in logistics largely stabilised in the reporting year. Group logistics at Geberit was already able to reach the desired availability targets for the entire product range at the start of the year, and also maintained this at all times throughout the year as a whole. It was possible to supply customers with the entire range of products at the high level they have come to expect.

In the reporting year, a new system for optimising and automating how ceramic sets are put together was put into operation in logistics, achieving significant increases in productivity. The desired results were achieved shortly after commissioning, not least in terms of ergonomics and reducing the physical workload on employees.

For further information, see → [Business Report > Business and financial review > Financial Year 2023 > Logistics](#). For information on the eco-balance of logistics, see → [GRI 302-2](#).

Customers

Customer relations

Management approach customer relations

The most important part of the market cultivation activities is carried out by the employees in field service at the various local sales companies. They are in daily contact with wholesalers, plumbers, sanitary engineers, architects, investors and end users. In an extraordinarily difficult market environment with a declining building construction industry, Geberit intensified its customer contacts compared to the previous year. These increasingly used the possibilities offered by hybrid sales, where personal contact is combined with digital resources such as video calls or video conferences.

Geberit provides its customers – notably plumbers and sanitary engineers – with a wide, proven range of training courses. In the reporting year, some 60,000 professionals (previous year 48,000) were provided with education and further training on products, tools, software tools and installation skills at 30 Geberit Information Centres in Europe and overseas. At the same time, counter days and local and digital events were organised in numerous markets – often together with wholesalers – to train craftsmen on new products. More than 61,000 customers (previous year 75,000) took part in such events, of which 1,300 in digital formats. Web-based seminars and training courses now occupy a firm and important place in Geberit's training offer. 18,000 people took part in the past year (previous year 19,000). This figure also includes those who participated in the Geberit Campus, an online training platform that offers eLearning courses on a range of different skills as part of a self-study programme and was launched in the DACH markets last spring.

In Geberit's three-stage "go-to-market" model, wholesalers play a key role. Wholesalers offer sanitary specialists the entire range of products across the various product categories in the field of sanitary technology and heating applications. They ensure product availability through warehousing and a comprehensive network of pick-up points as well as the logistics to plumbing companies and construction sites. Furthermore, in many countries wholesalers have showrooms where they can advise end users on their product selection.

For customers with a focus on sustainability, Geberit can also demonstrate its sustainability performance via its EcoVadis rating. Despite increased requirements, Geberit achieved a very good score of 76 out of 100 points (previous year 76 out of 100 points), ranking in the 98th percentile of all companies assessed and thus being awarded a Gold Medal. Gold is the second-highest possible rating awarded following the annual evaluation. Geberit thus finds itself in the top five percent of rated companies.

EcoVadis is one of the world's largest providers of business sustainability ratings and has created a global network of over 100,000 companies in around 180 countries. The comprehensive analysis takes into account 21 criteria in the areas Environment, Labour & Human Rights, Ethics and Sustainable Procurement, and contributes towards ensuring transparency in sustainability performance of the companies. The high rating shows both customers and suppliers that Geberit has a comprehensive, systematic sustainability management in place.

For further information on customer relations, see [→ Business Report > Business and financial review > Financial Year 2023 > Customers.](#)

Customer health and safety (GRI 416)

Management approach customer health and safety

For Geberit, high-quality standards mean fulfilling customers' requirements in terms of functionality, reliability and application safety to the greatest possible extent. Corporate Product Quality is responsible for ensuring that suitable framework conditions promote a quality culture throughout the company, and that all employees act in a quality-conscious and independent manner.

Products undergo a defined quality assurance process from the first draft. Product Development is responsible for ensuring that the products are safe and user-friendly, and that they comply with all standards and statutory requirements. As an independent department, Product Quality is responsible for defining, arranging and monitoring all necessary inspections to ensure that these requirements are met. A clear organisational distinction is drawn between Product Development and Product Quality. In addition, many products are also examined by external authorisation and certification bodies.

Following market launch, an efficient handling of complaints with integrated error analysis, the initiation of sustained corrective measures and the continuous development of concepts for customer support take place in cooperation with Sales, Production and Development. Geberit has achieved a high standard in the processing of complaints, and reacts directly and in a solution-oriented manner in each individual case.

Product Development and Product Quality are equally responsible for customer health and safety.

Conducted health and safety assessments (GRI 416-1)

Generally speaking, Geberit products and services involve low risks for customers in terms of health and safety. Geberit nevertheless adopts a preventive approach within the scope of its comprehensive quality planning in order to test and ensure the health and safety requirements of all products from development to certification, through manufacture and storage, to

installation, use and disposal. Eco-design workshops are held in the course of product development, see → [Eco-design](#). If products or their use result in an increased risk to health or safety, Geberit's technical editorial staff ensures that this is communicated appropriately to customers, see → [GRI 417](#).

Non-compliance with health and safety requirements (GRI 416-2)

Throughout the Group, there were no court judgements or warnings against Geberit in the reporting period involving contraventions of regulations on the health and safety of products and services or product and service information. Furthermore, no sanctions were imposed in connection with Geberit products and services due to non-compliance with product liability regulations.

Marketing and product labelling (GRI 417)

Management approach marketing and product labelling

A significant share of the varied marketing activities was once again targeted at sanitary specialists in the reporting year. This especially applies to the personalised and frequently project-related support given to plumbing companies and planning offices by technical advisors and other sales representatives. Personal visits to customers and construction sites as well as events for these key target groups were carried out intensively. At the same time, digital visit and meeting formats that had proven useful during the pandemic were retained. Sanitary entrepreneurs, sanitary engineers, trade staff and other groups involved in construction now know that relevant information can be accessed online, regardless of time and place. Geberit took this development into account both in its direct customer service approach and in market cultivation with a number of measures and innovative concepts. Geberit is constantly increasing its activities in the interdisciplinary BIM (Building Information Modelling) planning method, see → [Digitalisation/BIM](#).

Corporate Marketing is responsible for the labelling of products and services. Conveying product and application information in accordance with laws, standards and target groups is one of the main tasks of the Technical Documentation department that forms part of the Group Executive Area Marketing & Brands. A comprehensive portfolio of various document types and publication channels is available for this purpose. In the area of assembly and installation, Geberit focuses on generally understandable images comprising detailed illustrations and guiding symbols. On top of this, more far-reaching information is provided for the plumber, architect and engineer target groups via various handbooks and skills brochures. In addition, product and safety data sheets are available for all products and target groups.

As the actual users of Geberit products, the end user target group is becoming increasingly important in terms of conveying product information. Geberit ensures safe handling and correct labelling by means of detailed operating documentation based on the prevailing standards and laws.

Requirements for product information and labelling (GRI 417-1)

Products involving the use of electricity, gas or dangerous substances – or those containing such substances – need to be appropriately labelled in accordance with the prevailing standards and laws. This includes providing information about the target group and its qualifications as well as the intended use and the existence of substances subject to labelling requirements. The distributor must publish this information in a national language of the target market in accordance with the prevailing laws and regulations. Whenever possible, plastic components must feature material labelling in order to facilitate recycling. In order to meet the increased demand for digitally available data, a medium- to long-term goal is the creation of a "material passport" for each individual product. This contains information on the product materials used and the associated ecological footprint.

Geberit has joined forces with the Unified Water Label Association (UWLA, formerly the European Bathroom Forum) to work on a European label that can be used for a wide range of sanitary products. This is an all-encompassing, voluntary and flexible instrument launched by the sanitary industry to support EU targets on resource efficiency (Green Deal). Furthermore, 97% of bathroom furniture of the Geberit brand and 75% of the remaining bathroom furniture is FSC™ certified (FSC-C134279).

Non-compliance with product information and labelling requirements (GRI 417-2)

Three minor cases of incorrect labelling came to light in the reporting year, and these were corrected.

Non-compliance with marketing communications requirements (GRI 417-3)

There were no violations of marketing and communications requirements in the reporting year.

Digitalisation/BIM

Management approach digitalisation/BIM

Digital tools are playing an increasingly important role in market cultivation. As part of the digitalisation initiative, a dedicated team at Group level and in selected test markets is involved in developing and launching digital tools that are tailored to the different needs of the respective target groups.

Using digital tools, Geberit wants to support professional customers by meeting their needs as far as possible in everyday work. Fourteen applications are now available for assisting professionals in the planning and calculation of sanitary installations

or in the commissioning and maintenance of devices. In the reporting year, the focus was on further enhancing the profile of these applications and launching them in new Geberit markets.

End users can find inspiration for their bathroom design in six applications, such as the Washplace Configurator, 3D bathroom planner or virtual showrooms for actuator plates. In 2023, there were concerted efforts towards making these tools available in additional markets. The different tools are now in use in 38 markets.

Direct communication with end users helps firmly establish the Geberit brand among this target group. The “Better bathrooms, better lives” campaign has been running since 2019. It consists of three digital elements: an advertising campaign on media portals, the websites of the local Geberit sales companies with various configurators and planning tools, and a customer relationship management (CRM) system. Interested end users receive additional advice and support from qualified specialists after they register in the CRM system.

The campaign was continued last year, but with significantly reduced expenditure due to the changed market environment. The campaign generated 2.2 million visits on local websites (previous year 3.6 million visits) and 30,000 end consumer registrations in the CRM system (previous year 34,000). The fact that the number of registrations only decreased minimally under these circumstances compared to the previous year underlines the increased efficiency and effectiveness of the refined focus on target groups in the campaign.

Geberit's → [online catalogues](#) have been set up on an extremely high-performance platform. Information relating to products and spare parts is available from a single source and can be displayed on various devices. Information searches are intuitive, also enabling easy navigation on mobile devices at the construction site.

Geberit provides the → [Geberit ProPlanner](#) tool to offer even better support to sanitary engineers and plumbers when planning and configuring bathrooms. It is used to assist the specialists in selecting the right products for a customer-specific project, from the installation and sanitary technology all the way through to the various bathroom products. Another tool designed for everyday use is the Geberit Pro app for sanitary professionals. This offers craftsmen support when it comes to the correct installation of Geberit products.

Building Information Modelling (BIM) is an interdisciplinary planning method that aims to optimise the entire planning and building process, while enabling architects, sanitary engineers, building material manufacturers and building owners to share information efficiently. For a number of years now, Geberit has been providing BIM users with support in the form of product data and calculation modules. A special plug-in is available for the Autodesk Revit planning software, which combines all Geberit BIM tools in one central application and enables direct access to 3D models and planning parameters that are always kept up to date. The plug-in is already being used by more than 12,000 planning and engineering companies for project planning work. To be able to support wholesalers to the greatest possible extent in the structured processing and efficient use of product information, efforts are constantly being made to provide data in line with the ETIM-8 standard (Electro-Technical Information Model). Among other aspects, this includes logistics information with details on the weight, dimensions or packaging type of products. In the meantime, complete logistics data of over 30,000 articles has been recorded.

Data protection (GRI 418)

Management approach data protection

In terms of data protection, numerous enquiries from Group companies have been dealt with on a variety of topics, with the prime focus on IT, HR, marketing and communication. The Geberit Group's data protection management system has been further complemented and enhanced by adding, updating and optimising the documentation and processes. Several Group companies were subjected to an internal data protection audit.

A new version of the eLearning module on data protection is planned for 2024. This module was completed by around 4,000 employees in 2023. Furthermore, ongoing training sessions are held for data protection coordinators as well as for employees from various departments. Around 80 people took part in these training sessions during the reporting year, some of which coincided with the coming into force of the new Swiss Federal Act on Data Protection in September 2023. Since this act is founded largely on the European Union's General Data Protection Regulation (GDPR) and the relevant processes are already implemented in the Swiss companies, additional implementation expenses could be minimised.

Complaints concerning violations of customer data privacy (GRI 418-1)

In the reporting year, there were no known complaints concerning violations of customer data privacy.

Sustainability

Key figures sustainability

Key figures environment

Environmental impact

	2023 Million UBP	2022 Million UBP	Deviation %
Electricity	48,372	73,398	-34.1
Combustibles	130,698	149,056	-12.3
Fuels	20,056	19,869	0.9
Disposal	3,325	3,540	-6.1
Solvents	990	1,118	-11.4
Water and waste water	1,153	1,193	-3.4
Total	204,594	248,174	-17.6

Environmental impact measured in eco-points (UBP) according to Swiss ecological scarcity method (version 2021), based on Ecoinvent data (version 3.8) and local electricity mix (market-based)

Material usage

	2023 Tonnes	2022 Tonnes	Deviation %
Raw material plastics	68,976	82,903	-16.8
Raw material metal	55,674	70,174	-20.7
Raw material mineral	149,940	179,036	-16.3
Other raw materials	94	123	-23.6
Semi-finished products	52,694	67,230	-21.6
Finished products	54,146	68,878	-21.4
Total	381,524	468,344	-18.5

Adjusted data basis (also for previous year's figures)

Energy consumption

	2023 GWh	2022 GWh	Deviation %
Electricity	198.9	219.0	-9.1
District heating	15.6	15.9	-1.6
Combustibles	393.7	452.9	-13.1
Natural gas	319.8	372.9	-14.2
Biogas	6.3	8.0	-21.6
Liquified petroleum gas (LPG)	66.8	71.6	-6.6
Diesel for electricity generation	0.3	0.2	24.9
Heating oil extra light	0.50	0.10	338.6
Fuels	25.2	24.9	1.0
Total	633.4	712.6	-11.1

Electricity mix

2023	GWh	Renewable %	Fossil %	Nuclear %	Others %
Europe	57.4	45.3	35.1	17.9	1.7
USA	4.8	7.3	67.1	25.4	0.2
China	5.6	30.1	66.5	3.4	0.0
India	2.8	21.2	76.2	2.6	0.0
Green electricity	128.3	100.0	0.0	0.0	0.0
Total	198.9	78.9	14.7	5.9	0.5

Calculation based on local electricity mix (market-based)

2022	GWh	Renewable %	Fossil %	Nuclear %	Others %
Europe	93.6	44.4	40.9	14.7	0.0
USA	5.0	7.3	72.9	19.8	0.0
China	6.0	30.1	66.5	3.4	0.0
India	2.6	21.6	75.6	2.8	0.0
Green electricity	111.8	100.0	0.0	0.0	0.0
Total	219.0	71.3	21.8	6.9	0.0

Calculation based on local electricity mix (market-based)

CO₂ emissions

	2023 Tonnes	2022 Tonnes	Deviation %
Scope 1	91,724	103,782	-11.6
Combustibles	84,543	96,881	-12.7
Fuels	6,864	6,641	3.4
Process emissions	317	260	22.2
Scope 2	29,290	46,809	-37.4
Electricity	28,985	46,497	-37.7
District heating	305	312	-2.3
Scope 1 and 2¹	121,014	150,591	-19.6
Scope 3			
Purchased materials ²	555,619	706,192	-21.3
Provision of combustibles and fuels	23,653	26,273	-10.0
Business flights	695	732	-5.1
Intercompany and distribution logistics	52,815	65,889	-19.8
Use of sold products ³	38,152	44,668	-14.6
Disposal of sold products ²	219,151	265,750	-17.5

CO₂ emissions calculated according to IPCC 2013, based on Ecoinvent data (version 3.8) and local electricity mix (market-based)

¹ Including 3,468 tonnes of CO₂ emissions from rented or leased buildings and vehicles

² Adjusted data basis and update of CO₂ factors (also for previous year's values)

³ CO₂ emissions from electricity consumption and warm water generation



Air emissions

		2023 kg	2022 kg	Deviation %
NO _x	Direct	66,775	76,099	-12.3
	Indirect	76,149	118,526	-35.8
	Total NO_x	142,924	194,625	-26.6
SO ₂	Direct	77,660	85,110	-8.8
	Indirect	86,257	170,898	-49.5
	Total SO₂	163,917	256,008	-36.0
NMVOC	Direct	97,537	117,885	-17.3
	Indirect	9,618	11,929	-19.4
	Total NMVOC	107,155	129,814	-17.5
Dust (PM10)	Direct	26,963	27,923	-3.4
	Indirect	58,803	70,128	-16.1
	Total dust	85,766	98,051	-12.5
CFC11 equivalents	Direct	0.0	0.0	0.0
	Indirect	1.5	2.0	-23.9
	Total CFC11 equivalents	1.5	2.0	-23.9

Calculation based on Ecoinvent data (version 3.8), adjusted calculation method for direct and indirect air emissions (also for previous year's figures)

Water

		2023 m ³	2022 m ³	Deviation %
Drinking water		266,841	314,280	-15.1
Well water		377,318	370,506	1.8
River and lake water		199,260	214,710	-7.2
Rain water		6,759	8,911	-24.2
Total		850,178	908,407	-6.4

Waste water

		2023 m ³	2022 m ³	Deviation %
Domestic waste water		166,113	170,113	-2.4
Process water ceramic		466,764	489,961	-4.7
Other waste water		12,974	13,256	-2.1
Total		645,851	673,330	-4.1

Waste

		2023 Tonnes	2022 Tonnes	Deviation %
To incineration		1,232	1,292	-4.7
To inert waste landfill		12,435	8,622	44.2
To mixed waste landfill		437	494	-11.4
To external recycling		45,282	55,787	-18.8
To hazardous waste incineration		589	639	-7.9
To hazardous waste recycling		638	720	-11.4
Total		60,613	67,554	-10.3

Key figures employees and society

Workforce

	2023	Share %	2022	Share %
Germany	3,131	28.6	3,377	29.3
Poland	1,535	14.0	1,685	14.6
Switzerland	1,487	13.6	1,514	13.2
Austria	536	4.9	575	5.0
Italy	493	4.5	529	4.6
Ukraine	462	4.2	491	4.3
China	359	3.3	377	3.3
Others	2,944	26.9	2,966	25.7
Total	10,947	100.0	11,514	100.0
Production	6,240	57.0	6,744	58.6
Marketing and sales	3,085	28.2	3,130	27.2
Administration	970	8.9	971	8.4
Research and development	378	3.4	386	3.3
Apprentices	274	2.5	283	2.5
Total	10,947	100.0	11,514	100.0
Permanent	9,591	87.6	9,775	84.9
Temporary	1,356	12.4	1,739	15.1
Total	10,947	100.0	11,514	100.0
Full-time	10,347	94.5	10,886	94.5
Part-time	600	5.5	628	5.5
Total	10,947	100.0	11,514	100.0
Management	216	2.0	212	1.8
Employees	10,731	98.0	11,302	98.2
Total	10,947	100.0	11,514	100.0

Information in full-time equivalents

Diversity

		Management %	Employees %	Total %
As of December 31, 2023				
Proportion of female employees		11	25	24
Age structure of employees	> 45 years	78	45	46
	30 – 45 years	22	41	41
	< 30 years	0	14	13
As of December 31, 2022				
Proportion of female employees		11	25	24
Age structure of employees	> 45 years	79	43	43
	30 – 45 years	21	42	42
	< 30 years	0	15	15

Fluctuation

Excl. natural departures		2023	Rate %	2022	Rate %
Age group	> 45 years	200	4.1	209	4.3
	30 – 45 years	343	8.6	346	8.4
	< 30 years	150	18.5	222	23.8
Gender	Female	224	9.6	251	10.6
	Male	469	6.4	526	7.0
Region	Germany	146	5.3	137	4.9
	Poland	79	6.0	82	6.1
	Switzerland	90	6.6	108	7.9
	Austria	56	10.7	49	8.9
	Italy	25	5.4	31	6.5
	Ukraine	36	8.5	49	9.2
	China	30	14.2	40	18.9
	Others	231	8.8	281	12.5
Total		693	7.2	777	7.9

Information in headcounts, natural departures include retirements

Incl. natural departures		2023	Rate %	2022	Rate %
Age group	> 45 years	384	7.9	377	7.8
	30 – 45 years	355	8.9	352	8.5
	< 30 years	171	21.0	224	24.0
Gender	Female	290	12.4	299	12.6
	Male	620	8.5	654	8.7
Region	Germany	247	9.0	221	8.0
	Poland	93	7.0	97	7.2
	Switzerland	111	8.2	128	9.4
	Austria	74	14.2	55	10.0
	Italy	27	5.8	32	6.7
	Ukraine	37	8.7	53	9.9
	China	35	16.6	45	21.3
	Others	286	10.9	322	14.3
Total		910	9.4	953	9.6

Information in headcounts, natural departures include retirements

Training and education

Hours per employee	2023	2022	Deviation %
Women	13.1	16.3	-19.3
Men	14.9	17.2	-13.5
Management	10.7	18.2	-41.1
Employees	14.5	17.0	-14.3
Training and education Group	14.5	17.0	-14.8

From 2023 without vocational school hours for apprentices

Personnel expenses

	2023 MCHF	2022 MCHF	Deviation %
Wages and salaries	581.8	582.6	-0.1
Pension contributions	29.5	42.2	-30.1
Other social benefits	104.0	107.6	-3.3
Other personnel expenses	34.5	43.8	-21.2
Total	749.8	776.2	-3.4

Social engagement

	Unit	2023	2022	Deviation %
Donations and contributions ¹	MCHF	3.7	4.4	-15.9
Orders to social institutions	MCHF	9.2	9.5	-3.2
Charitable work	Hours	2,790	1,890	47.6

¹ Reallocation of expenses for donations and contributions

Health and safety

	2023	2022	Deviation %
Number of occupational accidents	132	157	-15.9
Accident frequency rate (AFR) ¹	7.3	8.2	-11.0
Lost days due to occupational accidents	2,177	3,034	-28.2
Accident severity rate (ASR) ²	119.7	157.5	-24.0

¹ Number of occupational accidents per million working hours performed

² Number of lost working days due to accidents per million working hours performed

Absenteeism rate per region

2023	Illness %	Accident %	Total %
Europe	5.37	0.08	5.45
Asia	2.17	0.01	2.19
USA	2.20	0.36	2.56
Others	1.32	0.00	1.32
Absenteeism rate Group	5.07	0.08	5.15

Absenteeism rate based on regular working hours

2022	Illness %	Accident %	Total %
Europe	5.67	0.11	5.78
Asia	2.24	0.02	2.26
USA	1.28	0.00	1.28
Others	1.01	0.01	1.02
Absenteeism rate Group	5.36	0.10	5.46

Absenteeism rate based on regular working hours

Sustainability

Reporting Standards

GRI Content Index



Geberit Group has reported in accordance with the GRI Standards for the period from 1 January 2023 to 31 December 2023. For the Content Index – Essentials Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders. This service was carried out on the German version of the report.

GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	None
Omission	None

General Disclosures

GRI Standard/ Disclosure	Title
GRI 2:	General Disclosures 2021
	The organisation and its reporting practices
2-1	Organisational details
2-2	Entities included in the organisation's sustainability reporting
2-3	Reporting period, frequency and contact point
2-4	Restatements of information
2-5	External assurance
	Activities and workers
2-6	Activities, value chain and business relationships: Activities, value chain and business relationships, Supply chain
2-7	Employees
2-8	Workers who are not employees
	Governance
2-9	Governance structure and composition
2-10	Nomination and selection of the highest governance body
2-11	Chair of the highest governance body
2-12	Role of the highest governance body in overseeing the management of impacts
2-13	Delegation of responsibility for managing impacts
2-14	Role of the highest governance body in sustainability reporting

GRI Standard/ Disclosure	Title
2-15	Conflicts of interest
2-16	Communication of critical concerns
2-17	Collective knowledge of the highest governance body
2-18	Evaluation of the performance of the highest governance body
2-19	Remuneration policies
2-20	Process to determine remuneration
2-21	Annual total compensation ratio
	Strategy, policies and practices
2-22	Statement on sustainable development strategy
2-23	Policy commitments
2-24	Embedding policy commitments
2-25	Processes to remediate negative impacts
2-26	Mechanisms for seeking advice and raising concerns
2-27	Compliance with laws and regulations
2-28	Membership associations
	Stakeholder engagement
2-29	Approach to stakeholder engagement
2-30	Collective bargaining agreements

Material topics

GRI Standard/ Disclosure	Title
GRI 3:	Material Topics 2021
3-1	Process of determining material topics
3-2	List of material topics

Employee attraction & retention

GRI Standard/ Disclosure	Title
GRI 3:	Material Topics 2021
3-3	Management of material topics: Employment, training and education
GRI 401:	Employment 2016
401-1	New employee hires and employee turnover
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees
401-3	Parental leave
GRI 404:	Training and Education 2016
404-1	Average hours of training per year per employee
404-2	Programs for upgrading employee skills and transition assistance programs
404-3	Percentage of employees receiving regular performance and career development reviews

Health & safety

GRI Standard/ Disclosure	Title
GRI 3:	Material Topics 2021
3-3	Management of material topics: Occupational health and safety
GRI 403:	Occupational Health and Safety 2018
403-1	Occupational health and safety management system
403-2	Hazard identification, risk assessment, and incident investigation
403-3	Occupational health services
403-4	Worker participation, consultation, and communication on occupational health and safety
403-5	Worker training on occupational health and safety
403-6	Promotion of worker health
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships
403-8	Workers covered by an occupational health and safety management system
403-9	Work-related injuries
403-10	Work-related ill health

Diversity & equal opportunity

GRI Standard/ Disclosure	Title
GRI 3:	Material Topics 2021
3-3	Management of material topics: Diversity and equal opportunity, non-discrimination

GRI Standard/ Disclosure	Title
GRI 405:	Diversity and Equal Opportunity 2016
405-1	Diversity of governance bodies and employees
405-2	Ratio of basic salary and remuneration of women to men
GRI 406:	Non-discrimination 2016
406-1	Incidents of discrimination and corrective actions taken

Social responsibility

GRI Standard/ Disclosure	Title
GRI 3:	Material Topics 2021
3-3	Management of material topics: Social responsibility
GRI 203:	Indirect Economic Impacts 2016
203-1	Infrastructure investments and services supported

Resources & circular economy

GRI Standard/ Disclosure	Title
GRI 3:	Material Topics 2021
3-3	Management of material topics: Resources and circular economy, waste
GRI 301:	Materials 2016
301-1	Materials used by weight or volume
301-2	Recycled input materials used
301-3	Reclaimed products and their packaging materials
GRI 306:	Waste 2020
306-1	Waste generation and significant waste-related impacts
306-2	Management of significant waste-related impacts
306-3	Waste generated
306-4	Waste diverted from disposal
306-5	Waste directed to disposal

Water

GRI Standard/ Disclosure	Title
GRI 3:	Material Topics 2021
3-3	Management of material topics: Water and waste water
GRI 303:	Water and Effluents 2018
303-1	Interactions with water as a shared resource
303-2	Management of water discharge-related impacts
303-3	Water withdrawal
303-4	Water discharge
303-5	Water consumption

Energy & CO₂

GRI Standard/ Disclosure	Title
GRI 3:	Material Topics 2021
3-3	Management of material topics: Energy, CO ₂ and other emissions
GRI 201:	Economic Performance 2016
201-2	Financial implications and other risks and opportunities due to climate change
GRI 302:	Energy 2016
302-1	Energy consumption within the organisation
302-2	Energy consumption outside the organisation
302-3	Energy intensity
302-4	Reduction of energy consumption
302-5	Reductions in energy requirements of products and services
GRI 305:	Emissions 2016
305-1	Direct (Scope 1) GHG emissions
305-2	Energy indirect (Scope 2) GHG emissions
305-3	Other indirect (Scope 3) GHG emissions
305-4	GHG emissions intensity
305-5	Reduction of GHG emissions
305-6	Emissions of ozone-depleting substances (ODS)
305-7	Nitrogen oxides (NO _x), sulphur oxides (SO _x), and other significant air emissions

Eco-design & sustainable products

GRI Standard/ Disclosure	Title
GRI 3:	Material Topics 2021
3-3	Management of material topics: Product management and innovation

Products & innovation

GRI Standard/ Disclosure	Title
GRI 3:	Material Topics 2021
3-3	Management of material topics: Product management and innovation, quality, product compliance

Customer relations

GRI Standard/ Disclosure	Title
GRI 3:	Material Topics 2021
3-3	Management of material topics: Customer relations, customer health and safety, marketing and labelling, digitalisation/BIM, data protection

GRI Standard/ Disclosure	Title
GRI 201:	Economic Performance 2016
201-1	Direct economic value generated and distributed: <ul style="list-style-type: none"> • Direct Economic Value Added: Net sales and operating profit • Economic Values Passed On: Operating expenses excluding personnel expenses, personnel expenses, payments to providers of capital, social engagement • Retained Economic Values: Investments in and divestments of property, share buyback
201-3	Defined benefit plan obligations and other retirement plans: Retirement benefit plans, Participation plans
GRI 203:	Indirect Economic Impacts 2016
203-2	Significant indirect economic impacts
GRI 416:	Customer Health and Safety 2016
416-1	Assessment of the health and safety impacts of product and service categories
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services
GRI 417:	Marketing and Labeling 2016
417-1	Requirements for product and service information and labeling
417-2	Incidents of non-compliance concerning product and service information and labeling
417-3	Incidents of non-compliance concerning marketing communications
GRI 418:	Customer Privacy 2016
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data

Operations

GRI Standard/ Disclosure	Title
GRI 3:	Material Topics 2021
3-3	Management of material topics: Procurement, production, logistics
GRI 308:	Supplier Environmental Assessment 2016
308-1	New suppliers that were screened using environmental criteria
308-2	Negative environmental impacts in the supply chain and actions taken
GRI 414:	Supplier Social Assessment 2016
414-1	New suppliers that were screened using social criteria
414-2	Negative social impacts in the supply chain and actions taken

Compliance & governance

GRI Standard/ Disclosure	Title
GRI 3:	Material Topics 2021
3-3	Management of material topics: Anti-corruption, anti-competitive behaviour, freedom of association, child labour, forced or compulsory labour
GRI 205:	Anti-corruption 2016
205-1	Operations assessed for risks related to corruption
205-2	Communication and training about anti-corruption policies and procedures
205-3	Confirmed incidents of corruption and actions taken
GRI 206:	Anti-competitive Behavior 2016
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices
GRI 407:	Freedom of Association and Collective Bargaining 2016
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk
GRI 408:	Child Labour 2016
408-1	Operations and suppliers at significant risk for incidents of child labor
GRI 409:	Forced or Compulsory Labor 2016
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor

Content index for non-financial reporting in accordance with the Swiss Code of Obligations (Art. 964a ff. CO)

The chapters of the non-financial report referenced in this content index contain the reporting on non-financial matters in accordance with Art. 964a ff. of the Swiss Code of Obligations.

Art. 964a ff. CO requirement	Referenced chapter in the report on non-financial matters
General information	<ul style="list-style-type: none"> → Introduction sustainability report (Report on non-financial matters) → Business model and value chain → Materiality analysis → Sustainability strategy → Governance → Compliance
Non-financial matters	
Environmental matters	<ul style="list-style-type: none"> → Resources and circular economy (GRI 301) → Energy (GRI 302) → CO₂ and other emissions (GRI 305) → Water and waste water (GRI 303) → Waste (GRI 306) → Procurement
Social issues	<ul style="list-style-type: none"> → Social responsibility → Procurement
Employee-related issues	<ul style="list-style-type: none"> → Employment (GRI 401) → Training and education (GRI 404) → Diversity and equal opportunity (GRI 405) → Non-discrimination (GRI 406) → Freedom of association (GRI 407) → Occupational health and safety (GRI 403)
Respect for human rights	<ul style="list-style-type: none"> → Child labour (GRI 408) → Forced or compulsory labour (GRI 409) → Procurement
Combating corruption	<ul style="list-style-type: none"> → Anti-corruption (GRI 205)

SASB Content Index

Geberit uses the Sustainability Accounting Standards Board (SASB) Content Index to provide structured information for investors on SASB-relevant topics. In the industry classification system provided by → SASB, Geberit is assigned to the SASB industry standard «Construction Materials». It covers, among others, companies that produce construction materials, such as plastic materials, for sale to construction firms or wholesale distributors, and that purchase raw materials from the mining and petroleum industries. Geberit offers customers high-quality sanitary products and concentrates on installation and flushing systems for sanitary facilities, piping systems for transporting water in buildings, as well as bathroom systems. More detailed information on Geberit's main business activities and product range is provided → online. The SASB Content Index makes reference to the Geberit Sustainability Performance Report which is presented in accordance with the GRI Standards.

SASB Construction Materials

Accounting Metric(s)	Code	Category	Location in GRI/ Sustainability Performance Report or Response
Greenhouse Gas Emissions			
Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	EM-CM-110a.1	Quantitative	→ GRI 305-1, → TCFD Reporting Geberit is currently hardly affected by the regulation of emissions, as no ceramic plant falls under the EU ETS and pays CO ₂ taxes. For detailed key figures on the environmental impact, see → Key figures sustainability > Environment
Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	EM-CM-110a.2	Discussion and Analysis	→ GRI 305, → TCFD Reporting
Air Quality			
Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (2) SO _x , (3) Particulate matter (PM ₁₀), (4) Dioxins/furans, (5) Volatile organic compounds (VOCs), (6) Polycyclic aromatic hydrocarbons (PAHs), and (7) Heavy metals	EM-CM-120a.1	Quantitative	(1), (2), (3), (5): → GRI 305-7 For detailed key figures on the environmental impact, see → Key figures sustainability > Environment (4), (6), (7): Producing sanitary ceramics is completely different than producing cement from a chemical point of view. E.g. there is no clinkering process with related air emissions. Air emissions at Geberit primarily result from the combustion of natural gas (see positions 1, 2, 3 and 5). Therefore, these sub-disclosures are considered not to be material to our business.
Energy Management			
(1) Total energy consumed, (2) Percentage grid electricity, (3) Percentage alternative, (4) Percentage renewable	EM-CM-130a.1	Quantitative	(1), (2), (4): → GRI 302-1 (3): Geberit does not consume energy from alternative sources other than mentioned under (4). For detailed key figures on the environmental impact, see → Key figures sustainability > Environment
Water Management			
(1) Total fresh water withdrawn, (2) Percentage recycled, (3) Percentage in regions with High or Extremely High Baseline Water Stress	EM-CM-140a.1	Quantitative	(1): → GRI 303-3 (2): → GRI 303-4 (3): → GRI 303-3, → GRI 303-5 For detailed key figures on the environmental impact, see → Key figures sustainability > Environment
Waste Management			
Amount of waste generated, percentage hazardous, percentage recycled	EM-CM-150a.1	Quantitative	→ GRI 301-2, → GRI 301-3, → GRI 306-3, → GRI 306-4, → GRI 306-5 For detailed key figures on the environmental impact, see → Key figures sustainability > Environment

Accounting Metric(s)	Code	Category	Location in GRI/ Sustainability Performance Report or Response
Biodiversity Impacts			
Description of environmental management policies and practices for active sites	EM-CM-160a.1	Discussion and Analysis	→ GRI 2-23, → GRI 2-24 Geberit production sites do not endanger biodiversity in protected areas. Biodiversity plays a role when procuring mineral raw materials for ceramic production. This subject was addressed and examined as part of supplier audits. During these audits, it was found that the suppliers in this sector actively address the topic of biodiversity and take appropriate measures within the context of their licence to operate.
Terrestrial acreage disturbed, percentage of impacted area restored	EM-CM-160a.2	Quantitative	This data is considered not to be material to our business.
Workforce Health & Safety			
(1) Total recordable incident rate (TRIR) and (2) Near miss frequency rate (NMFR) for (a) full-time employees and (b) contract employees	EM-CM-320a.1	Quantitative	(1): → GRI 403-9, → GRI 403-10 (2): This data is currently not being collected but the development of a process for recording near misses is planned, see module → health and safety of the Sustainability strategy
Number of reported cases of silicosis	EM-CM-320a.2	Quantitative	→ GRI 403-10
Product Innovation			
Percentage of products that qualify for credits in sustainable building design and construction certifications	EM-CM-410a.1	Quantitative	Around 34% of Group sales are covered by products with an EPD. Furthermore, 97% of the bathroom furniture of the Geberit brand and 75% of the remaining bathroom furniture is FSC™ certified (FSC-C134279). For detailed information on product innovation, see → Sustainability Performance Report, Product management and innovation
Total addressable market and share of market for products that reduce energy, water, and/or material impacts during usage and/or production	EM-CM-410a.2	Quantitative	Since 2017, Geberit has been working on a European water label that is applicable to a range of sanitary products. Detailed information on product innovation is provided at → Sustainability Performance Report, Product management and innovation
Pricing Integrity & Transparency			
Total amount of monetary losses as a result of legal proceedings associated with cartel activities, price fixing, and anti-trust activities	EM-CM-520a.1	Quantitative	→ GRI 2-27, → GRI 206-1

SDG Reporting

As a driving force in the field of sanitary technology, Geberit provides solutions for the efficient transport and economic use of water in buildings. In this way, the products and systems contribute to the improved sustainability performance of buildings in cities and communities worldwide. With the comprehensive CO₂ strategy, Geberit has increased the effectiveness of measures for climate change mitigation. Moreover, with its varied education and further training offerings for employees and customers, the company is a key player when it comes to quality education in the sanitary industry. Geberit is thus making a contribution to the UN 2030 Agenda for Sustainable Development.

Geberit follows an implementation-oriented strategy focussing on selected SDG goals where the company can generate significant added value for society. The company reviewed and adjusted the SDGs in the reporting year. Four of the goals are particularly important to Geberit. The goal calling for “equitable access to clean drinking water and basic sanitation” (Goal 6) for all people worldwide is key, as is the goal of “sustainable cities and communities” (Goal 11). Additionally, high-quality education and further training of employees, the training of skilled crafts launched back in the 1950s and the newly adopted strategy for social commitment in vocational training in newly industrialised countries all play an important role in “ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all” (Goal 4). Moreover, with the CO₂ strategy, the energy master plan and the eco-design principle as the basis for product development, Geberit also contributes to “taking urgent action to combat climate change and its impacts” (Goal 13).



Relevance for Geberit

As a technology-oriented company, Geberit is reliant on the innovative strength of its employees. As a result, encouraging further qualifications and innovative performance plays a key role in the education and further training of employees. By sharing knowledge and building up customer know-how, Geberit makes a significant contribution to the development of the entire value chain and, through its role as a knowledge multiplier, also makes a positive impact on the workforce and the sanitary industry as a whole. Taking on social responsibility through partnerships in social projects and the application of in-house know-how in these projects makes a positive contribution to social development in disadvantaged regions.

Geberit's contribution

- Training apprentices is of great significance at Geberit. Careers at Geberit can start with a commercial, industrial or technical apprenticeship. In 2023, 274 apprentices (previous year 283) were employed. The transfer rate to a permanent employment relationship was 65% (previous year 83%). Furthermore, 124 internships were made available and 24 Bachelor and Master theses supervised.
- The internal development programmes GROW and LEAD aim to identify talents in the company and support them along their path to middle or senior management. In the reporting year, around 100 employees took part in these programmes. The internal development programmes are intended to help fill at least half of all vacant managerial positions with internal candidates.
- In the reporting year, employees across the Group attended on average 14.5 hours of internal and external education and further training.
- Some 60,000 professionals were provided with education and further training on Geberit products, tools, software tools and installation skills at 30 Geberit Information Centres in Europe and overseas. In this way, Geberit supported innovation, growth and value added in the sanitary industry in the reporting year.
- With the social engagement strategy adopted in the reporting year, Geberit decided to enter into partnership with the Hilti Foundation. The goal of the partnership is to establish dual vocational training in the sanitary industry in Kenya. In 2023, around 100 apprentices – 45% of them women – took part in school activities at the Don Bosco School in Karen, near Nairobi. Additionally, they received practical training at the 25 local sanitary companies involved. The programme and cooperation between the Hilti Foundation and Geberit will be significantly expanded from 2024 on.
- Despite the war in Ukraine, the local Geberit sales company continued its long-standing project for supporting the professional training of plumbers in the country. By the end of June 2023 (end of the three-year project phase), around 2,730 young people – including 48 women – had taken part in dual studies as plumbers. Around 230 teaching staff were also trained as part of this project. Geberit also provided additional support to 25 vocational schools in Ukraine with material and equipment.

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

Modules in the Geberit sustainability strategy or chapters in the sustainability report that are relevant to this goal:

- [Employee attraction & retention](#)
- [Social responsibility](#)
- [Training and education \(GRI 404\)](#)
- [Management approach customer relations](#)



Relevance for Geberit

By developing and selling water-saving sanitary solutions, Geberit makes a valuable contribution to saving increasingly scarce drinking water resources. The biggest environmental contribution by Geberit products lies in the conservation of water, which indirectly also saves on energy and reduces CO₂ emissions. This is the most pivotal aspect of the company's contribution towards sustainable development. Innovative Geberit sanitary products reduce the amount of water consumed and help to systematically optimise the way in which water is used in buildings while maintaining the highest hygiene standards – including in terms of drinking water.

Geberit's contribution

- Geberit has a comprehensive range of products that facilitate sustainable sanitary solutions, and that contribute to increased quality of life with low water, resource and energy consumption and with environmentally friendly materials. Geberit's water footprint shows that nearly 100% of the water consumption is attributable to the use of products by customers. This is where Geberit's product portfolio comes into its own.
- WC cisterns are the central element when it comes to water conservation. According to one model calculation, all Geberit dual-flush and stop-and-go cisterns installed in place of traditional flushing systems (with 9-litre full flush) since 1998 have so far saved around 34,940 million m³ of water. In 2023 alone, the water saved amounted to 2,940 million m³. Water conservation is the result of a balanced overall system. Reducing the flush volume in the cistern while at the same time ensuring that the WC pan is optimally flushed out is just as important as correctly dimensioning the drainage system.
- Stagnation and dirt in the drinking water system are among the greatest risks that can adversely affect the quality of the water in domestic installations. Geberit offers various solutions (e.g. hygiene filters, sanitary flush units) for ensuring drinking water hygiene in a reliable and economical manner.
- Thanks to targeted investments in research and development in areas such as hydraulics and virtual engineering, Geberit is working on developing innovations for the future. Here, Geberit regards eco-design as the key to environmentally friendly products. Eco-design has been an integral part of the development process since 2007 and has already been adopted in more than 185 development projects. One current example that particularly helps to reduce the environmental impact and reduce water consumption and CO₂ emissions is the Geberit Acanto WC with TurboFlush. It offers improved flushing-out performance thanks to optimised hydraulics, with minimal water consumption.
- Geberit actively endorses assessment criteria that allow for an effective differentiation of water-saving products in an effort to meet EU targets for resource efficiency. In 2017, it was involved in the establishment of the Unified Water Label Association (UWLA; formerly European Bathroom Forum). The UWLA water label aims to support customers in the selection of resource-efficient products.
- Geberit has been carrying out social projects with its own apprentices since 2008. In 2023, eleven apprentices travelled to India and installed toilets, washbasins and a shower in the new sanitary wing of the Ananda School in collaboration with the Swiss NGO Stiftung Usthi. They also installed water supply pipes in the school kitchen. The new sanitary installations and improved access to running drinking water benefit the 246 schoolchildren and their teachers.

Ensure availability and sustainable management of water and sanitation for all.

Modules in the Geberit sustainability strategy or chapters in the sustainability report that are relevant to this goal:

- [Social responsibility](#)
- [Water](#)
- [Eco-design & sustainable products](#)



Relevance for Geberit

The sustainable development of cities and areas relies on buildings that are sustainably planned, constructed, operated and dismantled. With a wide range of products, Geberit provides durable, efficient and resource-saving solutions for sanitary systems and water management in buildings. At the same time, Geberit is thus developing a sustainable market segment that is geared towards sustainable building.

Geberit's contribution

- Sanitary technology behind the wall combines reliability and quality with innovation. This allows for easy, quick and reliable planning and installation. Meanwhile, bathroom systems in front of the wall offer convincing design, functionality and sustainability, for example, in terms of saving water. With its wide range of products in front of and behind the wall, Geberit spans the entire flow of water within a building and helps to optimise significant aspects of the system as a whole, such as water and energy consumption or sound insulation. The products also feature good environmental compatibility and recyclability.
- Geberit products have a very long industrial service life, as many of them will be installed in buildings for decades. In addition, Geberit products are in some instances backwards-compatible, can be cleaned and maintained easily, and spare parts are available for up to 25 years for a significant proportion of the product range. In 2023, the spare parts availability for concealed cisterns and their mechanical components was increased from 25 to 50 years. A lifetime guarantee was also introduced for ceramic products (excluding seat and lid). This supports the circular economy approach in buildings.
- Geberit invests in digital tools such as the interdisciplinary planning method BIM (Building Information Modelling), with the aim of optimising the entire planning and building process. BIM facilitates an efficient exchange of information between architects, sanitary engineers and building owners, thus enabling sanitary systems in buildings to be holistically planned, simulated in the respective context and implemented as a complete solution.
- More and more buildings are being constructed and certified in accordance with sustainability standards such as LEED, BREEAM, DGNB and Minergie. Geberit also offers comprehensive expertise and system solutions in the areas of sanitary technology and water management. This combination impresses investors, project developers, owners and tenants alike. In particular, Geberit offers numerous products with environmental product declarations (EPD) in accordance with the European standard EN 15804, which can also be used directly for sustainable building standards. Geberit has a total of 15 EPDs, which account for around 34% of Group sales.

Make cities and communities inclusive, safe, resilient and sustainable.

Modules in the Geberit sustainability strategy or chapters in the sustainability report that are relevant to this goal:

- [Resources & circular economy](#)
- [Eco-design & sustainable products](#)



Take urgent action to combat climate change and its impacts.

Modules in the Geberit sustainability strategy or chapters in the sustainability report that are relevant to this goal:

- [Energy & CO₂](#)
- [Eco-design & sustainable products](#)
- [TCFD Reporting](#)

Relevance for Geberit

Geberit stands for an ambitious and implementation-oriented approach in terms of climate change mitigation. In 2023, CO₂ emissions (Scopes 1 and 2) amounted to 121,014 tonnes. As part of the CO₂ strategy, Geberit’s medium-term goal is a CO₂ reduction of 5% per year compared to currency-adjusted net sales. In comparison with the reference year 2015, relative CO₂ emissions are to be reduced by 80% by 2035.

Geberit’s contribution

- The CO₂ strategy revised in 2022 builds on the successes of the strategy 2015–2021. The central element is the integration of the CO₂ strategy in all relevant business processes as well as the handling of CO₂ emissions as external costs by means of internal CO₂ pricing. In this way, Geberit wants to ensure that the procedure of reducing the company’s carbon footprint is widely supported within the company, incorporated in daily business activities, and that the measures taken have a long-term, sustainable effect.
- Systematic energy and CO₂ monitoring and an energy master plan are being implemented in the most energy-intensive plants to manage and plan energy consumption. Pivotal in energy management and the CO₂ strategy are measures for saving energy, increasing efficiency and procuring energy in the plants. The corresponding measures are drawn up and implemented as part of an energy master plan and a rolling CO₂ forecasting of the significant plants. The proportion of renewable energies is being further increased throughout the company, always taking the internal CO₂ reference price and the economic efficiency of the planned projects into consideration.
- Overall, the volume of purchased green electricity with proof of origin was increased by 16.5 GWh to 128.3 GWh in 2023. Renewable energy sources accounted for 78.9% of electricity and 5.2% of combustibles. Moreover, 3.0 GWh of green electricity was produced in Givisiez (CH) and Pfullendorf (DE).
- In the reporting year, absolute CO₂ emissions (Scopes 1 and 2) decreased by 19.6% to 121,014 tonnes, while CO₂ emissions in relation to currency-adjusted net sales (CO₂ intensity) decreased by 15.6%. Since the acquisition of the ceramics business, the CO₂ intensity has improved by 63.2%, or 11.8% per year on average.
- Geberit also contributes to reducing Scope 3 emissions as part of purchasing and product development. Since 2007, all new products have been optimised in terms of sustainability as part of eco-design workshops. The sustainable design of products makes a significant impact on Scope 3 emissions at Geberit. The selection of suitable product materials with minimal CO₂ emissions plays an increasingly important role, and is addressed in discussions with suppliers and included in decision-making processes.
- Geberit has the goal of significantly reducing CO₂ emissions on its own, wherever possible. There is an increasing demand for CO₂-reduced or carbon-neutral products among customers. As part of the CO₂ strategy, Geberit is testing out the approach of compensating for currently unavoidable CO₂ emissions from ceramic production with the purchase of high-quality CO₂ certificates as part of a pilot project run by the Swiss myclimate foundation.

Communication on Progress UNGC

Geberit has signed the declaration of membership and commitment to the ten principles of the United Nations Global Compact (UNGC) and has been a formal member of the UN Global Compact since October 2008. The company was a founding member of the local Swiss network in 2011. Since then, Geberit has issued transparent reports on progress annually in the UNGC's Communication on Progress as part of its sustainability reporting. Since 2023, the annual Communication on Progress has been published online on the UNGC platform. The current Communication on Progress is available in the [→ UNGC COP Viewer](#).

TCFD Reporting

Geberit reports on climate-related risks and opportunities according to TCFD guidelines (Task Force on Climate-related Financial Disclosures). The report on governance, strategy, risk management, key figures and goals indicates how Geberit identifies and deals with physical risks as well as transitional risks and opportunities that are caused by climate change and may have a financial impact on the company.

For Geberit, sustainability means thinking and acting responsibly on a long-term basis and thus being successful over the long term as a result. This means striking a balance between economic, environmental and social aspects in all decision-making processes. Geberit stands for a high level of environmental awareness and is committed to environmentally friendly, resource-saving production as well as the development of innovative, high-quality water-saving and energy-saving products with outstanding design. Climate change mitigation is also managed with this in mind. Geberit has the strategic goal of making an active contribution towards climate change mitigation and consistently reducing energy consumption and CO₂ emissions – both inside and outside the company.

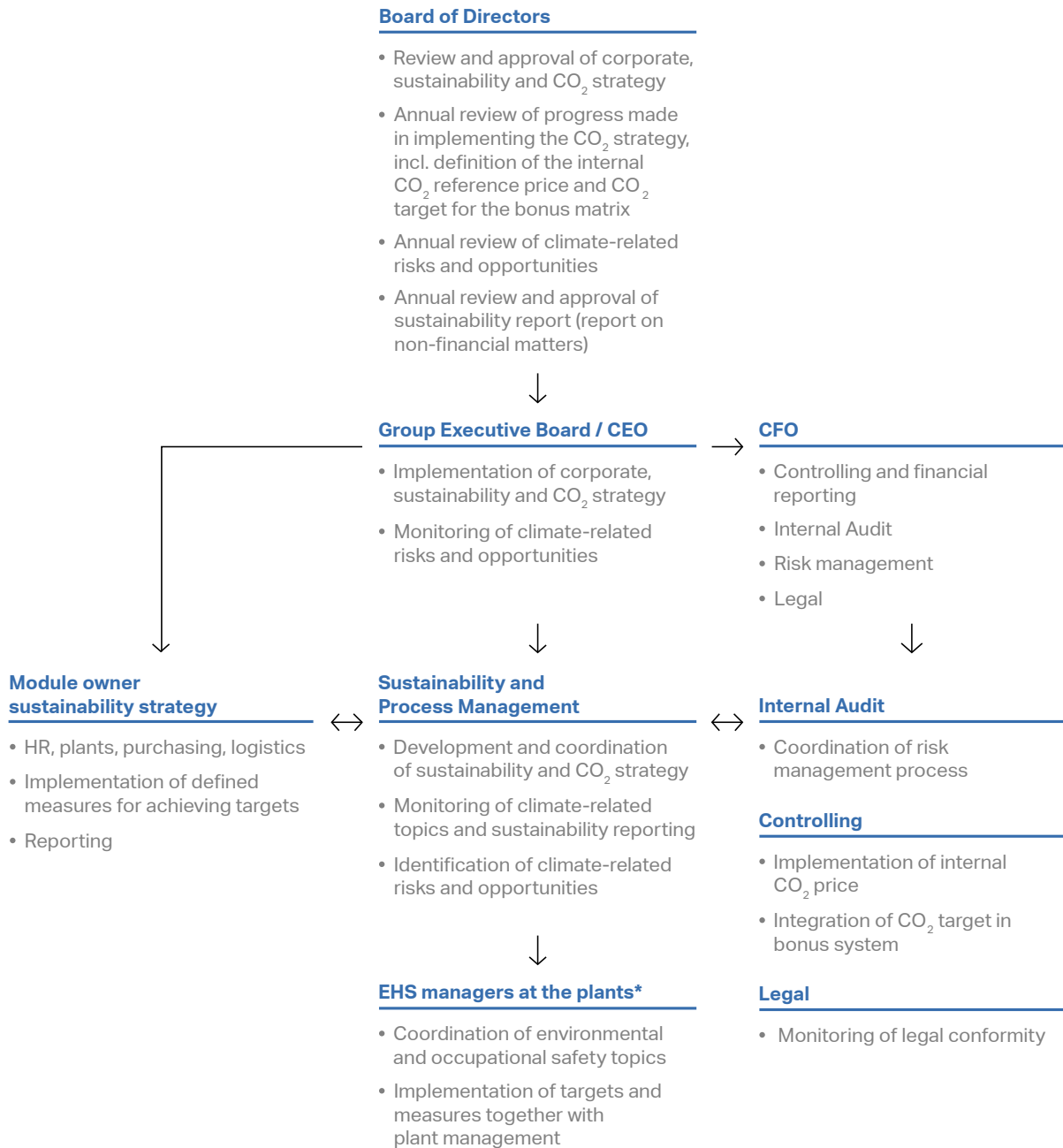
1. Governance

The responsible and future-oriented corporate governance of Geberit strengthens the resilience of the “go-to-market” model (business model) and thus the long-term value creation of the company. As a result, Geberit has taken its responsibility in the field of sustainability seriously for many years and continually improves the holistic management approach towards the most important topics. The Board of Directors has the highest level of direct responsibility for climate-related risks and opportunities. Climate-related topics affect all business areas at Geberit and thus have to be overseen and controlled at the highest level within the organisation.

The Board of Directors determines together with the Group Executive Board the corporate strategy. The → [sustainability strategy](#) supplements the corporate strategy with twelve modules. Important modules with a connection to climate change mitigation include energy and CO₂ reduction in production and logistics, the development of innovative, sustainable and resource-saving products, the consistent implementation of eco-design principles, and a sustainable supply chain. Intelligent water management both in terms of production and products also plays an important role here. The CO₂ strategy revised in 2022 – which includes an internal CO₂ reference price and bonus-related component for Group management and employees in Switzerland – was developed by the Group Executive Board and was then checked and approved by the Board of Directors. The Group Executive Board is responsible for implementing the sustainability strategy (including the CO₂ strategy as part of the sustainability strategy). Results and the achievement of objectives are submitted to the Board of Directors for verification at least once annually, as was also the case in the reporting year.

Sustainability has been addressed actively for over 30 years and has had a dedicated function at the company since 1992, starting with a focus on environmental topics and then successively with added topics and responsibilities. The central environment and sustainability department has reported directly to the CEO for over 20 years. Since 2020, this department has also been responsible for Group-wide process management and ISO certification and was renamed Sustainability and Process Management. Among other aspects, it coordinates the further development of the sustainability strategy and CO₂ strategy, plus the associated activities. It also develops approaches for identifying, assessing, monitoring and reporting climate-related risks and opportunities. Relevant environmental data, such as energy and water consumption, is recorded on a monthly basis in a central tool. This allows climate-related key figures to be monitored monthly and distributed to the Group Executive Board and the responsible managers – particularly plant managers – as part of energy and CO₂ reporting. In-depth findings from the monitoring of climate-related topics are summarised annually in a Corporate Environmental Report. Sustainability and Process Management is also responsible for the annual sustainability report according to GRI Standards, including the sustainability strategy, key figures sustainability, as well as various additional reporting standards such as SASB, reporting on non-financial matters according to the Swiss Code of Obligations (Art. 964a ff. CO), SDG and UNGC. It is also responsible for reporting in line with the Carbon Disclosure Project (CDP).

Either the individual business units or – centrally – Sustainability and Process Management are responsible for planning and implementing the measures detailed in the twelve modules included in the sustainability strategy. In terms of direct responsibility, the production plants are responsible for the green production module, Group logistics for the green logistics module, and Group purchasing for the sustainable supply chains module. A network of EHS managers at the production plants coordinate environment, health and safety topics and implement the goals and measures from the sustainability strategy locally together with plant management. Additionally, a global meeting takes place once a year, where managers discuss best practice and further develop Group-wide standards and processes.



* EHS: Environment, Health and Safety

The → [Corporate Governance](#) report included in the Annual Report 2023 contains further information on the governance structure.

2. Strategy

According to TCFD guidelines, a distinction is made between physical risks and transitional risks and opportunities. Material risks and their financial significance are regularly reviewed and assessed by Geberit as part of risk management.

Physical risks include short-term acute, extreme weather events and longer-term chronic, localised effects such as increasing average temperatures, rising sea levels or increasing periods of drought. These short-term and longer-term effects may result in damage to property and infrastructure, adversely affect logistics operations or cause disruptions in the supply chain. Rising average temperatures and an increase in the number of hot days lead to increased energy demand for the cooling of machines, processes and workplaces during the summer months, as well as to a possible reduction in energy demand for heating buildings in the winter. Rising sea levels may mean that production sites located on the sea have to be protected against flooding.

All in all, the physical risks affecting Operations in particular (Purchasing, Production and Logistics) are classified as being of low to moderate risk.

Transitional risks and opportunities arise from new legal, technological, societal and economic trends and framework conditions triggered by climate change.

- Changes in environmental protection laws and tighter regulations may lead to stricter requirements concerning energy efficiency and the use of renewable energy sources, as well as an increase in CO₂ taxes on fuels and combustibles, leading to increased energy costs. In terms of water, lower availability and poorer quality may also result in stricter requirements. This would lead to increased demand for water-saving sanitary systems – particularly toilets – and Geberit could gain market shares.
- The trend towards resource efficiency and a circular economy is leading to increasing demands in terms of the quality, durability, reparability and recycling of products and building materials. These developments could have an impact on the product portfolio and production plants. Furthermore, customers, investors and employees also have increasing expectations in terms of sustainable, CO₂-reduced products and services. With its high-quality, durable products, Geberit is well positioned and has the opportunity to gain further market shares.
- The biggest opportunity for Geberit can be found in the limited local availability of water in many places as the result of climate change. In the risk analyses conducted periodically by the World Economic Forum (WEF) and published in its Global Risk Report 2024, water scarcity (a central topic in the context of crises in natural resources) was classified as one of the ten highest global risks in terms of impact over the next ten years. This trend has an influence on the development of sanitary technology. Water-saving, resource-efficient products will become increasingly important. Geberit is taking advantage of the opportunity to meet the growing worldwide demand for water-saving products and to contribute towards the diligent handling of water, thus making a name for itself as a leader in sustainability. Water-saving products already make a substantial contribution to Group sales.

All in all, the trends and changes addressed above primarily result in opportunities for Geberit to gain market shares as a sustainability leader and market leader in sustainable sanitary products.

Integration in business processes

In order to minimise risks and utilise opportunities on the market, Geberit's overall strategic approach is of key importance: Geberit integrates the sustainability approach step by step in its business processes and core business – and has been doing so for over 30 years. Sanitary technology behind the wall combines reliability and quality with innovation. This allows for easy, quick and reliable planning and installation. Meanwhile, bathroom systems in front of the wall offer convincing design, functionality and sustainability, for example, in terms of saving water. By applying the eco-design principle, each product is inspected and optimised throughout the entire life cycle. By developing and selling water-saving sanitary solutions, Geberit makes a valuable contribution to saving increasingly scarce drinking water resources. A second major contribution can be found in climate change mitigation – saving water also means saving energy, and thus indirectly also a reduction in CO₂ emissions.

With the consistent implementation of its sustainability strategy and CO₂ strategy, Geberit is working on minimising risks caused by climate change and taking advantage of the associated opportunities.

Comprehensive CO₂ strategy

The Geberit Group stands for an ambitious and implementation-oriented approach in its activities. This also applies to the CO₂ strategy, which was revised in 2022. The central element is the integration of the CO₂ strategy in all relevant and existing business processes as well as the handling of CO₂ emissions as external costs by means of internal CO₂ pricing. In this way, Geberit wants to ensure that the procedure of reducing the company's carbon footprint is widely supported within the company, incorporated in daily business activities, and that the measures taken have a long-term, sustainable effect.

Transparency	<ul style="list-style-type: none"> • Scope 1 and 2: Monthly CO₂ and KPI reporting • Scope 3: Improve transparency of CO₂ footprint of products
Accountability	<ul style="list-style-type: none"> • Focus on short-/mid-term targets • Annual bonus relevant CO₂ target (20% weight) and mid-term reduction of CO₂ intensity by 5% per year
CO₂ pricing	<ul style="list-style-type: none"> • Ecologically and economically efficient decision-making • Internal CO₂ pricing: reference price and project specific CO₂ price
Energy	<ul style="list-style-type: none"> • Energy reduction via energy masterplan and rolling CO₂ forecasting for large plants • Increase of renewable energy sourcing and evaluation of alternative energy sources, e.g., photovoltaics
Structural reduction	<ul style="list-style-type: none"> • Scope 1 and 2: Reduction respectively reuse of ceramics waste; evaluation of new ceramics production technologies, e.g., green hydrogen (H₂) • Scope 3: Eco-design for product development
Offsetting or removal	<ul style="list-style-type: none"> • External CO₂ offsetting or removal based on CO₂ reference price

Transparency

The annual preparation of a comprehensive corporate eco-balance is an established part of environmental management. It covers all production plants worldwide, central logistics in Pfullendorf (DE), other smaller logistics units and the larger sales companies. Since 2012, a carbon footprint has been calculated along the value chain (Scopes 1 to 3), see → [CO₂ and other emissions](#).

As part of the revised CO₂ strategy, internal reporting has been further expanded: key figures on CO₂ emissions were included in the regular monthly reporting and forecasting processes. Additionally, the calculation of CO₂ emissions (Scopes 1 and 2) has also been audited externally since 2022 as part of a limited assurance engagement, see → [Audit Report Greenhouse Gas Balance](#).

In addition to focusing on Scope 1 and 2 emissions, work also continues on the transparency of Scope 3 emissions. This took place on a product level as part of environmental product declarations (EPDs), which are created each year for additional products, and also for Scope 3 emissions from purchased (production) materials from the supply chain, which are being gradually refined.

Accountability

Since 2022, the annual achievement of targets in reducing CO₂ intensity has been integrated as one of five equally weighted criteria in the calculation of the Group bonus. The annual reduction goals are thus bonus-related with a weighting of 20% for the entire Group management (around 220 managers) as well as for the employees in Switzerland (a total of around 1,500 employees).

CO₂ pricing

The internal CO₂ pricing is of central importance. Once a year, the Group Executive Board suggests a CO₂ reference price as part of the budget, which is then approved by the Board of Directors – this was EUR 80 per tonne of CO₂ for 2023. This figure is based on the price of the European Emissions Trading System (ETS) for CO₂. The internal CO₂ reference price embodies the reference costs for saving one tonne of CO₂. An implicit CO₂ project price is calculated for each project using an economic efficiency calculation. This serves as a basis for deciding on investments in measures to reduce energy or CO₂.

Energy

Pivotal in the CO₂ strategy are measures for saving energy, increasing efficiency, heat recovery and procuring energy in the plants. The corresponding measures are drawn up and implemented as part of an energy master plan and a rolling CO₂ forecasting of the significant plants. The proportion of renewable energies is being further increased throughout the company, always taking the internal CO₂ reference price and the economic efficiency of the planned projects into consideration. There are various ways of doing this: purchasing green electricity with proof of origin, long-term Power Purchase Agreements (PPA) with selected operators, or the installation of photovoltaic systems on the roofs of the production plants to generate electricity to be used within the company, see → [Energy](#).

Structural reduction

The area of ceramics, which accounts for around two-thirds of all Geberit's CO₂ emissions (Scopes 1 and 2), has the largest savings potential. This includes a special focus on the reduction of scrap rates and refiring rates. The firing process and the use of the resulting waste heat will be continually optimised. This can be used for other process steps, such as drying the plaster moulds or ceramic blanks. Furthermore, projects were launched to investigate the possibilities of switching to renewable energy sources – for example, biogas or green hydrogen – in the long term as well as the systematic reuse of ceramic waste, see → Resources and circular economy.

Geberit also contributes to reducing Scope 3 emissions as part of purchasing and product development. Furthermore, since 2007 all new products have been optimised in terms of sustainability as part of eco-design workshops. Seen across the entire life cycle, each product should be better than its predecessor from an ecological perspective – and all without sacrificing on quality, functionality or durability. With regard to the individual areas in the upstream and downstream value chain, the planned measures are aiming for the following improvements:

- Ensuring high quality, durability and repairability
- Reduction of water and energy consumption in the product use phase
- Reduction of the quantities of material used and avoidance of hazardous substances
- Increasing the share of recycled and sustainable, CO₂-reduced materials
- Simplification of dismantling and recycling products and their components
- Reduction of packaging material
- Optimisation of transport routes and maximising shipping container utilisation

The sustainable design of products makes a significant impact on Scope 3 emissions at Geberit. Through the continuous development of products, the company can secure competitive advantages at customers with an increased awareness of sustainability, gain technological competitive advantages and reduce potential risks resulting from future regulations.

A sustainable supply chain also contributes to reducing risks. In principle, Geberit's production processes entail a high in-house production depth, i.e. it largely purchases raw materials and semi-finished products with a high share of raw materials. Geberit's suppliers are obligated to maintain comprehensive environmental and social standards. Supplier management incorporates a risk management approach on environmental, occupational safety and human rights matters, among other aspects. The selection of suitable materials with minimal CO₂ emissions plays an increasingly important role, and is addressed in discussions with suppliers and included in decision-making processes, see → Procurement. Climate risks at suppliers can lead to difficulties in material procurement for Geberit and thus affect operational workflows in production at the company. Risk management towards a sustainable procurement strategy for materials with a strong regional and local orientation helps to better manage and reduce climate risks in the supply chain.

Compensation or removal

Geberit has the goal of significantly reducing CO₂ emissions on its own, wherever possible. There is an increasing demand for CO₂-reduced or carbon-neutral products among customers. As part of the CO₂ strategy, Geberit is testing out the approach of compensating for currently unavoidable CO₂ emissions from ceramic production with the purchase of high-quality CO₂ certificates as part of a pilot project run by the Swiss myclimate foundation. The environmental product declaration (EPD) of sanitary ceramic forms the basis for calculation here.

3. Risk management

The Geberit Group has a risk management system that is approved by the Board of Directors. The risk policy defines a structured process according to which the business risks, including sustainability and climate risks, are systematically addressed. In this process, the risks are identified, analysed and assessed in terms of their probability of occurrence and extent, and measures are then defined to control the risks. Operationally, the Group Executive Board is responsible for controlling risk management. In addition, responsible persons are designated in the company for significant individual risks; in the case of sustainability and climate risks, this is the Head Corporate Sustainability and Process Management. These responsible parties decide on specific actions for risk management and monitor their implementation. The Internal Audit Department coordinates the risk management process and issues a risk report for the attention of the Board of Directors every other year. Significant risks are also constantly discussed in the meetings of the Group Executive Board and Board of Directors, which take place on a regular basis.

Integration of climate risks in general risk management at the organisation

The risk management process involves the following steps:

1. Risk identification and classification: Correct identification and assessment of the significant risks. These are discussed in depth every other year by the Group Executive Board and the Board of Directors.
2. Risk analysis: Assessment of specific business risks and analysis of the changes since the last survey. The former is assessed with the Probability of Occurrence, on a scale of improbable (1) to frequent (5). To scale the effects of a risk that has been identified, the scale of the Impact of Risk Event is used. The scale ranges from insignificant (1) to very critical (5). The risks are classified on the basis of the combined scores.
3. Risk management: Instruments, measures and responsibilities are defined for each risk and checked at regular intervals.
4. Risk monitoring and reporting: Risk monitoring is part of regular reporting to the Group Executive Board and the Board of Directors, and is also part of the risk assessment that takes place every two years.

Risks associated with climate change are an integral part of the overall risks of the company and are therefore also taken into account in risk assessment.

Assessment of risks and opportunities arising from climate change

The following table shows the most important climate-related risks and opportunities that Geberit has identified to date and assessed as having a possible impact on the company.

Physical risks

Type	Impact on Geberit (risks and opportunities)	Measures
Acute		
Extreme weather events, such as storms, flooding or landslides	<p>Risk</p> Extreme weather events can affect Geberit’s in-house production or supply chain. Due to (i) the continuous high investments in building infrastructures and (ii) the procurement strategy focusing on regional/local suppliers and plants close to the sales markets, the risks to the supply chain in particular are minimised.	<p>Minimising risks</p> <ul style="list-style-type: none"> • Regular assessment of acute physical risks as part of business continuity management (BCM) • Supply chains are kept short, with alternative suppliers established wherever possible • Continuation of the production strategy and increased flexibility in the ceramics plants for relocating products to other plants
Chronic		
Longer-term, localised effects of climate change, such as increasing average temperatures, rising sea levels or increasing periods of drought	<p>Risk</p> Rising average temperatures lead to increased energy demand for the cooling of machines, processes and workplaces during the summer months, which can lead to increased costs. Rising sea levels would affect the two production sites located on the sea at Gaeta (IT) and Ekenäs (FI), which are responsible for around 2% of Group sales. The remaining 24 plants that make up 98% of Group sales are not affected. Increasing periods of drought can have a negative impact on the availability and quality of drinking water or process water, leading to increased costs in ceramic production in particular. <p>Opportunity</p> Rising average temperatures lead to a reduction in energy demand for heating buildings in the winter, which can reduce heating costs.	<p>Minimising risks and taking opportunities</p> <ul style="list-style-type: none"> • Regular assessment of chronic physical risks as part of the risk management system • Ongoing investment in resource-efficient, energy-saving and water-saving production • Investments in infrastructure, such as the construction of a defensive wall or the implementation of emergency concepts for protecting the affected production plants • Relocation of products from the two at-risk ceramics plants to the other eight unaffected plants

Transitional risks and opportunities

Type	Impact on Geberit (risks and opportunities)	Measures
Regulatory and statutory		
Increased demands for energy efficiency and the use of renewable energy sources, plus increased CO ₂ taxes on fossil combustibles and fuels	<p>Risk Increased CO₂ taxes on fossil combustibles and fuels lead to increased operating costs, primarily in the European ceramics plants. However, these could be passed on thanks to the high price-setting power, or could also be absorbed if necessary due to very high, industry-leading profitability. The higher operating costs do not have a significant risk for Geberit.</p> <p>Opportunity Due to Geberit's industry-leading profitability, competitors would be affected more by higher costs, which could result in Geberit gaining market shares.</p>	<p>Minimising risks</p> <ul style="list-style-type: none"> • Further implementation of the comprehensive CO₂ strategy: (i) implementation of measures for saving energy, heat recovery and increasing efficiency in the plants, (ii) increasing the share of green electricity and replacing heating systems using fossil fuels and energy-intensive technologies, (iii) applying internal CO₂ price for efficient decision making
Increasing requirements for saving water	<p>Opportunity Increasing requirements for saving water lead to an increased demand for water-saving solutions in sanitary applications. Geberit has a broad product portfolio of water-saving WC systems and helps to systematically and holistically optimise the handling of water in buildings while ensuring the highest levels of hygiene, including in drinking water applications.</p>	<p>Taking opportunities</p> <ul style="list-style-type: none"> • Further expansion of the portfolio of water-saving sanitary products, particularly WC systems • Increased marketing measures for promoting water-saving solutions, particularly toilet flushes
Tighter regulations in terms of the circular economy, particularly through the European Green Deal	<p>Opportunity High product quality and durability mean that Geberit can gain market shares in the event of tighter regulations and/or increased awareness relating to the circular economy. The European Green Deal leads to increased activity in renovations and new buildings in the European construction sector, meaning Geberit benefits as the leading provider of sanitary products.</p>	<p>Taking opportunities</p> <ul style="list-style-type: none"> • Consistent development of products according to the eco-design principle • Identification of ways in which to close internal material cycles and make production waste useful as secondary materials • Increasing the share of recycled materials (e.g. ABS regranulate) in production and searching for further high-quality plastic regranulates
Technology		
New technologies such as energy-efficient machines and CO ₂ -reduced or carbon-neutral production processes	<p>Risk Increased costs for procuring new machines, the use of alternative fuels (e.g. biogas or green hydrogen) and the changeover of production processes for achieving carbon neutrality.</p> <p>Opportunity Due to its proven high willingness to invest and industry-leading financial strength, Geberit benefits from technology risks compared to the competition.</p>	<p>Minimising risks and taking opportunities</p> <ul style="list-style-type: none"> • Regular assessment of technology risks as part of the risk management system • Implementation of revised CO₂ strategy, particularly structural reduction and the internal CO₂ price for efficient decision making on more cost-effective solutions • Ongoing renewal of machine fleet and infrastructure, plus continued investments in the latest technology
Market		
Changes to customer needs and preferences	<p>Risk Competitors catch up in the area of sustainability and sustainable products, Geberit recognises new customer expectations or new trends too late and cannot meet them.</p> <p>Opportunity Geberit already has a wide range of sustainable and water-saving products and can use its innovative strength to further expand the product portfolio in this direction. Gaining of market shares and higher income due to exploitation and increase of product share for low-emission products.</p>	<p>Minimising risks and taking opportunities</p> <ul style="list-style-type: none"> • Regular assessment of market risks as part of the risk management system • High level of innovation maintained for sanitary products and system solutions • Major investments in water-saving, energy-efficient and resource-saving technologies and products, as well as in product quality; annual investments of around CHF 70 million in research and development • Industry-leading know-how in the fields of hydraulics, water conservation, drinking water quality and sound insulation • Establishment and development of skills in the field of green building • Consistent development of products according to the eco-design principle • Purchase of high-quality CO₂ certificates for selected ceramic appliance series • Transparent communication of environmental impacts of our products as part of EPDs

Type	Impact on Geberit (risks and opportunities)	Measures
Reputation		
Changing expectations of employees, customers and society	<p>Risk Competitors catch up in the area of sustainability and position themselves as sustainability leaders with ambitious claims.</p> <p>Opportunity Geberit reinforces its position as a leader and role model in sustainability in the sanitary industry and in the marketing of innovative, water-saving and sustainable sanitary solutions. Geberit supports the transformation in the construction industry towards more sustainable solutions and green building in cities and communities. There is a particular focus on saving water.</p>	<p>Minimising risks and taking opportunities</p> <ul style="list-style-type: none"> • Regular assessment of reputation risks as part of the risk management system • Regular employee and customer surveys carried out • Regular review of sustainability strategy and communication as part of the external stakeholder panel • Increased external communication of the sustainability efforts that have been firmly established at Geberit for decades and the corresponding sustainability performance report

In terms of climate change, the risks for Geberit are outweighed by the opportunities. The risks are classified as being of low to moderate risk. Stricter environmental rules and regulations – particularly in terms of energy, water consumption and water quality – and greater environmental awareness among customers in general are creating additional demand for durable products that conserve water, energy and resources. Geberit already offers a wide range of suitable products here.

Risks and opportunities arising from climate change were also discussed with the external → Stakeholder Panel in 2020 and 2022. As detailed in the → Panel Statement 2020, the panel members assume that the political and regulatory framework conditions on climate change mitigation will change and become stricter. The demand for water-saving products as a result of climate change is assessed as “moderate” by the panel. However, it is expected that the demand for products that improve drinking water quality and hygiene will increase. Similarly, there will also be an increasing demand on the market for products that can be repaired and reused, or can be recycled. As detailed in the → Panel Statement 2022, the panel all agreed that the development of innovative, durable sanitary products with exceptional quality and design is pivotal for Geberit, as is resource efficiency in production and during the product use phase. As a result, the focus on the innovation and sustainability of sanitary products in the strategy is particularly important in minimising climate-related risks for Geberit in future and utilising opportunities to their full potential.

4. Key figures and goals

For many years, Geberit has disclosed comprehensive key figures and goals on sustainability and CO₂ as part of its sustainability reporting:

- → [CO₂ and other emissions](#)
- → [Key figures environment](#)
- → [10-year key figures environment](#)
- → [CO₂ pricing](#)

Sustainability

Audit Report Greenhouse Gas Balance

intep

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To the Group Executive Board of Geberit AG
Schachenstrasse 77
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Zürich, 6 February 2024

Geberit Group – Greenhouse gas balance (Scope 1 and 2) for the financial year 2023 > Independent auditor's report

Audit result

Based on our audit, nothing has come to our attention that causes us to believe that the Geberit Group's Scope 1 and 2 greenhouse gas balance for the financial year 2023 has not been prepared, in all material respects, in accordance with the criteria. Based on this assessment with limited assurance, we can therefore confirm that the subject matter complies with and meets the specified criteria.

Mandate and scope of the audit

We have been engaged to perform a limited assurance review for the reporting period from 1 January 2023 to 31 December 2023 on the following subject matter:

- The Geberit Group's greenhouse gas balance (Scope 1 and 2) for the 2023 financial year
- The workflow for data collection, calculations and aggregation as well as the verification process as part of the greenhouse gas accounting for selected production sites
- The process for obtaining guarantees of origin (GoOs) for the purchased electricity

Assessment criteria

The greenhouse gas balance was prepared based on the following criteria defined by Geberit:

- ISO 14064-1:2018, WRI/WBCSD Greenhouse Gas Protocol and GRI Standards 302-1, 305-1, 305-2 and 2-5
- The GHG reporting processes defined by Geberit and listed in the EHS Managers' Manual, as well as the specified templates for data collection and data validation by the EHS Managers at site and Group level

Responsibility of Geberit AG

The Executive Management of Geberit AG is responsible for the preparation of the greenhouse gas balance in accordance with the criteria. This responsibility includes the design, the implementation and maintenance of adequate internal controls related to the preparation of the greenhouse gas inventories, including the calculation of greenhouse gas emissions, that are free from material misstatement, whether due to fraud or error. In addition, the management is responsible for the selection and application of criteria and for maintaining appropriate records.

Responsibility of the auditor

Our responsibility is to express an opinion on the greenhouse gas balancing and the emission factors used therein based on our limited assurance engagement.

We conducted our review in accordance with the Guidance for the Verification and Validation of Greenhouse Gas Statements (ISO 14064-3:2019) to determine whether the subject matter has been prepared, in all material respects, in accordance with the criteria listed above.

Considering risk and materiality considerations, we performed audit procedures to obtain sufficient and appropriate audit evidence. The procedures selected depend on the judgement of the independent auditor. In a limited assurance engagement, the procedures performed are less extensive than in a reasonable assurance engagement and therefore offers a more limited level of assurance.

We have performed the following essential work:

- Assessment of the requirements for greenhouse gas balancing and their practical implementation
- Interviews with key data suppliers and EHS managers from selected locations: Wesel (DE), Lichtenstein (DE), Bromölla (SE), Ozorków (PL)
- Interviewing the managers at group level in the areas of procurement and sustainability
- Inspection of the organisational structure, the level of knowledge and training of the employees involved, the methods of data collection and processing as well as the internal controls that are relevant for the audit review
- Analytical considerations, interviews and inspection of the documentation of the systems and processes for collecting, calculating, recording, analysing and aggregating the data, including document reviews and random sampling
- Assessment and review of the methodology used to calculate the Geberit Group's greenhouse gas balance (Scope 1 and 2), including the process for obtaining guarantees of origin (GoOs) for the purchased electricity

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit result.

Intep – Integrale Planung GmbH



Gessica Gambaro



Martina Alig



Beat Stemmler

Sustainability

The following parties are responsible for the correctness of the information in the report on non-financial matters, pursuant to Art. 964a ff. of the Swiss Code of Obligations (CO):



Albert M. Baehny
Chairman of the Board of Directors, Geberit AG



Christian Buhl
CEO, Geberit AG

Imprint

Overall Responsibility/Editorial

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Concept, design and technical realisation

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The statements in this review relating to matters that are not historical facts are forward-looking statements that are not guarantees of future performance and involve risks and uncertainties, including but not limited to: future global economic conditions, foreign exchange rates, statutory rulings, market conditions, the actions of competitors and other factors beyond the control of the Company.

This annual report is published in German and English as an online version.
The online German version is binding.