GEBERIT

Sustainably enhancing quality of life

Sustainability Report 2007

Sustainably enhancing quality of life

Geberit's objective is a sustained improvement in the quality of people's lives through innovative solutions in plumbing technology, thus assuming economic, ecological, and social responsibility. This is how Geberit interprets sustainability.

Geberit is the European market leader in plumbing technology and is globally oriented. The products, systems and services are continuously being further developed and set new standards. This is only possible thanks to the top-level performance of our employees and long-term partnerships with companies and organizations from the fields of business, research and society. Because this is always a matter of dialog and cooperation with people, we allow these to have their say in our Sustainability Report 2007. Our central theme of water – in all its manifestations – forms the backdrop for this.

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Cover picture:
Apprentices from Geberit Pottenbrunn (AT)

Foreword by the CEO

"Geberit has shown that economic success, acting in an environmentally friendly manner and social balance are not a contradiction in terms."

Albert M. Baehny, Chief Executive Officer (CEO)

Mr. Baehny, following on from 2004, Geberit is now publishing its second Sustainability Report. Why?
Sustainability and social responsibility are closely interrelated and are important subjects for us. Geberit has shown that economic success, acting in an environmentally friendly manner and social balance are not a contradiction in terms. On the contrary, we regard sustainability as an opportunity to go down new roads. The Geberit Group wishes to maintain its top position amongst its competitors in the field of sustainability and thus to continue to be a role model for the industry in future.

What activities are affected above all by the subject of sustainability?
Sustainability has an influence on our strategic orientation and is the basis for numerous decisions. In research and development, we focus on increasing the environmental performance of our products and the quality of life of our customers. In production, efficiency without exhausting resources is traditionally at the forefront. We also pay particular attention to the procurement of raw materials and semi-finished products, which is now organized on a global scale. Also of importance for us is a human resources policy which can maintain the framework conditions for good team work and value-oriented leadership at a high level during periods of growth. Not only is our practiced commitment to sustainability recognizable in all of these activities, but also our commitment to social matters.

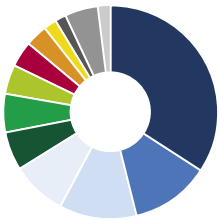
What has Geberit achieved in the field of sustainability over the past three years?
We have achieved almost all the objectives set out in the Sustainability Report 2004; some have even been exceeded. The economic area distinguished itself through sustained growth with high operating profitability. In terms of products, we have succeeded in achieving more economic water consumption and improved standards in hygiene and acoustic insulation. Our environmental management in production has been further expanded. Since January 2007, we have held a combined Group Quality and Environment Certificate as per ISO 9001 and ISO 14001. In addition, we have extended our risk management in dealings with suppliers and carry out more precise checks, above all concerning environmental and social risks. In the human resources sector, we have evaluated an employee survey and reacted with concrete measures: We can now draw on a Group-wide system of personnel and social reporting. New guiding principles and a code of conduct are currently being introduced throughout the Group and implemented together with our employees. Our wish is to report in a transparent and clearly understandable manner on objectives, measures and results. This is why, for the first time, we are now publishing the Sustainability Report in accordance with the guidelines of the Global Reporting Initiative (GRI).

What are the fundamental challenges for the coming years?
Geberit wishes to continue its worldwide growth in future and to be measured against the yardstick of sustainability. We shall pay particular attention to two trends: On the one hand, the increased need of people for design-oriented, attractive and large bathrooms. At the same time, we are witnessing increasing interest in plumbing systems that use less water, cause less noise and adhere to high standards of hygiene. We interpret this double need as a mandate for responsible continuation of our growth course.

The Geberit Group

- A company history dating back more than 130 years
- Sales of 2.2 billion Swiss Francs and an operating cash flow margin of 26 % in 2006
- 5,269 employees in 40 countries
- 17 production locations worldwide

Sales 2006 by markets



- Germany (34.3 %)
- Italy (12.1 %)
- Switzerland (11.6 %)
- Benelux (8.4 %)
- Central/Eastern Europe (5.9 %)
- Austria (5.9 %)
- Nordic countries (4.2 %)
- United Kingdom/Ireland (4.1 %)
- France (3.4 %)
- Iberian peninsula (1.7 %)
- Middle East/Africa (1.7 %)
- America (5.2 %)
- Far East/Pacific (1.5 %)

The Geberit Group, with its headquarters in Rapperswil-Jona (CH), is the European market leader in plumbing technology and is globally oriented. Since its foundation in 1874, the company has been one of the pioneers in the industry and has always set new trends with comprehensive system solutions.

In 2006, Geberit achieved sales of 2.2 billion Swiss Francs and continued the pleasing and sustained development in profitability of the past several years with an operating cash flow margin of 26.1 %. The Group employs approximately 5,300 people worldwide. The company has been listed on the Swiss Stock Exchange since 1999.

European market leader with a global presence

Geberit has own representatives in around 40 countries. The products are sold in 100 countries throughout the world. The sales emphasis is on the main European markets. Outstanding growth perspectives exist in Central and Eastern Europe, France, United Kingdom, the Iberian peninsula, the Nordic countries, North America, China and South East Asia. The Asian and North American markets are worked with products adapted to regional requirements. To this end, local competence centers exist in Shanghai (CN) and Chicago (US).

The company has 17 specialized production locations in eight different countries close to the most important sales markets. The main production plants are located in Germany, Austria and Switzerland. The Group also operates production plants in the USA and China.

Focused product range in the field of plumbing technology

The product range was conceived both for new construction as well as for renovations and modernizations. It includes six product lines in the product areas of sanitary systems (installation and flushing systems, waste fittings and traps, public) and piping systems (building drainage systems, supply systems).

Close cooperation along the entire value chain

Geberit branded products are innovative, durable and environmentally friendly goods for trade customers and craftsmen, as well as for end users. In 2006, the company provided education and further training in Geberit systems and software tools for around 30,000 plumbers and planners, as well as for architects, at the company's own 25 information centers in Europe and overseas. In this way, as well as through direct advising of the plumbers on the construction site, demand for Geberit products is stimulated. In the main sales area of Europe, the product range is distributed exclusively via the wholesale plumbing trade. In addition to raw materials such as metals and plastics, semi-finished products and specialized components are also procured from external sources. Geberit attaches great importance to developing a close and long-term cooperation with all suppliers.

Sales 2006 by product areas and product lines

Sanitary systems (55.4%)
- Installation systems (34.1%)
- Flushing systems (10.0%)
- Public (6.7%)
- Waste fittings and traps (4.6%)

Piping systems (44.6%)
- Building drainage systems (16.5%)
- Supply systems (28.1%)

Our products and our product know-how

Geberit offers customers high-quality system solutions for applications in private residential building and in public buildings. The systems are used in both renovation projects as well as in new buildings. A broad range of products is offered within the two product areas sanitary and piping systems. This ranges from installation systems, concealed and exposed cisterns, including WC and urinal flushing systems as well as lavatory taps and traps, through to fresh water, roof drainage and drainage systems. Great importance is attached to preWall technology which creates clear advantages for all partners, in particular during renovation work. In this way, Geberit wishes to even further penetrate existing markets and to develop new ones.

The company makes resolute and consistent use of its extensive expert knowledge in the creation of innovations. By so doing, it makes use of synergies and optimizes the efficiency of entire systems. This manner of thinking and acting is embodied by the central Know-How Installed idea. Amongst other things, the research teams concern themselves with hydraulics, statics, fire protection, hygiene, acoustics and electronics.

A practiced commitment to sustainability

- Sustainability as a central theme since 1990
- Over 4,500 million m^3 of water saved through Geberit products until 2006
- Active dialog concerning sustainability with partners and stakeholders

How does Geberit interpret responsibility in terms of sustainability and which aspects of sustainable development have a particular influence on Geberit? Sustainability means satisfying the requirements of the present-day generation in a manner that will ensure a good foundation for future generations. A core question in this respect is the increasing consumption of natural resources such as water and energy.

Water as a central theme

Geberit's sustainability strategy and the objectives derived from it are based on global trends such as the increasing consumption of water, ensuring high standards of hygiene as well as on the expectations of internal and external stakeholders. The United Nations millennium goals on sustainable development also play an important role. They include the resolve to significantly increase the share of the world's population with access to safe drinking water and basic plumbing facilities. Products from Geberit help achieve this objective.

Firmly established environmental principles oblige Geberit to treat water, energy and other resources carefully. Production is made as energy-efficient and resource-sparing as possible. By far the greatest effect is seen in those products that consume water on a daily basis. Until 2006, the entire dual flush and stop-and-go "fleet of cisterns" from Geberit – produced since 1998 and still in operation today – succeeded in saving over 4,500 million cubic meters of water. In this respect, the assumption was made that the water-saving technology made it possible to replace cisterns with 9-liter full flushing. This amount of water would be sufficient to supply roughly a quarter of the population of Africa with its annual basic requirement of water (50 liters per person and day). Innovative, water-saving product systems, combined with outstanding hygiene attributes, are thus a focus of discussion on sustainability at Geberit.

Sustainability strategy: objectives and principal measures

Area	Objective	Principal measures 2007–2009
Economy	Geberit enjoys long-term success thanks to a clear business strategy and its resolute implementation.	Focus on plumbing technology Commitment to innovation Selective geographic expansion Continuous optimization of business processes
Customers	Geberit offers its customers a first-class and reliable service, and is perceived as the leading system provider in the field of hygiene and water saving.	Promoting qualified next-generation plumbing professionals through targeted education and further training Increased approach to the target group architects and building owners on the subject of sustainability and sustainable building Making better use of the water theme for sensitizing and increasing customer loyalty
Employees	Geberit offers attractive and secure jobs. Geberit respects human rights and labor-law standards. All forms of corruption are rejected.	Process towards new corporate values prepared jointly with employees Worldwide Code of Conduct introduced in 2007 by means of Group-wide information Implementation of results from employee surveys
Products	Geberit products are environmentally friendly, water-saving and ensure high standards of hygiene.	Systematic integration of environmental aspects into new developments through Eco-Design Search for alternatives to the problematic hexavalent chrome in surface coating If possible, all disposable parts from alternative plastics or regenerate
Production	Geberit operates a clean, safe and energy-efficient production, a long-living and high-quality infrastructure, and optimized logistics in terms of energy consumption, emissions and packaging.	Certification of all production plants as per ISO 14001 by 2008 Establish industrial health and safety delegate also at Group level Implement Group-wide strategy on energy efficiency and renewable energies
Procurement	Geberit works exclusively with suppliers who make the commitment to adhere to the Code of Conduct.	Code of Conduct for suppliers drawn up in 2007 100% of suppliers from regions with increased sustainability risk will sign the Code of Conduct by 2008
Social commitment	Geberit takes on social commitments with a close link to the core business, the know-how and the corporate culture and thus supports the UN millennium goals.	Long-term partnership with non-governmental organization (NGO) in the field of basic plumbing facilities as from 2007 Accession to the United Nations Global Compact 2008

Geberit exerts an influence on the environment at various levels. The focus in the production plants is on permanent optimization of energy consumption. In 2006, all 17 of the Group's plants used roughly as much electricity as a small town of 15,000 inhabitants. For Geberit, however, by far the greatest influence on energy consumption results from improvements in the use of the products produced, above all in toilet flushes. Over the course of their entire life cycle, the cisterns produced in 2006 will require a total of around 16 times as much energy – for the provision and disposal of the water consumed – as the energy consumption of the production plants during a year. Consequently, saving water also means saving energy.

Water-saving developments are particularly important; however, they are not the only important sustainability theme for Geberit. Sustained and profitable growth is the central economic objective. At the same time, the high level of customer satisfaction and loyalty should be retained. The over 5,000 employees are paid in line with market rates and have attractive development opportunities. In addition to ambitious quality requirements, the cooperation with suppliers must also take account of environmental aspects and the adherence to high ethical standards. So as to be able to pursue the sustainability themes in an integral manner, Geberit has developed a Sustainability Strategy with concrete objectives and measures.

Dialog with important partners as part of the corporate culture

Geberit maintains a close dialog with stakeholders of particular relevance for the work of Geberit or fundamental for the success of the company. Feedback from these discussions flows into the sustainability strategy. Contacts in the course of daily dealings with various partners offer the best opportunity for dialog. Additionally, for example, customer surveys have been carried out on a country level, thus making it possible to determine the precise training requirements. Surveys amongst employees have resulted in new ideas for management discussions in order to determine development opportunities even more effectively. Initial discussions with new suppliers have provided additional points of reference for the collaboration in environmental and social matters. And the continuous exchange of information with non-profit-making organizations and associations has revealed new options for social commitments in line with the Geberit culture. The rule applicable for the exchange of information with all partners is that communication is committed to the motto "clear and true".

Engagement in organizations with a sustainability connection

Geberit is involved in various associations and organizations that make a contribution towards sustainability. Substantial commitments in the period under review were:

- A seat on the "Health, Safety and Environment" working group of TEPPFA (The European Plastics Pipes and Fittings Association)
- Involvement in the öbu Association (Swiss Association for Environmentally Conscious Management)
- Member of Transparency, an international organization for the world-wide combating of corruption

Through the voluntary application of the standards of the Global Reporting Initiative (GRI) in the present report, Geberit is making a contribution towards transparency and comparability in reporting on sustainability. Geberit is currently not a formal member of the United Nations Global Compact; nevertheless, it orients itself towards the objectives of this charter and already meets its requirements to a fundamental extent.

Prof Alexander J.B. Zehnder is President of the Board of the Swiss Federal Institutes of Technology (ETH Board) and former Director of the Water Research Institute (Eawag) in Dübendorf (CH).

Professor Zehnder, what role does water play in sustainable development?
Water is the key to sustainable development. Most infectious diseases throughout the world are transmitted by contaminated water. The quality of drinking water and water for personal hygiene is of central importance. Only a healthy population can free itself from poverty. The quantity of water available is important for the generation of foodstuffs. Roughly 80 percent of the average amount of water consumed by one person is required for the production of food. In this respect, we are increasingly running up against limiting factors amongst the growing world population.

Can water-saving technology make a fundamental contribution towards solving the problem?
By all means. Thus for example, efficient plumbing technology ensures that as little of the precious and expensively processed water as possible is wasted. Water-saving technology contributes towards ensuring that waste water is not diluted unnecessarily and therefore that waste water purification is no more expensive than necessary. Water saved in the plumbing field is additional water available for the production of foodstuffs.

How do you estimate the role of water scarcity and plumbing technology in Asia?
Clean water that is available in sufficient quantities is one of the most important prerequisites for the successful development of countries such as China. As development is only just beginning in many cities, it would be possible to use the latest plumbing technology from the very beginning. This is an opportunity for companies such as Geberit, whereby local training is also important in addition to technical quality.

It is often said that there is enough water in Switzerland. Is saving water of any importance at all here?
The public water infrastructure requires renewing every 50 to 80 years. Over the next 20 years, costs of around CHF 150 billion are reckoned within Switzerland – that means CHF 15,000 to 20,000 per head. Saving water lowers the quantity of waste water and thus long-term costs. Switzerland is also a development market for technology in the plumbing field – technology that is urgently needed throughout the world and which thus offers major opportunities on the world market.

“Geberit is a master of innovation.”

Remo Rosenau, Financial Analyst, Bank Vontobel, Zurich (CH)

Since its Initial Public Offering, Remo Rosenau has been monitoring Geberit as an analyst, holds regular discussions with the management and visits the production plants. So far, he has been convinced by the high innovative strength, the outstanding financial performance and by the fact that actions match words. According to Rosenau, Geberit could also contribute to easing the increasing global scarcity of water through its products. As a result, this should also mean excellent opportunities on the world market in future, enabling the creation of long-term value as has been the case in the past.

A market leader with a focus

- Uninterrupted growth trend with high profitability
- Processes and infrastructure on a high level
- Geberit shares popular amongst sustainability-conscious investors

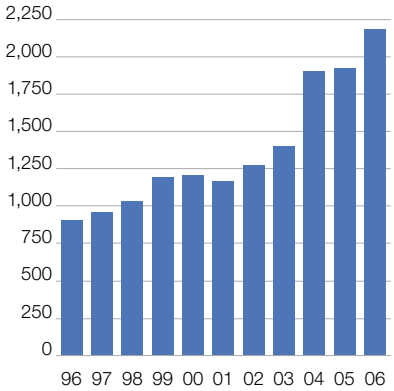
The Geberit Group has been experiencing pleasing growth for many years, primarily as a result of organic growth, additionally, however, through selective acquisitions. Sales have increased by an average of 9.2% p.a. over the past ten years (CAGR). At the same time, operative profitability has continued to rise further. Each year, the company generates a substantial amount of free liquid funds. These are used for further investments in the future of Geberit. Nevertheless, these funds are also available for the repayment of debts, for dividend payments, the repurchase of shares or for acquisitions. Thanks to the healthy financial situation, Geberit is a dependable employer as well as a reliable partner for customers, suppliers and the interested public. The shareholders participate in the success through a permanent increase in the value of the company and increased dividend payments.

A decisive factor in the success of Geberit so far is a clear strategy, combined with resolute and consistent implementation. The strategy with the four elements set out below forms the basis for future success:

1. Focus on plumbing technology
Geberit is focusing on plumbing technology. The company has long and profound expertise in this area. The main focus of attention is on the transport of water in buildings. Here, integrated plumbing technology of superior quality is offered.

2. Commitment to innovation
For Geberit, the ongoing optimization and extension of the product range is decisive for future success. In addition to meeting customer requirements, the product range must satisfy the highest environmental standards. At 2.0% of sales, our investment in research and development is above the standard level for our industry. Around 100 patents have been applied for over the past five years to protect the innovations.

Sales development 1996–2006
(in CHF million)



Net income 2004–2006

	2006	2005	2004
EBIT	482.2	366.9	305.5
EBITDA	569.1	455.9	453.4
Net result	355.0	262.5	194.4

3. Selective geographic expansion

The accelerated penetration of markets such as France, Great Britain, the Iberian peninsula, Eastern Europe and the Nordic countries is an important factor in the long-term success. Outside of Europe, the company adopts a very selective approach. In addition to our involvement in North America, Geberit is concentrating predominantly on the project business in the regions China, Singapore, South Korea, Australia and the United Arab Emirates. In this respect, the company always adheres strictly to the existing high standards in terms of quality and profitability. When building up and expanding the local organizations, dealing respectfully with differing cultures is regarded as a standard of decency and, additionally, as a success factor. This makes Geberit an internationally respected partner.

4. Continuous optimization of business processes

Geberit is continuously optimizing business processes and infrastructure with a long-term horizon. With just a few exceptions, both areas have reached a level with which the growth planned for the medium term can be managed. One of the most important strategic tasks is the permanent optimization of the business processes. On the one hand, in Group-wide projects in which, for example, the logistics strategy is further developed or the European distribution activities reviewed. On the other hand, it is the employees who recognize opportunities for improvement time after time, thus making a decisive contribution to the positive development.

Improved reputation on the capital market as a result of efforts in the field of sustainability

The efforts in terms of sustainable corporate management are being rewarded by the capital market. Geberit is well represented in the – comparatively still small but constantly growing – segment of sustainability stock indexes and sustainability funds. Thus it is that the Geberit share now features in the Dow Jones Sustainability Index (DJSI STOXX), the Ethibel Sustainability Index (ESI) and the FTSE4Good Index (Europe and Global). In addition, renowned sustainability funds hold the Geberit titles in their portfolios. Geberit's objective is to continue

Integration of Mapress into the Geberit Group brought to a successful conclusion

In 2004, the Mapress production plant in Langenfeld (DE), one of the world's leading manufacturers of press fitting systems made from stainless steel, carbon steel and copper, was successfully integrated into the Geberit Group. Around 500 employees work for Geberit Mapress customers in production, logistics and administration. Marketing and sales are from a single source. Geberit has also fully completed the integration of Mapress on the product side with the development of an adapter fitting for use between the Mepla multilayer and the Mapress pipes.

to play a significant role in the constantly growing investment segments “Sustainability” and “Water”.

The sustained positive development of the share price also bears witness to a long-term and successful strategy implementation. In the period between the Initial Public Offering in June 1999 and the end of 2006, the Geberit share rose by an average of 26.0% p.a.

Development of the share price since the Initial Public Offering
(in CHF)

— Geberit share
— Swiss Performance Index (SPI)
(Source: Thomson Financial Datastream)

An overview of quantitative economic aspects

Set out below is an overview of some fundamental economic key figures. In part, these will be discussed in greater depth in the ensuing chapters.

(in CHF million)	2006	2005	2004
Direct economic value added			
Sales	2,183.5	1,922.9	1,906.8
Operating result (EBIT)	482.2	366.9	305.5
Economic values passed on			
Operating expenses, net excluding personnel expenses	924.2	854.8	906.8
Personnel expenses	442.3	418.5	441.1
Wages and salaries	343.5	322.5	344.4
Pension contributions	17.2	19.6	11.5
Other social benefits	62.0	58.9	67.6
Other personnel expenses	19.6	17.5	17.6
Payments to providers of capital	116.2	107.5	92.8
Dividends	101.5	90.3	69.6
Interest	14.7	17.2	23.2
Taxes (income taxes paid)	123.1	80.6	62.1
Social commitments (contributions and donations)	1.9	5.0	1.9
Retained economic values			
Investments in property, plant and equipment	81.3	79.5	87.8
Divestments of property, plant and equipment	2.6	6.3	9.2
Repurchase of shares	179.0	0.0	0.0

Geberit wins the “Best of European Business Award” 2006

It is not possible to apply to be considered for the prize, which is awarded by the Consulting Company Roland Berger in cooperation with media companies in ten European countries. More than 1,000 Swiss companies operating Europe-wide were analyzed and assessed on the basis of strict criteria. Geberit achieved top position as the strongest growing Swiss company, above all as a result of the high and profitable growth but also thanks to its high innovative strength. In 2007, Geberit very narrowly missed out on another distinction: the “Corporate Social Responsibility (CSR) Award”, likewise awarded by Roland Berger. As a close second, Geberit was praised above all for its measures in the field of environmental protection as well as for its environmentally friendly products.

“We pass our satisfaction with Geberit on to the end user.”

Wolfgang Schulz, Managing Director Schulz sanitäre Anlagen, Haigerloch (DE)

Wolfgang Schulz took over the 40-year-old plumbing installation business from his father eight years ago. With a staff of 20, he works on many medium-sized and larger objects such as retirement and nursing homes. These customers are quality oriented and want not only consistent and good quality products but also expect maximum possible hygiene. Wolfgang Schulz uses exclusively Geberit components. The reliability of the products, the quick, uncomplicated installation and the flexibility of design of the Geberit systems are appreciated equally as much by his employees as by his customers.

Satisfied customers thanks to new standards in plumbing technology

- Geberit products are the key to design-oriented and hygienically optimized plumbing areas
- Customer training courses with around 30,000 participants in 2006
- Geberit as a partner for sustainable building

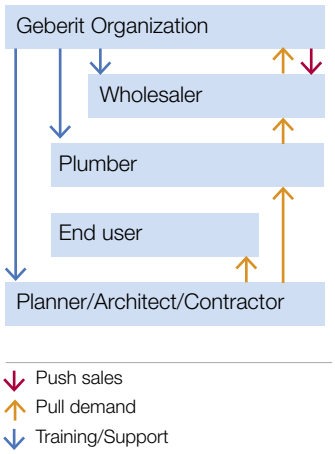
Geberit is not simply products. The concept Know-How Installed characterizes the company in a fitting manner. As a knowledge-oriented company, Geberit creates a constantly growing fund of know-how and passes this on to its customers. Permanently optimized quality standards and reliability, as well as quick and simple installation, are success factors for high customer satisfaction.

New marketing organization strengthens service for customers
In recent years, Geberit has taken steps to act in an even more market- and customer-oriented manner. The strengthening of marketing at Group level took account of the increasing internationalization of business and of the need to exploit synergies. Cooperation between marketing, sales and product management was further optimized with the aim of satisfying customer requirements to an even greater extent with innovative new products.

In terms of market servicing, Geberit is placing its faith resolutely in the three-stage distribution channel. Geberit products are distributed exclusively via the wholesale trade. The trade subsequently sells the products to plumbers and also maintains, for example, displays, in which the Geberit products are shown to the end user. The partnership approach is demonstrated through joint marketing campaigns with the wholesale trade. At the same time, Geberit provides plumbers and planners with intensive support through training and advising which in turn leads to an increased demand for Geberit products at the wholesalers.

Architects and building contractors are an increasingly important target group for the exchange of information and training, as they recognize and set trends in the building sector. Geberit wishes to take up these trends as early as possible and to implement them in concrete products. End users are becoming increasingly important for Geberit to the extent that their need for design-oriented, com-

The business model



fortable and hygienically optimized plumbing areas is constantly rising. Consequently, the company's advertising explains how Geberit can contribute towards this type of solution.

The Know-How Installed marketing concept

Setting new standards in plumbing technology with Know-How Installed
According to a customer survey, the terms quality, functionality, reliability and partnership describe the core of the company. The product range, the organization and the relations with customers and business partners are best summarized using these terms. However, this is not sufficient for ensuring future success. The fundamental values "integration", "innovation" and "knowledge" distinguish Geberit from the other market players. These values characterize the thinking and actions of Geberit employees. They guarantee that the position as market leader can be maintained and that new standards can be set in plumbing technology time after time. In this respect, the extensive specialist knowledge should be used resolutely for the creation of innovations. This will enable the use of synergies and the optimization of the efficiency of entire systems. Based on this, Geberit has developed a marketing concept in Know-How Installed with which the position of market leader is to be underlined.

Top quality thanks to professional management processes
Quality creates enthusiasm and trust. It can only develop from quality awareness and is standard at Geberit. Quality is the result of controlled processes throughout the company, and is supported by the central quality management department.

Geberit strives towards the zero-error principle. On the basis of systematic analyses, measures and procedures are developed which are intended to exclude defects on a preventative basis. The company orients itself towards customer requirements, statutory regulations and standards. The objective is to exceed these time after time. All products pass through a defined process. Thus for example, health and safety requirements of all products are tested and ensured, from the development stage through to certification and manufacture, and right through to use.

Over 7,200 workshop participants
The information centers in Pfullendorf (DE) and Langenfeld (DE) illustrate the intensity of the training programs. In 2006, a total of 545 workshops were organized at these two locations, during which 4,758 plumbers, 357 planners and architects, 265 wholesale employees, 1,473 representatives of vocational schools and technology universities as well as 379 international visitors were trained.

The management of quality ensures efficient handling of complaints with integrated error analysis, the initiation of sustained corrective measures and the development of concepts for customer servicing in cooperation with the sales organizations, plants 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. This is documented by fundamental indicators: Group-wide, there has never been any court judgment against Geberit involving contraventions of regulations on the health and safety of products and services, or product and service information. Likewise, no significant fines have ever been imposed in connection with Geberit products and services or their use. In the marketing sector too, there are no known violations of customer data protection.

Training as a central success factor in customer relations

Nevertheless, good product quality, as well as speed, simplicity and safety in installation and use, are not sufficient by themselves. Active servicing of the market is extremely important. Around 500 technical advisers working in the field are in contact on a daily basis with plumbers, planners and architects, in particular. In 2006, around 30,000 customers were provided with education and further training in Geberit systems and software tools in the 25 information centers in Europe and overseas. The company cooperates closely with its customers on subjects such as hygiene, hydraulics, statics as well as fire protection and acoustic insulation, and offers intensive training measures. In addition to many customer events organized by the local sales companies, numerous exhibitions at which Geberit is present serve as a platform for keeping up customer contacts and communicating the innovative strength. Targeted training measures are also offered for specialist master craftsman's schools and universities, residential building companies, contractors and property management companies, production engineers in large plants and employees from building and health authorities. In order to increase transparency, Geberit has been offering special Life Cycle Assessment leaflets for various products for a number of years. These illustrate the most important environmental aspects.

Geberit on tour

In Switzerland, Geberit launched more than 300 new products onto the market in 2006. Geberit works together with wholesalers in order to keep plumbers up to date as regards the top themes and new developments in the plumbing field. True to the motto "No compromise", a total of 33 events were held throughout Switzerland in 2006. Campaigns concerning piping and preWall systems informed around 1,900 plumbers regarding current solutions which enable adherence to new fire protection and acoustic insulation standards as well as ensuring high quality and functionality.

Satisfied customers as the basis for success

The quality of Geberit products and services is the basis for the success of plumbers in the marketplace. The plumber can be certain that, through the installation of Geberit products, he is selling his customers high-quality and reliable solutions. As an additional service, Geberit offers software as a simple, target-oriented and operator-friendly platform for planning and the preparation of quotations. Standard-conform calculations can be prepared in time-saving manner and implemented in quotations optimally tailored to customer requirements. This contribution to their success is greatly appreciated by the customers. Ensuring customer satisfaction also includes the taking back of old products. Here too, Geberit goes beyond the statutory minimum requirements and takes back electrical appliances, such as WC control units, on a voluntary basis.

A perception study carried out in seven European countries has confirmed that Geberit is a strong, highly respected brand in the premium segment. Nevertheless, it was also clear that the company has a reputation of being too conservative, and of not communicating and positioning its capabilities and specialist knowledge to a sufficient extent in the market. For Geberit, this served as motivation to investigate communication with customers and to adapt it accordingly. The customer should be kept better informed regarding the latest developments. The aim is to show where and how Geberit is shaping the trends of tomorrow.

Shaping the future together with our partners

Geberit wishes to set trends in plumbing technology together with its customers. An increasingly important topic is sustainable building. Geberit maintains a dialog with leading architects, for example concerning the question of how water saving, flexible and modular building, and optimum acoustic insulation can support a sustainable manner of building and, at the same time, enable elegant bathrooms with maximum comfort. As market leader, Geberit is also well positioned in terms of touch-free technologies to respond to the increasing sensitization regarding hygiene aspects with concrete solutions. Together with its partners, new trends should be set in public and semi-public WC facilities as well as in private residential buildings.

In Singapore saving water is a State objective

Singapore obtains 60% of its water from neighboring Malaysia and wishes to reduce this dependence. Consequently, the government has laid down water-saving objectives (a reduction in daily consumption from 162 liters per person in 2004 to 155 liters in 2012) and wishes to make dual flush compulsory for all WC applications. Geberit offers the products required for this: e.g. in the “Pinnacle” project, the winning project in a State invitation to tender for residential building, or in the high-rise building project “The Sail”, privately owned apartments for people with higher expectations.

Matteo Thun, an internationally known and renowned architect from Milan (IT), is setting new trends in sustainable building. He also uses the term "Aesthetics of the invisible" in connection with Geberit.

What does sustainable building mean to you?
The term is based on a respectful understanding of the nature of nature. For me, this means adapted to the landscape, incorporated into the countryside, without disturbing the natural topography. In organic architecture, building location, structure and facilities become a unit and are in harmony with the surrounding area.

How do you implement your sustainability philosophy?
I endeavor to answer various questions for myself: What is the ratio of heating energy saved to production energy used? What is the situation as regards the disposal of materials, how scarce are the raw materials? An example of this is wood in high-rise construction. Since the Second World War, only 60 to 70 percent use has been made of renewable wood from European forests. If one were to just under double today's market share of wood-frame construction, it would be possible to use the amount of wood that would result from ecologically sensible use of forests.

What is behind the term "Aesthetics of the invisible"?
I like to explain this using the example of a compact module for bathroom and toilet that has been developed in close cooperation with Geberit. The basis for the design of the "Aesthetics of the invisible" is interface optimization. This means that all technical elements are situated behind the surfaces. The result is flexibility and the possibility of quick revision.

Thanks to the integration of all components into a module and behind smooth surfaces, fewer deposits of dust and dirt result. The result is cleanliness and hygiene. Consequently, the compact module is outstandingly well suited for public and semi-public areas and toilets, for example in hotels or airports. The minimal language of form, free from disturbing elements, generates a positive association with the product on the part of the user, and also communicates on a psychological level that there is no risk of illness or dirt. Put briefly: a perfect shape which conforms to the function and identity of the product.

Sustainable building at the highest level
Geberit supports the building of the new Monte Rosa Hut in the center of the high alpine Swiss mountains. The building, planned 2,795 meters above sea level by the Swiss Federal Institute of Technology Zurich (ETH) together with the Swiss Alpine Club SAC, combines research and top-level technology with design and sustainability. Melt water from the surrounding area is used for the water supply. The plumbing facilities, such as toilets, which use purified waste water, are realized with Geberit know-how and products.
Photomontage: ETH Zurich (CH)

“I was soon given the necessary freedom, yet I was never left alone.”

Christof Blatter, Head Representative Office Geberit Russia, Moscow (RU)

Christof Blatter has been working for Geberit for nine years. Immediately following his studies, he joined the company as Junior Project Manager for the development of Eastern markets, spent two years in Dubai and has now been in Moscow for four years. There, he has successfully built up the national representation organization. For him, it is important to pass on the support, the confidence and the freedom that he has received from headquarters to his team. He also wants to enable his Russian colleagues to benefit from the same good career opportunities that he has enjoyed. He will be returning to Switzerland shortly and is pleased that a Russian employee will be taking over the company management in Moscow.

Thinking, shaping, changing: working for Geberit

- Corporate values and guidelines made tangible
- Education and further training at a high level
- Good relations to the employee representatives

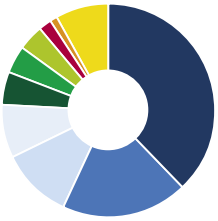
With innovative solutions in plumbing technology, Geberit wishes to improve people's quality of life on a sustainable basis. Every day, all employees worldwide make a valuable contribution to the realization of this vision. High ethical standards, team spirit, enthusiasm for the company, modesty and the willingness to adapt to a rapidly changing environment characterize the corporate culture and thus create the success.

To ensure this success in the long term, Geberit orients itself towards central guidelines and fundamental values. Since December 2006, these have been summarized in the new "Geberit Compass" and serve as a framework for action and road map into the future for all employees. A new management team at the top of the Group and the increasing internationalization have necessitated the further development of proven guidelines. For this reason, the new Geberit Compass has replaced the previous "Geberit Identity".

International cooperation encourages team spirit

The Geberit Compass states: "The right employees are our most important asset." As of the end of 2006, Geberit employed a total of 5,269 people from 63 nations worldwide. In this respect, there is a noticeable increase in the importance of cooperation in international networks and organization-spanning teams. The Geberit Code of Conduct was drawn up in order to take account of this development. It applies for all employees worldwide and – alongside the Geberit Compass – forms the basis for daily work and requires strict adherence to laws and ethical standards. It offers protection against workplace bullying, sexual harassment, and child or forced labor, as well as against discrimination, for example based on nationality, ethnic origin, religion, gender or sexual orientation. Unfair business practices such as corruption or restrictions on fair competition are rejected. Upon introduction of the Code of Conduct, all employees will be provided with extensive information concerning the rights and obligations contained therein. Employees commit to adhere to this Code of Conduct and, at the same time, acquire the right to report violations in confidence and with protection against reprisals.

Employees 2006 by countries



- Germany (38%)
- Switzerland (19%)
- China (11%)
- Austria (8%)
- USA (5%)
- United Kingdom (4%)
- Slovenia (4%)
- Italy (2%)
- Denmark (1%)
- Others (8%)

Education and further training as a companion

Qualified and committed employees are indispensable for the future success of Geberit. For this reason, the company attaches particular importance to well-founded education and further training of all employees and to equality of opportunities. An example of this is the employment of 80 severely handicapped persons within the Geberit Group.

At Geberit, the professional career of a young person can begin with commercial, industrial or technical training. Whether plastics technician or industrial clerk: the aim is to communicate all skills required for expert, independent and autonomous exercise of the chosen profession. As of the end of 2006 Geberit employed 177 apprentices.

The company and its products are explained to new employees in various introduction programs when they take up their positions. These range from individually designed introductory meetings in various departments through to the week-long basic course which communicates practically related Geberit knowledge in small groups.

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. Opportunities for development are identified within the framework of half-yearly or annual appraisal interviews and objective-agreement meetings. Subsequently, objectives and implementation measures are defined together with the supervisor.

In 2006, employees spent an average of 13 hours on further training. As part of a further training agreement, Geberit also supports employees starting supplementary training or post-graduate studies. The aim is the creation of a common basis for long-term cooperation. Managers have the opportunity of taking part in specially tailored management training courses.

Personal development work in Michigan City

The production plant in Michigan City (US) required the support of an experienced Manager at short notice. Hartmut Müller, who had successfully built up the Lichtenstein (DE) plant as Managing Director, spontaneously offered his services. During his three-month assignment in the USA, he succeeded in transferring his know-how to the benefit of all involved. The work in intercultural teams was an enriching experience for both sides.

Talented next-generation managers are encouraged and can pass through a specific Management Development Program as preparation for positions of responsibility in middle and senior management.

Motivated employees thanks to good working conditions

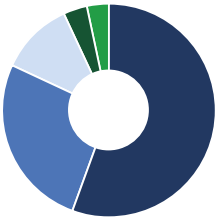
Regular education and further training contribute towards health and safety at the place of work. The very low absenteeism rate of 2.6% throughout the Group demonstrates this in impressive manner. In the period under review, just 0.1% was accounted for by accidents at work; the remaining 2.5% was absenteeism due to illness. Even this percentage is very low at many locations thanks to targeted health precautions (dietary advising, anti-smoking training, sports programs, etc.).

For all employees, safety at the place of work includes being secure in the knowledge that their remuneration is fair and in line with market levels. Local regulations on minimum wages are respected. In 2006, expenditure on wages and social benefits totaled CHF 442.3 million. Share participation programs at attractive conditions enable employees to participate in the economic success of the company.

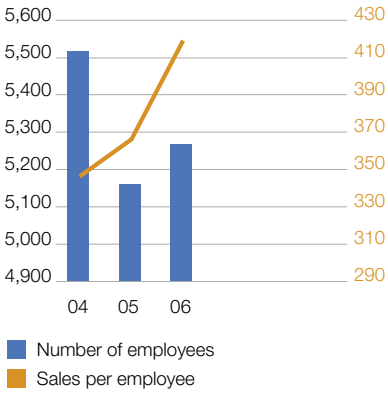
Geberit takes employee interests seriously. Determining their satisfaction and their requirements was the aim of the Group-wide employee survey carried out in 2004 in 23 countries. Over 3,300 employees took part. Satisfaction was 70%. At 79%, support for the corporate objectives – ascertained in targeted replies on identification, commitment and binding to the company – was well above comparative values for globally operating companies. Various improvement measures were derived from the results of the survey in the individual countries and implemented. The good working conditions at Geberit include flexible working hour models. These make a decisive contribution to employee satisfaction, as they support the balance between private and working life.

The share of female employees is around 30%, in upper management, this figure is just under 5%.

Employees 2006 by business process



Sales per employee
(in thousands of CHF)



Slovenian subsidiary celebrates ten years as a member of Geberit

The plant in Ruše (SI) has been part of the Geberit Group since 1997. The company is amongst the 20 largest in the region. The number of employees has doubled over the past ten years. The plant has developed into a fully integrated Geberit Group location. The integration of the employees ran positively and identification with Geberit is high.

"Sustainability means not just being applicable once but on a continuous basis."

"Working with consideration for others."

"Leaving a good and lasting impression."

"Training young people for the future."

Statements by apprentices at Geberit Pottenbrunn (AT) on the keyword sustainability

Information and constant dialog

Geberit's economic environment is becoming increasingly complex and is changing rapidly. This development is also reflected in the fluctuation quota – despite high levels of employee satisfaction, this share was 11.8% at the end of the period under review (including natural turnover, e.g. retirement).

This makes forward-thinking and active formulation of change processes all the more important for the long-term success of the company. Open, honest and clear communication is the basis for this. Geberit makes use of various internal and external means of communication and maintains a constant dialog with the employees and the local employee representatives. In addition, regular information is provided on current themes, trends and activities through electronic newsletters, employee magazines, brochures as well as information events.

There are no formal regulations as to when and how frequently the employees are to be informed. In cases of major structural changes, Geberit makes every effort to involve the employees at an early stage. The take-over and successful integration of the German Mapress Group in 2004 provides an exemplary illustration of this. At the time, around 870 additional employees joined the approximately 4,400 existing Geberit staff: a major challenge for all those involved and one that was mastered successfully.

When parting with the now independent Italian company Deriplast in 2005, Geberit strived to achieve a partnership-like and socially acceptable solution. Successfully: Dismissals were avoided. Both companies, as well as their employees, are now benefiting from the clear focus on the respective market segment.

Adopting an active approach to life after retirement

In Switzerland, Geberit offers all employees as well as their partners professionally accompanied workshops in preparation for retirement. The main emphasis of the two-and-a-half-day workshops is on challenging participants to organize their new life in an active and individual manner. New ideas and possibilities are used to stimulate intellectual vitality in the interests of determining one's own lifestyle away from duties and the employment market. Geberit assumes all costs for this popular workshops.

Heinz Amberger, apprentices supervisor at Geberit Pottenbrunn (AT), has acquired experience from teaching over 40 apprentices.

Numerous distinctions document the commitment of Geberit to training. In 2006, for example, it was awarded the Anton-Benya Prize for outstanding performances in the instruction of apprentices.

You have been involved in teaching apprentices for eleven years. What aspect of your work particularly appeals to you?
Working with young people is great fun and it fills me with pride to see how our next generation continues to develop following the period of training – both professionally and personally.

What is particularly important to you in training?
Our apprentices are not unskilled laborers. Training has the highest status. Our training is very intensive and company-related – with many internal and external training measures and workshops. And we also provide theoretical teaching in our own training facility in addition to the vocational school. Another aspect that is particularly important to me, is that we encourage young people in such a manner that they develop into mature and self-confident personalities.

How can you support the development of their personality?
The best way of getting through to young people is via special activities, such as our 3-day outdoor workshop. This always has a different theme, such as prevention of addiction, the ability to work in a team, fear and overcoming fear. The young people can choose the theme themselves. Following the workshop, the apprentices report to the company management on their experiences in the form of a presentation.

You offer training in professions such as electrician or plastics technician. Can women also become apprentices?
25% of our apprentices in Pottenbrunn are female; in this respect, it should not be forgotten that we only offer training in technical professions. For our selection procedure, the color of a person's skin, their nationality or gender are of no relevance. Important for us is that we are able to recruit capable young people whom we wish to provide with good training and subsequently make best use of in our company. Nevertheless, we support measures such as the Girls' Day, an annual Austrian event in which renowned companies offer young women an insight into technical matters.

Europe Forum as a dialogue platform for employee representatives
The Geberit Europe Forum, held twice a year, offers representatives of the companies present an opportunity for exchanging information. In 2006, for example, concerning a survey on the subject of personnel and social reporting. This was about assessing and improving various performances of the individual companies, including the field of employee assessment, employee representation or health management.

“Smaller, more efficient and quieter products are the objective.”

Abdullah Öngören, Head Basic Sanitary Technology, Geberit Jona (CH)

Together with external partners in universities and business, the team headed by Abdullah Öngören is carrying out basic research in the fields of fluid technology, structural mechanics, acoustics and measuring technology. His department provides the latest technologies and methods in order to shorten development times and optimize the products. Ecological necessity and the trend towards reduced water consumption are taken seriously. For Abdullah Öngören, making products more efficient always means designing them for lower consumption. With new, virtual development methods, his team constantly keeps a couple of steps ahead of the competition as far as this theme is concerned.

Innovation factory for sustainable products

- Structured process and the latest methods as a basis
- Saving water remains a central theme
- New products fully focused on hygiene

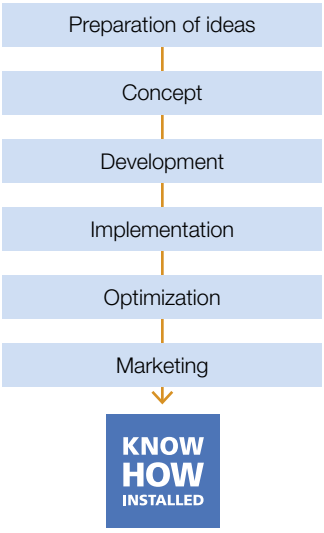
Innovative ideas, committed employees, pronounced core competences and well thought-out work processes make Geberit products what they are: highly developed, reliable, lasting and optimally coordinated sanitary and piping systems. Environmental aspects are taken into consideration as early as the initial phase of the development process. Here, Geberit sets standards for sparing use of the resource water, with simultaneous highest comfort and maximum hygiene.

Market-oriented further development thanks to the innovation process development

Being European market leader in plumbing technology is a distinction, achievement and obligation at the same time. To enable Geberit to offer its customers highly developed quality products year after year, work is continuously being carried out on new developments and on the optimization of existing systems. This is why the company has been practicing applied research and development for decades. Many impulses come direct from the customer. The marketing and sales experts as well as product managers monitor and analyze developments in the markets. They identify the latest trends, evaluate them and prepare project proposals.

Geberit operates its own “innovation factory”. Following on from the preparation of the idea, the project managers compile interdisciplinary teams. As a result, product managers, engineers, application engineers and technical designers, as well as experts from procurement, marketing, sales, and environmental and quality management, work together towards the successful realization of a project. All new developments are prepared and optimized on the basis of the structured “Innovation Process Development” (IPD). This ensures that optimum use is made of the creative potential of the ideas and that the development activities are tailored to the requirements of the market. The IPD consists of six phases: preparation of the idea, concept, development, implementation, optimization and marketing. The know-how of numerous departments and laboratories as well as – if required – of external partners is incorporated.

Innovation Process Development (IPD)



Eco-Design as the key to environmentally friendly products

As a rule, environmental impact does not result by chance. In the development process, early planning can ensure that as environmentally friendly materials as possible are chosen, risks minimized and high efficiency of resources achieved. In concrete terms, so-called Eco-Design workshops are held for all important projects under the lead management of the environment and sustainability department. These workshops include a systematic product analysis during all life phases, the involvement of statutory requirements as well as the analysis of competitor products. Important in this respect is the presence of the entire project team including representatives of all disciplines. The knowledge gained is included in the performance specification for the product. The aim of Eco-Design is to make each new product better than its predecessor in terms of environmental aspects.

The latest development methods as a basis

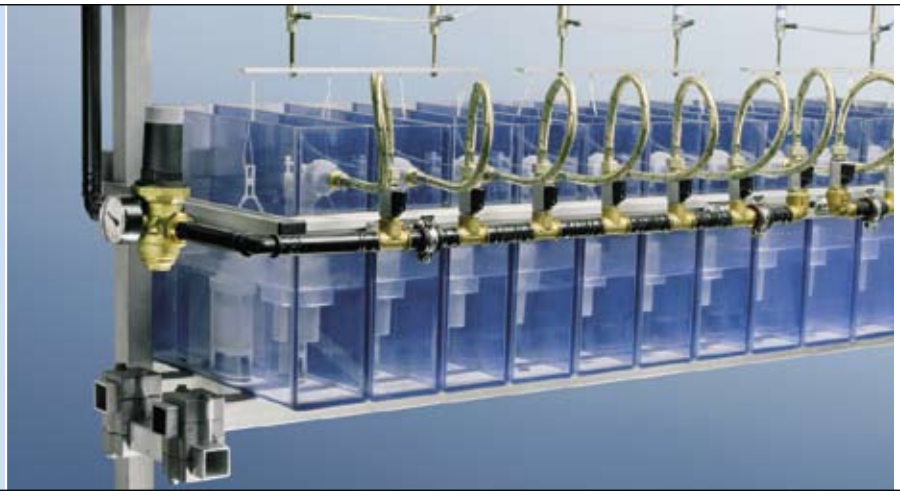
Geberit products can only be leaders if we use the latest research methods as well as the latest development and testing procedures. For example, we use:

- computer-assisted simulation technology in order to better understand the flow behavior and thus to optimize hydraulics
- an efficient and series-authentic prototype construction thanks to manufacturing processes such as 3-D printing
- an optimally equipped plumbing laboratory with computer-assisted long-time tests of plumbing systems, so as to ensure the traditionally high strain-bearing capacity and service life of Geberit products
- a modern materials laboratory in order to test chemical and technical attributes, and to develop tailor-made special recipes if required

Facilities such as the industry's leading building technology and acoustics laboratory ensure that the products are structurally optimized, quiet and fire-resistant, and thus safe. In the laboratory, it is possible, amongst other things, to simulate the transmission of sound in a multi-story residential building. As a result, it is possible to test and improve not only individual components but also entire installation and piping systems in terms of their noise conduct. In this way, we comply with the constantly rising need for peace and quiet in residential premises.

50 years in three months

In the Geberit plumbing laboratory, above all newly developed products are tested right down to the final detail. For this task, Geberit has developed test software, temperature cycle and long-time testing devices as well as devices for characterizing susceptibility to contamination and deposits. Stability under load, longevity and seal integrity are at the forefront of these tests. The cisterns are subjected to a long-time test involving at least 200,000 flushes in three months. This corresponds to a product life of up to 50 years.

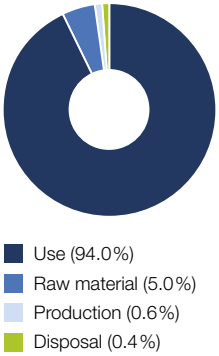


Continuing the history of success in water saving

The environmental principles contained in the Geberit Code of Conduct require caring handling of water, energy and other resources, which goes beyond the statutory requirements. The traditional strength of Geberit products in terms of water saving shows by far the greatest leverage effect here. Thus there has been a massive reduction in the amount of water consumed per flush – previously over 14 liters. The Geberit flush-stop makes it possible to regulate the flushing volume. With the dual-flush technique which has been on the market since 1996, flushing can be with a large (6 liters) or a small quantity (3 liters). 1-liter urinals with electronically triggered flushing and water-less urinals with odor trap are new developments with positive effects on water consumption in every respect.

The high significance of the subject of water saving is also shown in the product life cycle assessment of a Duofix WC element. Dominant at over 90% is the use phase, i.e. the consumption of water through flushing of the WC. The calculation took account of both the processing and the transport of the water as well as of disposal in a sewage plant. Consumption of water is quite simply also consumption of energy. This is why Geberit development engineers attach particular importance to optimum water consumption in flushing systems and faucets. Product life cycle assessments have a long tradition at Geberit. They also provide valuable information in terms of improvement measures for other products and are an important basis for the Eco-Design.

Environmental impact of cisterns by life phase



New products fully adapted to hygiene

In addition to water savings of up to 30%, electronic control units for urinals enable the consistent improvement of hygiene in plumbing areas whilst at the same time increasing comfort. Automatic flush actuation and touch-free washbasin faucets in public WC facilities used by countless people every day, are increasingly in demand and correspondingly popular. Given the wet environment, electronics in plumbing technology require a great deal of technical skill. Here, Geberit distinguishes itself through its particularly extensive experience. Remote-controlled electronics for lavatory tabs, enabling the service technician

1-liter urinals with Geberit technology
Hygiene and security of function at low costs and with low maintenance are in demand for semi-public and public plumbing areas. The 1-liter urinal flushing technology from Geberit guarantees low operating costs thanks to minimum water consumption and at the same time, high hygiene through flushing with water following each use. The 1-liter compact urinal offered by ceramics partners is suitable for installations with high user frequencies, and fulfils all requirements in terms of protection against vandalism and cleanliness.

to communicate with the faucet using normal commercially available pocket computers, provide an insight into the future. Physically handicapped persons will no doubt be particularly pleased by the remote triggering of toilet flushes from the support handle.

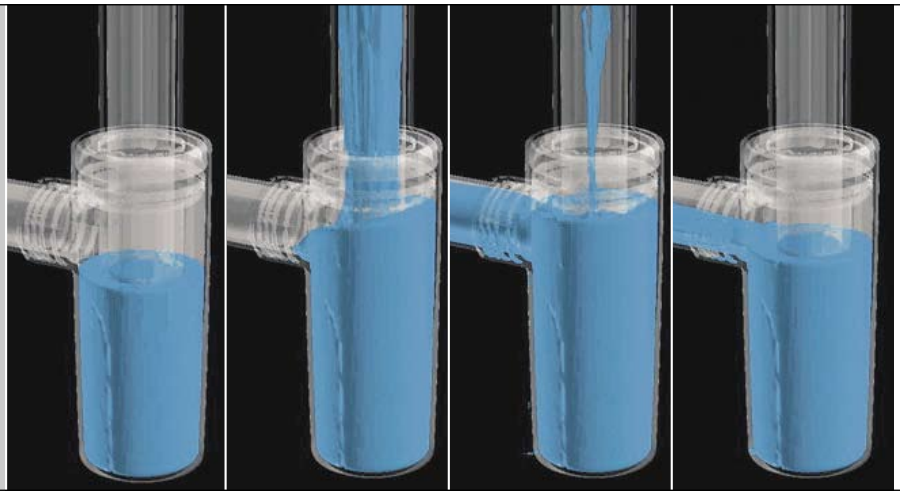
In the field of drinking water hygiene, people are becoming increasingly sensitive and standards stricter. In its newly established “Drinking Water Hygiene” department, Geberit exchanges experience and information with various divisions and countries. The department is in close contact with the markets, customers, universities and authorities. It organizes training measures, prepares publications, initiates research and development projects and advises in development matters.

Safeguarding innovation in the long term

Geberit products are not launched onto the market until they have been tested for all possible functional and material attributes, fulfill normal, national standards for the country concerned and have received all approvals required. The internationally operating Standards/Patents/Approvals department applies for the protected privileges of new products and technical innovations, monitors competition and, if necessary, asserts Geberit’s interests in legal proceedings. It accompanies product development in all phases of the project, and can allow country-specific requirements to be incorporated into the product development at an early stage through its active involvement in national, European and international standards bodies. Each year, Geberit applies for patents for an average of around 20 products, and monitors worldwide patent activities in the field of plumbing technology with great interest. This ensures that development tendencies and trends are always identified at an early stage, analyzed and taken up, and the innovation factory kept fully informed.

Wonders of fluid technology

One of the most important prerequisites for the perfect functioning of new products is optimization in terms of fluid technology. The flow circuits as well as the pressure and speed distribution of the water are analyzed using computer-assisted simulation techniques. The hydraulics can be optimized accordingly. This makes Geberit products even quieter and more economizing with regard to water consumption, with simultaneously longer maintenance intervals for the customer.



Daniel Irányi from Tribecraft worked with Geberit on the TNG – Toilet New Generation – project.

Tribecraft AG in Zurich (CH) is a spin-off company from the Swiss Federal Insitute of Technology (ETH) and specializes in the planning, design and engineering of products.

The toilet of the future – what could it look like?
The prototype developed reveals possible trends in water saving and flexibility: Features were new flushing technology enabling water consumption of less than 1 liter per flush. The toilet could be connected to any existing drainage pipe. On the one hand, this permits flexible installation, i.e. you can place the toilet wherever you like; on the other hand, it also opens up additional opportunities in terms of architecture.

Does a project of this nature require new points of reference for development?
During the interdisciplinary cooperation between Tribecraft, the Swiss Federal Institute of Technology (ETH) and Geberit, we rid ourselves completely of normal practical constraints. We defined the areas humanity, technology and environment, all of which we examined profoundly. A study of the intercultural use of toilets at the Institute for Ethnology in Berne revealed interesting aspects of worldwide customs and taboos.

How does Geberit benefit from such a long-term planned project?
Today, areas of the future are being opened up on a theme and knowledge-based basis. A project like this is an important building block for a future-oriented product strategy. Innovative solutions are not possible without challenges. Geberit has this healthy attitude of thinking in an upright and long-term manner.

How can your results be used now?
The prototype installed at Geberit has revealed that the technical concept functions smoothly even over an extended period. There were informative indications concerning psychological and ergonomic aspects of the use of toilets. Nevertheless, the central factor is that elements of the TNG are also suitable for many other system approaches, for example urinal applications.

New products promote drinking water hygiene
Long periods in piping systems without movement can result in standing drinking water becoming a hygiene problem. During the filling of drinking water supply pipes, bacteria can be swept in which can multiply significantly in the period up until initial use. Geberit offers new products to solve these problems: an automatic hygiene flush system that flushes during idle periods thus replacing the water in the pipes, and a Geberit hygiene filter for bacteria-free filling and pressure testing of new installations.

“Investments in the saving of water, electricity and gas are amortized quickly.”

Michel Pittet, Managing Director Geberit Production Plant, Givisiez (CH)

Precision, speed and highly innovative production characterize the complex manufacture of Mepla multilayer pipes in Givisiez. Thanks to the optimization of the hot water circuit, there has been a significant reduction in energy and water consumption in recent years. The investment required for this was high; however, it was amortized after just two years. Michel Pittet also invests willingly in employee training on safety and environmental protection. This has not only made Geberit Givisiez a good example for the Swiss National Accident Insurance Fund (Suva) but has also made it possible to increase the profitability of the production.

Responsible management of production and procurement

- Eco-efficiency improved by an average of 9% in the last three years
- Water consumption reduced by totally 35% in the last three years
- Risk management for suppliers takes account of sustainability aspects

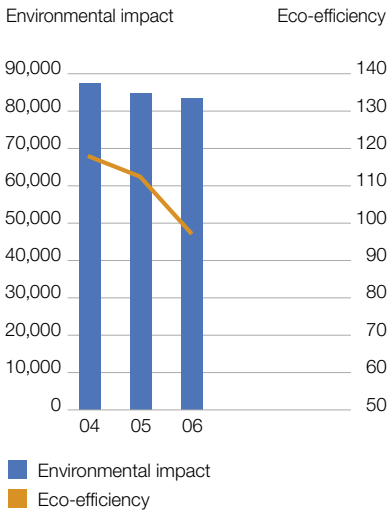
In its Code of Conduct, Geberit sets out that environmental aspects flow into all decision-making processes and activities, and that the environmental performance is constantly improved. Corresponding measures in production and procurement show that the statutory requirements are frequently exceeded in this respect.

Practiced environmental management shows success

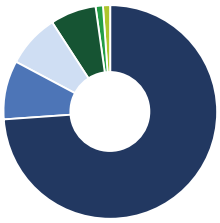
At Geberit, there has been a tradition of environmental management since the early nineties. The central environment and sustainability department plays an important role in this respect and contributes towards making decision makers sensitive to these aspects. The pronounced environmental awareness results in constant improvements in eco-efficiency as well as minimizing costs and risks. The basis for this is a comprehensive environmental management system. Since the beginning of 2007, Geberit has been in possession of a combined Group quality and environment certificate as per ISO 9001 and ISO 14001. As of the end of 2006, eleven European production locations were certified for the first time as per ISO 14001; the plants in the USA and China are to follow by the end of 2008.

Measurement and control of the environmental impact takes the form of the annual corporate eco-balance. An important illustration of performance in this respect is the calculation of the environmental impact which covers all 17 production locations worldwide and thus 85% of the gross value added. The environmental impact is calculated in eco-points in accordance with the Swiss Ecological Scarcity Method (2006 version). In the period 2004 to 2006, the absolute environmental impact fell slightly adjusted by acquisitions. The same period saw a considerable increase in economic performance and value added. As a result, the environmental impact per value added unit (eco-efficiency) has increased by 9% p.a. over the last three years. This is above the 5% target striven for.

Development environmental impact and eco-efficiency 2004–2006



Distribution of environmental impact 2006



- Electricity (74%)
- Disposal (9%)
- Combustibles (8%)
- Fuels (7%)
- Processes (1%)
- Water (1%)

Energy consumption

	2006	2005	2004
Electricity (GWh)	113	112	115
Heating oil extra light (t)	212	398	452
Natural gas (m^3)	4,786,443	4,910,388	4,810,222
Gasoline (l)	325,578	404,071	571,961
Diesel (l)	835,122	872,178	822,323

Increased energy efficiency as the key to environmental performance

At just under 90% of the environmental impact, energy consumption is of central importance for production. The main energy consumed is electricity for the manufacture of sanitary and piping systems from plastic materials. In injection molding, blowing and extrusion processes, plastic granules is melted down, brought to the desired shape and subsequently cooled. Absolute consumption of electricity fell slightly in the period 2004 to 2006 adjusted by acquisitions. Electricity consumption per value added unit was even reduced by totally 23% in the same period. This shows the success of systematic energy management which relieves the environment and saves costs at the same time.

Important measures include increasing the efficiency of production facilities, the optimization of cooling plants through the use of natural ambient cold (free cooling), improved use of waste heat (heat recovery) as well as the careful use of compressed air. So far, renewable energies have been used mainly within the framework of the electricity mix bought in. The aim is to achieve a conscious expansion of their share in future. In terms of the relatively low consumption of combustibles, the aim is above all to improve the insulation of the buildings and to replace heating oil by more environmentally friendly natural gas. Fuel is used by the company's own fleet of vehicles. Since the middle of 2005, diesel vehicles have been purchased exclusively with particulate filters.

At Geberit, emissions of greenhouse gases result mainly from the consumption of energy and are measured in CO_2 equivalents. The emissions of greenhouse gases per value added unit fell by 8% p.a. in the period 2004 to 2006. By 2009, the aim is to achieve a cumulative 15% reduction compared with 2006. The measures for the implementation of this objective are based on the three pillars "energy saving", "increase energy efficiency" and the "targeted expansion of the share of renewable energy carriers". In Switzerland, Geberit is working with the Business Energy Agency and has also obtained corresponding CO_2 certificates.

Combined Group Certificate for Quality and Environment as of 2007

Ever since the eighties, Geberit has been concerning itself with ecological matters, and the major plants were environmentally certified roughly ten years ago. In 2002, the Group withdrew from re-certification as the cost-benefit ratio was no longer appropriate and the certification companies were very inflexible. Today, the certification companies have changed significantly. They are increasingly placing the main emphasis of their work on the benefits for their customers and now offer the possibility of obtaining Group certificates. The Group certificate enables a more efficient and thus more cost-favorable procedure. This is why the decision was taken to introduce the combined Group certificate Quality (ISO 9001:2000) and Environment (ISO 14001:2004) worldwide at Geberit as of the beginning of 2007. Companies benefit from the reduced external auditing burden resulting from the new 3-year cycle. This affects all production plants and the central management company.

Efficient management of substances and materials

Generally speaking, the environmental risks emanating from the products produced by Geberit and the corresponding production processes are on the low side. As important environmental aspects are taken into consideration as early as the development phase, it is possible to keep the share of environmentally harmful materials low. Additionally, comprehensive management of hazardous substances ensures that production staff are not exposed to any unnecessary risks.

Around 75% of the total of 12,000 metric tons of waste in 2006 flowed directly or indirectly into recycling processes. Despite this, waste is the second largest source of environmental impact at Geberit. Future measures will focus above all on the further reduction of mixed waste and hazardous waste. The consumption of fresh water and the related waste water are of low importance. Nevertheless, Geberit has an important role-model function here. Thanks to the introduction of closed water circuits and the replacement of direct water cooling, there has been a reduction of around 35% in the total consumption of fresh water in the period 2004 to 2006.

Reliable and environmentally friendly logistics

With its new logistics strategy, Geberit is aiming at Group-wide optimization of transport routes. Almost 50% of customer deliveries are made from the highly automated logistics center in Pfullendorf (DE). Additional logistics services are provided from the plants Langenfeld (DE), Jona (CH), Pottenbrunn (AT), Villadose (IT), Aylesford (GB) and Ruše (SI). In China and North America, the local structures and the global link will be reviewed and optimized in 2007 as part of the strategic orientation. Various measures will be taken to reduce environmental impact from logistics: environmentally friendly vehicles as a requirement on freight forwarders, bundling of freight, preparation of optimum tour plans as well as the avoidance of incorrect deliveries.

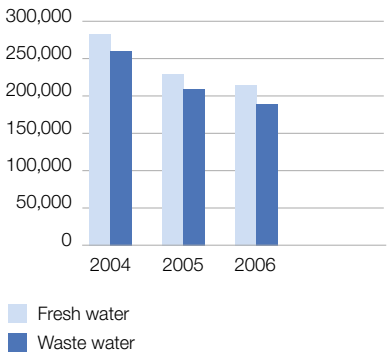
Consumption of materials

(in metric tons)	2006	2005	2004
Raw material plastics	59,880	68,459	62,779
Raw material metal	57,491	44,383	55,639
Other raw materials	1,016	1,241	n.a.
Semi-finished products	29,049	24,610	21,888
Finished products	56,326	45,807	30,401
Total consumption of materials	**203,762**	**184,500**	**170,707**

Waste

(in metric tons)	2006	2005	2004
Incineration	779	675	751
Incineration of hazardous waste	218	173	127
Recycling of hazardous waste	1,447	1,312	896
Inert waste landfill	523	314	491
Mixed waste landfill	1,315	1,494	1,710
Recycling	7,716	7,635	7,118
Total waste	**11,998**	**11,604**	**11,092**

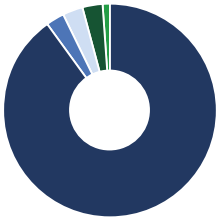
Water consumption 2004–2006
(in m^3)



Water and energy savings thanks to process optimization

Mepla multilayer pipes are manufactured at the Givisiez (CH) plant. The final process stage comprises the interlinking of the pipes in an autoclave. This is carried out under pressure with heating to around 110 degrees Celsius. Previously, the water had to be let off after each passage. The installation of a special filter now makes it possible to recycle the water fully. Water consumption per meter of pipe is reduced by 60% and energy consumption by 25%. As a result, it has been possible to reduce annual water consumption by 30,000 m^3.

Purchasing value 2006 by region



- Western Europe (90%)
- Eastern Europe (3%)
- America (3%)
- Asia (3%)
- Others (1%)

Western Europe as the dominant procurement market

The procurement of raw materials, semi-finished and finished products with a worldwide purchasing value of CHF 676 million in 2006 is of great importance for Geberit. Western Europe is by far the most important procurement market with a share of around 90%. Nevertheless, the significance of other markets is increasing. The worldwide procurement policy has been determined within the framework of a total cost approach and taking account of risks identified. Current trends give rise to expectations of an increase in procurement from Asia.

High requirements on suppliers

Procurement is based on proven economic guidelines. For example, the risk of reciprocal dependency between supplier and Geberit should be kept as low as possible. If Geberit contributes more than 30% to the supplier's value added, farther-reaching contractual measures must be agreed in order to protect both sides. Geberit also has high requirements in terms of environmental and social conduct. The quality requirements have a positive effect on sustainability. They require thorough control of processes by the suppliers, as well as well-trained and qualified employees. The risk of poor working conditions or child labor is therefore relatively low. Nevertheless, nothing is left to chance. Since 2005, Geberit has introduced systematic risk management for suppliers that also assesses sustainability risks (including respect for human rights). This is imposed on all new suppliers and, periodically, on the 25 most important suppliers per product group. Cooperation or supply contracts include the binding integration of social and environmental aspects. In addition, the introduction of a Code of Conduct especially for suppliers is planned for 2007. Buyers will be given corresponding training and thus made increasingly sensitive to environmental, social and quality aspects. The internal corporate audit department checks the process in order to keep risks at a low level, particularly in new markets.

Environmentally friendly logistics with the railways

In Austria, Geberit Huter is sending a large part of product deliveries by rail. Over 3,600 deliveries or 1,300 metric tons are sent each year via the environmentally friendly Rail Cargo Austria. This form of transport does not result in longer delivery times. The efficient logistics system starts with the transport order in the morning. Delivery and fine distribution to the respective logistics center are carried out by truck, the main transport stretch is traveled at night by rail.

Thomas Hübner reports on the long-standing supplier relation with Geberit.

Hübner GmbH is a medium-sized company in Marktoberdorf (DE) with extensive experience in plastics galvanizing.

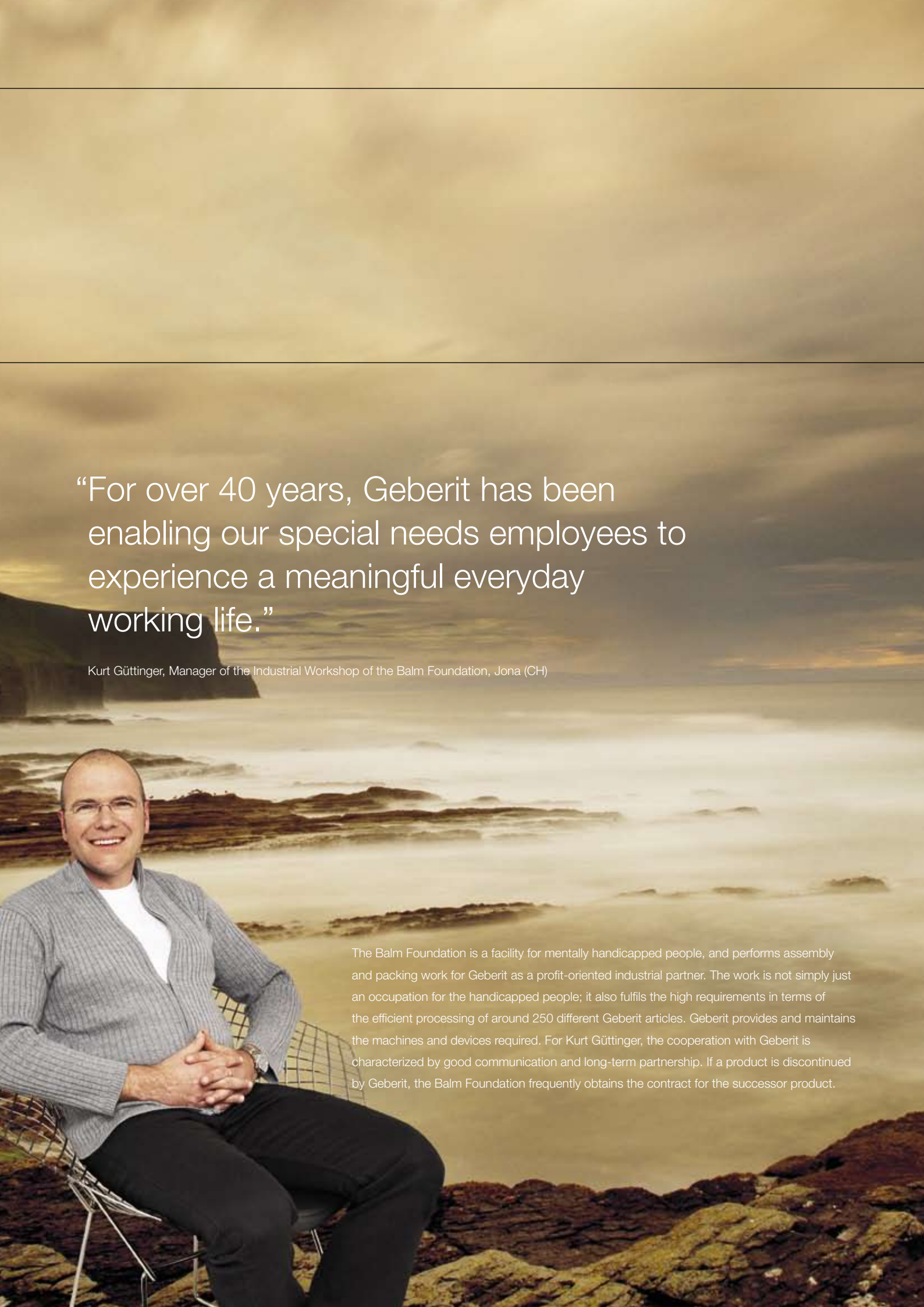
What form does the cooperation with Geberit take?
Geberit has been a customer of ours since 1972. We cooperate in the field of galvanized plastic parts such as actuator plates, outlets and traps. In concrete terms, this involves the joint development, the production of the injection molding tool, the actual production through galvanizing of the raw part through to laser inscription, assembly and packing for a specific plastic part.

What is your recipe for success as regards long-term business relations?
The motivation for all of us is very easily explained: Working together towards a goal and pulling together is fun. Thus it is that, as regards the cooperation with Geberit, we do not consider ourselves as having a classical supplier-customer relation; rather, we regard ourselves as being "at eye level" with the customer in a partnership-like sense. For example, we also carry out a joint annual review of the final controls so that no artificial waste is generated.

Environmentally friendly galvanic processes – is that at all possible?
Yes, but it is a process. Our new plastic galvanizing process that we have been using since 2003, was a major step forward. This uses a noticeably more environmentally friendly process. Thanks to the shorter process, harmful chemicals that are more difficult to treat in waste water are avoided. The use of this process was also recommended and welcomed by Geberit. Currently, for example, we are making joint attempts to switch from problematic, hexavalent chrome to more environmentally friendly chrome. This also benefits industrial safety.

Are environmental audits by your customers actually a help?
Yes, for us they provide an important insight by an outside party which makes it easier to recognize opportunities for improvement. We obtained good impulses above all in terms of risk management. These enabled us to derive direct measures.

Environmental and social objectives in China
The high environmental and social standards of Geberit also apply for contract partners worldwide. This includes, for example, a manufacturer of faucets producing in China. As a contract partner, this company has made the commitment to protect its employees from discrimination and abuse of the law, as well as to reject child labor. The delivery relation must not be at the expense of sustainable social and ecological development.



“For over 40 years, Geberit has been enabling our special needs employees to experience a meaningful everyday working life.”

Kurt Güttinger, Manager of the Industrial Workshop of the Balm Foundation, Jona (CH)

The Balm Foundation is a facility for mentally handicapped people, and performs assembly and packing work for Geberit as a profit-oriented industrial partner. The work is not simply just an occupation for the handicapped people; it also fulfils the high requirements in terms of the efficient processing of around 250 different Geberit articles. Geberit provides and maintains the machines and devices required. For Kurt Güttinger, the cooperation with Geberit is characterized by good communication and long-term partnership. If a product is discontinued by Geberit, the Balm Foundation frequently obtains the contract for the successor product.

Social commitment

- Clear criteria for social commitment
- Donations and contributions of CHF 8.8 million in 2004–2006
- Anti-corruption measures strengthened

Geberit wishes to promote quality of life through innovative products. Innovation and quality of life are therefore also of central importance for the company's social commitment. For Geberit, high ethical standards are a matter of course.

Focus on innovation and access to basic plumbing facilities
Geberit made donations and contributions totaling CHF 8.8 million in 2004 to 2006. In addition, facilities for handicapped persons and the long-term unemployed were awarded orders (simple assembly and packing work) of around CHF 8 million. Donations of CHF 1.9 million were made in 2006, amongst other things for maintaining Switzerland's innovative strength through contributions to the ETH Zurich Foundation. In Rapperswil-Jona (CH), the company's headquarters, a substantial contribution was paid towards expansion of the indoor ice arena. The aim of this involvement is to promote up-and-coming sporting talent.

At Geberit, there is a tradition of financial, material and direct support of local initiatives as well as of associations and projects at the locations. When it comes to major international aid projects, Geberit attaches importance above all to ensuring that the combination of financial support, donations of material and the transfer of know-how guarantees a sustained effect with the maximum benefit for those concerned. Examples of this are:

- reconstruction of a school for 400 orphaned children in Banda Aceh, Indonesia, destroyed by the Tsunami
- free material for the production of simple but effective water filters for the population in Vietnam
- building of accommodation for around 400 female clothing-factory employees in Cambodia: planning of the entire plumbing facilities, financing, supply of material and training

For many years, Geberit has also been working with the German environmental organization BUND (Federal Section Baden-Württemberg) for responsible handling of water (www.ja-zum-wasser.de). Through all of these commitments,

Geberit wishes to make a positive contribution to society, and also receives exciting impulses for innovations and new business ideas. These commitments also have a positive effect on employee loyalty. Clear criteria have been drawn up for further focusing of the social commitment. Central criteria in this respect are proximity to plumbing technology and to the Geberit culture, international orientation as well as support for the United Nations millennium development goals concerning global access to clean drinking water and fundamental plumbing facilities. We are currently searching for a main partner for a long-term cooperation arrangement. All donations and related commitments are neutral from a party political point of view. Geberit makes no significant donations to parties or politicians, usually makes no political statements and does not involve itself in political lobbying.

A fair partner with high ethical standards

For Geberit, fair competition throughout the world is a matter of course. Price agreements, other forms of cartels or other competition-distorting activities are rejected. The company has never been the subject of significant investigations concerning anti-competitive behavior and, as an active member of the international organization Transparency, is committed to high standards in combating corruption. Auditing of the production plants and sales companies by the internal audit department takes account of corruption aspects. In the event of Transparency indicating an increased risk of corruption for a country, the company concerned is subjected to a particularly intensive audit. In 2006, a case of corruption was discovered in South Korea and led to the instant dismissal of the employee concerned. The new Geberit Code of Conduct contains clear rulings on the prevention of corruption and on respect for human rights. All employees are informed of the Code and obliged to adhere to it.

Waste water tower for the Beijing University of Technology

Saving water is an important topic in China. Nevertheless, using less water creates increased demands on hydraulics in drainage systems. The waste water tower, built with the financial support of Geberit, fulfils the role of training future engineers in the field of modern waste water technology. At the same time, the University of Beijing also uses the 8-meter-high and 5-meter-wide demonstration object for scientific exchange.

Heidi Bucher, Head of Marketing Communication at Geberit, spent a week working in the Steinhof nursing home in Lucerne (CH).

Today, social competence on the part of managers is in greater demand than ever. The "SeitenWechsel" (Change of sides) teaching program of the Swiss Non-Profit-Making Society, supported by Geberit, offers the possibility of further developing one's own knowledge and capabilities in this field and of gaining valuable experience in a social institution.

What form did your work in the nursing home take?
I gained an insight into very differing areas of work. For example, with the daily health report of the home residents or by helping with the preparation of medicine. A pleasant aspect of my work was talking to the home residents, modeling or accompanying them on a visit to an exhibition.

What aspect of your work in the nursing home created a particular impression on you?
The daily work is about people and their physical and mental constitution. If the home is a nurse short, there is an immediate need for a replacement, as the care cannot be postponed for days. This made it clear to me how unexpectedly sicknesses can occur. On the other hand, there were impressive and motivating meetings with home residents aged over 80. That makes you think more about age.

What is your conclusion?
This week was an enrichment from a personal point of view. I gained additional understanding of and respect for fellow human beings whose frailty does not mean having to sacrifice intellectual presence, or who can still be interesting persons even following repeated addiction to alcohol. How specific care techniques – for example activation therapies or body hygiene – can stimulate the life of those in care and facilitate matters for the carers, was something that impressed me.

And compared with your other work?
For once it was not about comparing sales figures. It was about taking pleasure in the emotional and physical well-being of people. It was nice also to have time for observations. I am certain that the experience gained will flow into my future working life in a variety of ways. This could take the form of questioning prejudices, pursuing unusual solutions or listening more profoundly.

Reconstruction of a school for 400 orphaned children following the Tsunami
In cooperation with the Swiss Red Cross, Geberit participated in the reconstruction of a school for 400 orphaned children in Banda Aceh, Indonesia. Geberit assumed the full costs for all plumbing facilities as well as project planning and training of the craftsmen on site. In January 2007, a Geberit team from Singapore travelled especially for corresponding training. As a result, the population affected can benefit fully from the core competences of Geberit and significantly improve its quality of life.

Corporate Governance

Geberit practices clear decision-making processes and a policy of transparent information, including in particular as regards Corporate Governance. This ensures that the company is managed with a long-term orientation and that the interests of shareholders are safeguarded.

An extensive illustration of the Corporate Governance in accordance with the corresponding guidelines of the Swiss Stock Exchange (SWX) is included in the annual report. At this point, we shall therefore restrict ourselves to selected aspects concerning responsible, sustainable corporate management.

Clear rules on management and control mechanisms
The Board of Directors determines the strategic objectives and the general funds for achieving these, and decides on major business transactions. The Board of Directors is made up of six members, none of which is involved in operative management. As of 31.12.2006, Günter F. Kelm was Chairman and Kurt E. Feller Vice Chairman. The Board of Directors has formed two committees. The Personnel Committee prepares proposals concerning human resources decisions, remuneration models as well as concerning the annual remuneration of the Board of Directors and Group Management, and submits these to the full Board of Directors. The committee is made up of three members of the Board of Directors, with the Vice Chairman as Chairman. The Audit Committee is the uppermost supervision body for internal and external audits, and monitors financial reporting. All members of the Board of Directors belong to this committee. The Vice Chairman is the Chairman of the Committee.

The remuneration of the Board of Directors is paid in the form of shares and set out in transparent form in the annual report. In order to encourage a long-term orientation of decisions of the Board of Directors, these shares are blocked for two years. The Board of Directors receives a discount on the share price dependent on the success of the company; this discount corresponds to that of the employees within the framework of the employee programs. The period of office of a member of the Board of Directors is three years, the statutory age limit is 70. Reelection is on an individual basis and is staggered. There are no cross interests – i.e. reciprocal seats on boards of directors.

Participatory rights of the shareholders
Persons entered in the share register of Geberit AG as a shareholder with a voting right are entitled to vote. Treasury shares do not entitle the holder to vote.

On application and against evidence of acquisition, persons acquiring shares are entered in the share register as a shareholder with a voting right, provided they issue an explicit declaration that the shares are held in their own name and for their own account. The entry of shares held by nominees is restricted as set out in detail in the annual report.

The General Meeting is convened by the Board of Directors at the latest 20 days before the date of the meeting. The articles of incorporation do not include any rules on participation that differ from the law. The General Meeting can only pass resolutions concerning matters indicated at the time of convening. Excepted from this are applications for the convening of an Extraordinary General Meeting or for the performance of a special audit. Shareholders representing shares with a nominal value of CHF 4,000 can demand inclusion of items on the agenda. This must be done in writing at least 45 days in advance.

Group Management responsible for the implementation of the strategic objectives

Within the scope of the legal limits, the Board of Directors has transferred operative management of the company to the Chief Executive Officer (CEO) – since the beginning of 2005 Albert M. Baehny. The Group Management below the CEO is made up of a further three members who are responsible for the divisions Sales, Products and Finance. The main departments responsible for sustainable management of the company – Human Resources and Environment/Sustainability – report directly to the CEO.

The Group Management provides the Board of Directors with comprehensive information concerning fundamental business transactions, the ongoing course of business and the financial situation of the company. Reporting is carried out on the occasion of each meeting of the Board of Directors as well as in written, monthly reports. In addition, a comprehensive system for controlling business risks has been introduced by order of the Board of Directors.

The remuneration of the Group Management is made up of a fixed salary, a bonus dependent on the results of the company, as well as an individual performance component. The remuneration is set out in a transparent manner in the annual report.

Global Reporting Initiative – index of contents

The preparation of this report is based on the guidelines of the Global Reporting Initiative (GRI). GRI has set itself the objective of making global corporate reporting more transparent and more comparable (www.globalreporting.org). The guidelines cover reporting on overriding matters such as sustainability objectives and strategy. Furthermore, management approaches (DMA) and numerous performance indicators in the fields of economics (EC), environment (EN), product responsibility (PR), labor practices (LA), human rights (HR) and society (SO) should be disclosed. The following table includes a list for specially interested parties concerning the sections of the report in which GRI indicators are described for Geberit. Information on further GRI indicators for Geberit can be found in the sustainability section of the website (www.geberit.com). The present report and the detailed GRI Content Index in the Internet cover the GRI guidelines in full, thus fulfilling the A-level of the latest GRI G3 guidelines. This was checked and approved by GRI. In this way, Geberit wishes to underline its role as a leader in sustainability.

Section of the report	Pages	GRI points described
Foreword by the CEO	2–3	1.1
The Geberit Group	4–5	2.1, 2.3, 2.4, 2.5, 2.6, 2.7, 2.8
Our products and our product know-how	6–7	2.2
A practiced commitment to sustainability	8–11	1.2, 4.8, 4.12, 4.13, 4.14, 4.15, 4.16, 4.17, EC-2, EC-9, DMA-EN, EN-6, EN-26, DMA-LA, DMA-HR
A market leader with a focus	12–15	2.9, 2.10, DMA-EC, EC-1
Satisfied customers thanks to new standards in plumbing technology	16–21	EC-8, DMA-PR, PR-1, PR-2, PR-4, PR-5, PR-6, PR-8, PR-9
Thinking, shaping, changing: working for Geberit	22–27	2.9, 2.10, 4.8, EC-5, DMA-LA, LA-1, LA-2, LA-5, LA-7, LA-8, LA-10, LA-11, LA-12, LA-13, DMA-HR, HR-6, HR-7
Innovation factory for sustainable products	28–33	DMA-EN, EN-6, EN-26, DMA-PR
Responsible management of production and procurement	34–39	DMA-EN, EN-1, EN-3, EN-5, EN-8, EN-16, EN-18, EN-21, EN-22, EN-29, DMA-HR, HR-2
Social commitment	40–43	EC-8, EC-9, HR-3, DMA-SO, SO-2, SO-3, SO-4, SO-5, SO-6, SO-7
Corporate Governance	44–45	2.3, 4.1, 4.2, 4.3, 4.4, 4.5, 4.6,
Global Reporting Initiative – index of contents	46	3.12
About this report	47	3.1, 3.2, 3.3, 3.5, 3.6, 3.7, 3.8, 3.9, 3.10, 3.11
Back cover	50	3.4

About this report

This is Geberit's second Sustainability Report. It expands on and updates the first report on sustainability from the Summer of 2004. Through this report, Geberit is fulfilling its stated intention of publishing a detailed report on sustainable corporate management every three years. As such, the report covers the financial years 2004 to 2006. As a rule, the information is based on this three-year period or on the situation as of the end of the period under review, i.e. 31.12.2006, as regards values for a specific point in time (inventory values) or on the financial year 2006 as far as annually determined values are concerned (cumulative values). In cases where individual information is based on other periods, this is stated explicitly.

Generally speaking, the report concerns the entire Geberit Group. If only part of the company is meant as an example or as a result of the availability of data, this is clearly indicated. All relevant economic, environmental or social effects of the company based on the GRI guidelines have been discussed in so far as corresponding information was available. The present report differs from the 2004 report in terms of the indicators and measuring methods stated, above all due to the use of the new GRI G3 reporting standard as a basis. The guidelines of this new GRI standard were applied wherever the data situation permitted this.

Geberit also provides information on aspects of sustainability in its annual reports. Additionally, regularly updated information on the subject is available in the Internet.

All statements included in this report which do not concern historic facts, are future statements which give no guarantee whatsoever in terms of future performances; they include risks and uncertainties, including, but not restricted to, future global economic conditions, currency exchange rates, statutory regulations, market conditions, activities of competitors as well as other factors outside of the control of the company.

The Sustainability Report 2007 is published in German and English, and is also available as an online version in the Internet. The printed German version is binding.

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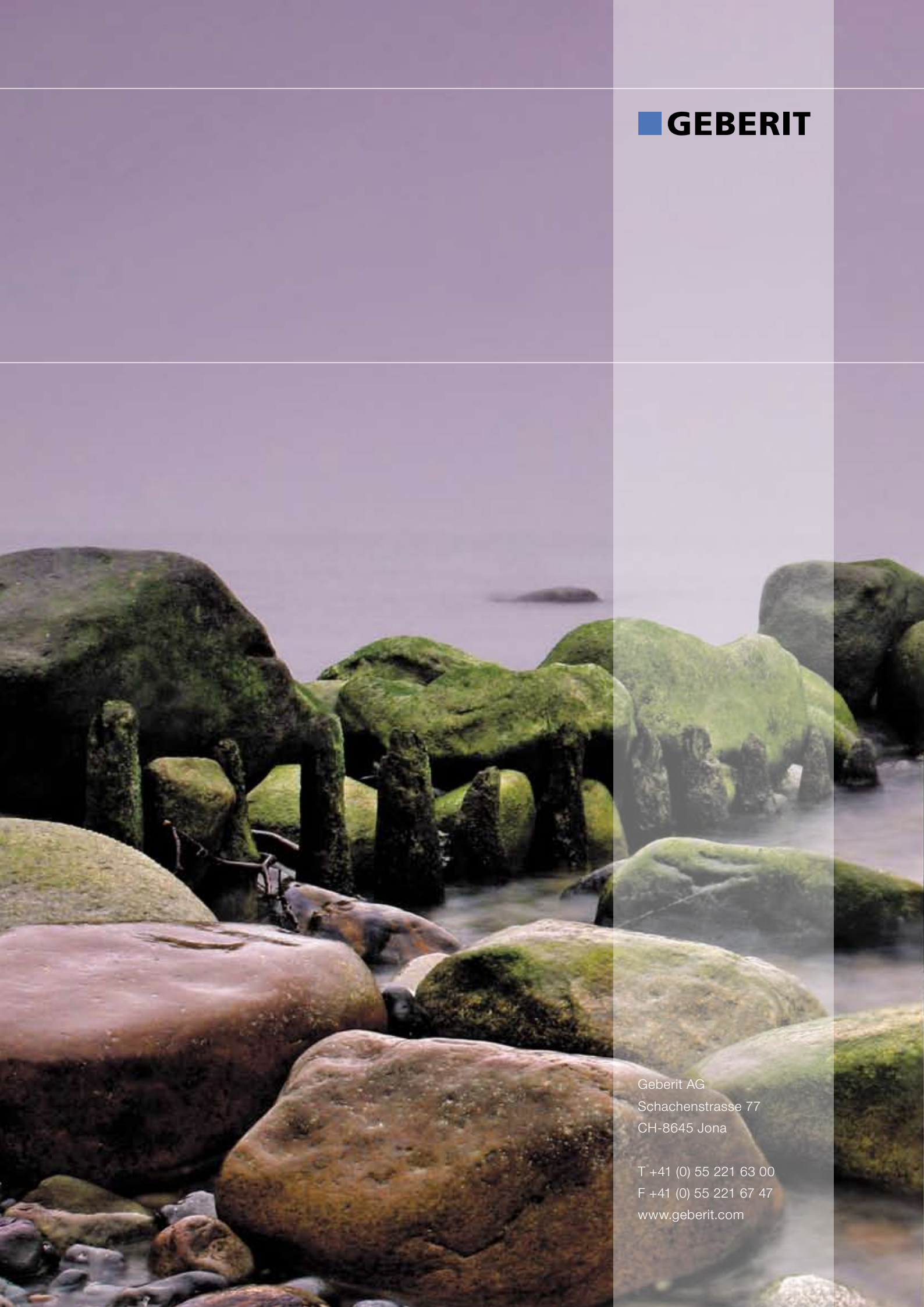

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