8.1 EMPLOYEES

Geberit aims to position itself as an attractive employer, and strives to offer jobs of the highest quality. The corporate culture at Geberit is characterised by a simple, functional organisation as well as a high degree of personal responsibility. In this way, Geberit motivates every employee in exploiting their potential to the full and contributing to the success of the company.

Geberit’s most important ambassadors are its employees. They represent Geberit in their day-to-day contact with customers and many other stakeholders. To do so, they need to be aware of what their company stands for and what its objectives are. Geberit’s central corporate and brand values are defined in the Geberit Compass. Geberit aims to act as a role model for ethically unimpeachable, environmentally friendly and socially responsible operations. The Geberit Code of Conduct fills this objective with tangible content and offers an authoritative source of guidance.

Committed, well-trained employees with comprehensive know-how are decisive to the company’s future success. Geberit positions itself on the job market as an employer with an open corporate culture and international development opportunities at the interface between craft, engineering and sales. Potential employees are increasingly being addressed via digital channels. Whilst classic job advertisements are still used, employee portraits and success stories are also utilised. Here, employees detail their everyday tasks and explain why they consider Geberit to be a good employer. This is increasingly taking place via short films. In 2020, the corresponding activities were also expanded to include IT specialists in addition to engineers and sales staff.

Campus recruitment activities were also continued in 2020 with appearances at trade fairs and an increased digital presence. There was a special focus here on universities of applied sciences who offer education and further training in the field of ceramics manufacturing.

Furthermore, a mobile app for the Geberit Intranet (GIN) was launched in the reporting year. This means that information is now available via smartphone or tablet to all employees all over the world at any time – whether those working on PCs, others in production and logistics, or sales representatives.

The responsibility for all material aspects of the GRI Standards with respect to labour practices at the Geberit Group lies with the Head Corporate Human Resources, who reports directly to the CEO.

Employment (GRI 401)

Management approach employment

Geberit’s prime objective is to acquire and retain the right employees for the company. Geberit sees itself as an attractive employer with an open corporate culture that offers international development opportunities at the interface between the craft, engineering and sales sectors, see www.geberit.com > Career > What we offer.

Working conditions, such as the maximum number of working hours, are governed in accordance with legal requirements on a country-specific basis and are complied with by Geberit. Employees enjoy attractive employment conditions. In 2020, salaries and social benefits amounted to CHF 750 million (previous year CHF 752 million). The employees can also participate in share participation plans at attractive conditions, see Financials > Consolidated financial statements Geberit Group > Notes > Note 17 and Remuneration report.

Employee fluctuation (GRI 401-1)
The average fluctuation rate (in terms of employees with permanent contracts, without natural departures and long-term leaves of absence) was 5.2% (previous year 6.5%). Including natural departures, it was 6.8% (previous year 8.4%). For key figures on fluctuation by age group, gender and region, see → Key figures sustainability > Employees and society.

Benefits provided to full-time employees (GRI 401-2)

Geberit essentially grants the same benefits to full-time and part-time employees. However, employees with temporary contracts are not always entitled to the same benefits as permanent employees. For example, employees in Switzerland with temporary employment contracts of less than three months are not insured in the pension fund. Geberit bases its employee benefits on country-specific standards.

Parental leave (GRI 401-3)

Geberit implements the currently applicable legal framework conditions. It also attempts in individual cases to find solutions that are as suitable as possible for the affected person and their team.

100% of all permanently employed women are entitled to paid maternity leave, and 5.8% or 133 permanently employed women made use of this in 2020. Of these, 82 women or around 62% returned to Geberit following their parental leave.

99% of all permanently employed men are entitled to paid paternity leave, and 3.0% or 222 permanently employed men made use of this in 2020. Of these, 217 men or around 98% returned to Geberit following their parental leave.

Occupational health and safety (GRI 403)

Management approach occupational health and safety

The occupational health and safety of employees are of major importance. Geberit wants to gradually get nearer to the target of having healthy employees within an accident-free company and has therefore established a high level of health and safety for its employees. There was a focus on the health and safety of employees during the COVID-19 pandemic, with hygiene and social distancing measures introduced at an early stage. Other measures, such as the obligation to wear masks, directives for business trips, rapid tests or carrying out meetings, were also adapted according to local regulations and in line with the corresponding stages of the pandemic. In order to contain the pandemic further and protect the workforce, employees were also given the possibility of working from home if their work and circumstances permitted.

Geberit cooperates with authorities, trade unions and employers' liability insurance associations on a country-specific basis. Most companies have written agreements with the trade unions. These normally cover topics such as personal protective equipment, complaints procedures, regular inspections, education and further training and the right to refuse unsafe work.

Using 2015 as the reference year, the aim is to halve the frequency and severity of accidents by 2025. In terms of the AFR (Accident Frequency Rate) the target is 5.5 (number of accidents per million working hours), and in terms of the ASR (Accident Severity Rate) the target is 90 (number of days lost per million working hours). These key figures are reviewed regularly at the plant cockpits and are part of the annual appraisal of plant managers. The Group Executive Board is also provided with a compact report on a quarterly basis and a comprehensive report is created for the management at the end of the year.

For objectives and measures concerning occupational health and safety, see also → Sustainability strategy.

Occupational health and safety management system (GRI 403-1) and its degree of coverage (GRI 403-8)

The topic of occupational health and safety falls under the remit of Sustainability and Process Management, which reports directly to the CEO. The responsibility for implementation lies with each company. All production plants and central logistics have a trained safety manager. The sites Rapperswil-Jona (CH) and Pfullendorf (DE) also have an appointed health manager. Since the beginning of 2017, the Geberit Safety Team – a team of experts from all production areas – has also been playing...
an active role in systematically developing occupational health and safety by defining key topics and highlighting examples of best practices.

The Geberit Safety System – which is valid in all production plants, in central logistics as well as in the management company incorporating all Group functions at headquarters in Rapperswil-Jona (CH) – defines processes that are applicable throughout the Group for promoting the continuous improvement of work processes and workplaces. Special attention is also paid to elements of changes in behaviour, as the majority of occupational accidents and time lost are still attributable to carelessness. Generally valid principles on health, occupational safety and prevention are part of the Geberit Code of Conduct and apply to all employees.

All 29 production plants and thus 100% of the production employees (employees with temporary and permanent contracts), central logistics, and the Geberit management company incorporating all Group functions at headquarters in Rapperswil-Jona (CH) are certified in accordance with the standard for occupational health and safety ISO 45001.

Risk assessment and investigation of accidents (GRI 403-2)

The risk assessment of workplaces and the systematic investigation of accidents are a central part of the Geberit Safety System and are standardised across the Group. The execution of the risk assessment takes place systematically for all relevant workplaces and is based on a standard method and evaluation matrix.

Every accident is reported, regardless of the employment relationship and severity. A standardised accident investigation also takes place for all accidents which result in the employee being absent for one working day and more. Based on these reports, effective measures are derived to eliminate deficits permanently and to avoid similar accidents happening again within the company. Where appropriate, the insights gained will be shared with other companies to avoid similar accidents in the Group. Launched in 2017, the software-based solution for capturing and systematically analysing accident data has been rolled out at 16 production plants to date. The aim is to create a sound, comprehensive process that can be integrated in the SAP environment.

Occupational health services (GRI 403-3)

Geberit takes various steps in order to avoid health risks at the workplace. At several production sites, legal requirements require a company physician to be on hand. Depending on the risk classification of the particular activity, various measures are implemented for health provision. For example, occupational medical examinations (including auscultation of the lung, lung checks and X-rays) are regularly carried out in the ceramics plants due to the presence of quartz dust. Noise pollution and ergonomics are further focal points of the company physicians and external specialists.

Employee participation and communication on occupational health and safety (GRI 403-4)

93.7% of all employees worldwide are represented through an occupational health and safety panel or safety committee at their site, in which employer and employee representatives can discuss occupational health and safety issues. The occupational health and safety panels are created on behalf of the management and involve all levels of the organisation as well as various specialist roles and areas (including company physicians, works council, occupational safety specialists, representatives of occupational health and safety unions). In addition, employees are involved in relevant processes of the Geberit Safety System, such as the risk assessment of workplaces, the accident investigation or as part of behavioural inspections. Since the beginning of 2017, the Geberit Safety Team – a team of experts from all production areas – has also been playing an active role in systematically developing occupational health and safety by defining key topics and highlighting examples of best practices, among others.

Training on occupational health and safety (GRI 403-5)

Training sessions on occupational health and safety take place regularly in most Geberit companies. At Welcome events, new employees are given information about the valid, local health and safety regulations and internal directives. At production and logistics sites, supervisors also hold workplace-specific training sessions on work-related hazards.
Geberit continues to use an eLearning programme aimed at employees in production and logistics which should, among other things, help to correctly identify danger areas in the workplace and rectify them consistently.

Promotion of employee health (GRI 403-6)

Across the Group, Geberit carries out a wide range of activities and sets up programmes to promote employees' health and well-being, and also offers its employees precautionary healthcare opportunities through various offers and activities. These include, for example, sports facilities, anti-smoking seminars, health check-ups, massage services, dietary and health tips, presentations on health-related issues and workshops on targeted and correct relaxation. With this in mind, a diverse vitality programme is offered at 18 production and sales sites in the fields of exercise, mental fitness, nutrition and the working environment. The most comprehensive programme “Geberit Vital” can be accessed at six sites by around 40% of the Geberit workforce. The programme was adapted to the demands of the ceramics plants and will now be gradually rolled out.

Among others, there is a focus on the ergonomic organisation of the workplace, particularly in the ceramics plants. The automation of production processes is promoted in keeping with the idea of the “flowing factory”. In Bromölla (SE), a conveyor system now ensures that, after firing, the ceramic parts are taken to the quality check and then on to subsequent process steps without any manual lifting and carrying. Using lifting aids further minimises the manual lifting and carrying of heavy ceramic parts. This can be seen in Carregado (PT), for example, where the lifting aids used during casting considerably reduce the physical burden on employees.

Further focal points are training courses for managerial staff in health-conscious management as well as reintegration counselling, with the aim of getting people back to work as soon as possible after a long-term absence due to illness. Examples of individual support include counselling in Rapperswil-Jona (CH) to assist with problems ranging from on-the-job pressure, partnership and family problems to debt issues, and the telephone helpline created in the USA to discuss problems at work in complete confidentiality. Geberit also promotes fitness in the community with its support of the Geberit sports club, for example. This club features eleven different sports sections and has around 620 members in Rapperswil-Jona (CH) who regularly meet up and exercise together.

Avoiding and minimising danger for business partners (GRI 403-7)

Geberit sets great store by the occupational health and safety of business partners. For example, contractors who carry out work on the factory premises receive a safety briefing and are obliged to observe these rules. In the corresponding Code of Conduct, suppliers also undertake to ensure occupational safety and health-promoting working conditions in their company and supply chain. This is systematically examined as part of supplier audits, see also the chapter → Suppliers.

In terms of customers, Geberit takes great care – including as part of the eco-design workshops – to ensure that all products are ergonomic and safe during installation and their final use. The assembly of Geberit products is easy and often tool-free. If special tools are needed, these have been optimised in terms of their ergonomics and safety, and their correct handling is trained accordingly. With the new Geberit FlowFit supply system, Geberit has gone one step further. The system was developed together with plumbers to make the installation process simpler, safer and more ergonomic. In the process, Geberit has succeeded in developing a pressing technology that makes it possible to fit the drinking water system of a multifamily house without the need for a single tool changeover.

Accidents and days lost (GRI 403-9)

The manufacture of sanitary products can generally be said to have a low level of risks at the workplace. Nevertheless, there are still some individual activities which entail an increased risk of accidents. Typical workplace risks are the lifting and carrying of heavy loads, working at heights and in noisy environments, as well as handling hot surfaces and hazardous substances. As part of the Geberit Safety System, the workplace risks are assessed systematically and appropriate measures implemented to protect the employees.

Geberit continued to press ahead with the design of safe workplaces in the reporting year. This was carried out by further optimising and modernising the systems and processes (e.g. an appliance for deburring sharp sheet edges when
manufacturing installation modules), the replacement of hazardous substances (e.g. substitution of the pickling process in the manufacture of metal fittings) and the reduction of dust and noise emissions (e.g. by using more efficient extraction devices and filters in ceramic production). Workstations are also being further optimised from an ergonomic point of view through the increasing use of robots or lifting aids.

Thanks to standardised reporting on occupational health and safety, it is ensured that the efforts made achieve their desired effect and that corrective measures can be initiated at an early stage. In the reporting year, a total of 170 accidents were recorded (previous year 193 accidents), equivalent to 3,294 lost working days due to occupational accidents (previous year 3,688 lost working days). The statistics show only those occupational accidents that occur during working hours or business travel and lead to lost working time of one working day or more. The most frequent injuries are cuts and stab wounds on hands and bruising to the body. There was one severe accident. There were no fatal accidents. In 2020, the Accident Frequency Rate AFR (number of accidents per million working hours) decreased by 9.2% to 8.9 (previous year 9.8) and the Accident Severity Rate ASR (number of days lost per million working hours) by 8.4% to 171.9 (previous year 187.6). In terms of the Group-wide absenteeism rate, work-related accidents account for just 2.4% of all absenteeism at 0.11% (previous year 0.12%).

In the reporting year, the Group-wide absenteeism rate due to accidents and absences due to illness based on regular working hours was 4.68% (previous year 4.64%). Illness-related absences accounted for 97.6% of this rate.

Further key figures can be found under → Key figures sustainability > Employees and society.

Work-related illness (GRI 403-10)

There are certain operational activities at Geberit, particularly in ceramic production, involving an increased risk of work-related illness (silicosis / dust disease). The risks lie primarily in slip and glaze preparation, casting and glazing as well as in the processing of unfired and fired ceramic parts. Geberit has specified a standard threshold for dust emissions, which is lower than the legally prescribed levels at various sites. Dust measurements are taken in the plants on a regular basis with a uniform measurement and evaluation procedure. The results of the site-specific measurements are used as the basis for local corrective measures. In the reporting year, a quartz dust working group was formed in collaboration with the Geberit Ceramic Network Center to develop best-practice solutions, identify optimisation potential in production processes and exchange knowledge. The topic is also systematically addressed as part of the Geberit Safety System and certification according to ISO 45001. Furthermore, Geberit participates in the NEPSI programme (The European Network on Silica) as a member of FECS, a sub-organisation of Cerame-Unie (European Ceramic Industry Association). This includes monitoring the exposure of employees to quartz dust and the implementation of best practices.

Around 50% of employees in ceramic production are regularly exposed to increased levels of quartz dust. Technical, organisational and personal protection measures are implemented for the protection of these employees. In the area of personal protective equipment, as well as in hygiene and cleaning, minimum standards were defined and implemented. Geberit makes substantial efforts towards either avoiding the exposure of employees to these risks (e.g. through the installation of glazing robots) or minimising this exposure (e.g. through the use of special extraction devices and filters, dust masks or the provision of training in correct behaviour at the workplace). Furthermore, the employees regularly undergo occupational medical examinations (including auscultation of the lung, lung checks and X-rays).

Further key figures can be found under → Key figures sustainability > Employees and society.

Training and education (GRI 404)

Management approach training and education

Qualified and committed employees are essential for the future success of Geberit. The company therefore sets particular store on the solid education and further training of all employees and on equal opportunities.
New employees are introduced to the company and its products through various job orientation programmes on joining the company. These range from individually designed introduction talks in various departments to the one-week basic course that provides practical knowledge about Geberit in small groups.

A standard Performance assessment, Development and Compensation (PDC) process has been in place since 2012. Except for the employees who work directly in production at the plants, all employees have been incorporated into the PDC process. With valYOU, a new software tool for performance assessment, development and compensation was launched and the process further developed. A new, key element of valYOU is succession planning for each individual position. Furthermore, the further development of individual employees is also actively supported through systematic feedback discussions. At the end of 2019, management personnel from the participating pilot companies visited a two-day workshop and became familiar with the new processes, the associated managerial tasks and the new IT tool. The Group-wide roll-out of the revised performance management process for all white collar employees took place in 2020. In connection with this, all management personnel received training on the process and assessment tool. Additionally, a special, dedicated annual assessment process was developed for employees working in production and logistics, and was launched at selected companies in the reporting year. From the end of 2021, the valYOU process should be established for all employees across the Group.

Training apprentices is of great significance at Geberit. According to an apprentice ranking carried out in 2019, Geberit is one of the leading companies for apprentices in Switzerland and makes an important contribution to vocational training and to maintaining Switzerland’s reputation as a centre for training and education. Since 1963, Geberit has trained more than 500 apprentices in Switzerland. Some 10% of the company’s employees currently working in Switzerland completed their apprenticeship at Geberit. Young people can start their careers at Geberit with a commercial, industrial or technical apprenticeship. The aim is to impart all the skills that are required for apprentices to pursue their chosen careers in a professional, independent and responsible manner. For example, in Rapperswil-Jona (CH) there are currently in excess of 70 apprentices (22 new apprentices in 2020) being trained in eleven trades. State-of-the-art and in particular digital learning methods are used here. Since 2018, Geberit’s leading position in this area has also been used in corresponding image films for apprentice recruitment.

All apprentices are essentially required to work at several sites during their training. As a global company, Geberit promotes the internationalisation of employees. Experience abroad and the transfer of know-how are an advantage for both employees and the company. Therefore, apprentices have the option of working abroad for a period of six months on completion of their apprenticeship. Geberit continues to offer its support in completing internships, plus Bachelor and Master theses. Furthermore, the collaboration with universities as well as active participation in the international UNITECH engineer network is relevant for Geberit to acquire talented prospects and gain new insights.

For further information, see Business Report > Business and financial review > Financial Year 2020 > Employees.

Scope of training and education (GRI 404-1)
In the reporting year, employees across the Group attended on average 15.7 hours of internal and external education and further training (previous year 13.8 hours). In connection with COVID-19, the range of in-house digital training courses was expanded and saw widespread use by employees. For key figures by gender and employee category, see Key figures sustainability > Employees and society.

Programmes for skills management and lifelong learning (GRI 404-2)
A two-stage Potentials Management Programme aims to identify talents throughout the company and support them along their path to middle or senior management. The programme includes topics such as strategy, digitalisation and the management of change processes. Furthermore, the issues investigated as part of project work are geared towards strategic tasks of relevance to Geberit and provide the decision-makers involved with concrete bases for action. Around 70 employees were nominated to take part in the programmes by their supervisors in the reporting year. The Potentials Management Programme is intended to help fill at least half of all vacant managerial positions with internal candidates. In
2020, this was achieved for 47% of all Group management vacancies (previous year 58%).

The Operations Development Programme was set up at the start of 2020. It is aimed at talented external and internal junior managers in the area of operations (production, logistics and purchasing). The aim is to recruit internationally mobile people with a technical background or who have studied engineering and who, in the medium term, should take up a managerial position at Geberit. The programme is divided into several phases. In the initial onboarding phase, candidates get to know the culture, philosophy and processes at Geberit. This is followed by a second and third phase in which the participants are assigned responsibility for exciting, international projects under close supervision by a member of senior management. Initially, this will take place at established Geberit sites, and later also at other sites that are not as established but have the corresponding need.

In 2020, 262 apprentices (previous year 264) were employed. The transfer rate to a permanent employment relationship was 86% (previous year 85%). Furthermore, 102 internships were made available and 27 Bachelor and Master theses supervised.

For information, see Business Report > Business and financial review > Financial Year 2020 > Employees.

Performance evaluation and career planning (GRI 404-3)

In everyday working life, the personal and professional development of each individual employee is encouraged in a variety of ways. This covers all areas of work, functions and age groups. Around 85% of all employees took part in appraisal interviews in 2020 at which development opportunities were also identified and discussed. As part of the standardised global Performance assessment, Development and Compensation process, employees receive a performance assessment and/or agreement of objectives at least once a year.

Diversity and equal opportunity (GRI 405)

Management approach diversity and equal opportunity

Geberit offers all employees the same opportunities and strives towards finding the best candidate for every position. Geberit supports diversity and promotes equal opportunities irrespective of gender, ethnic origin, skin colour, age, religion and nationality. In its Code of Conduct, Geberit sets store on promoting diversity and creating a culture that enables all employees to develop their full potential in the company.

Geberit pursues a fair and non-discriminatory employment practice in accordance with prevailing national and international law. Recruitment, training courses and promotions depend solely on individual achievements, skills and potential regarding the requirements of the position in question.

Protection of the principles of equality is anchored in the Geberit Code of Conduct. This includes the prohibition of discrimination against any employee on the basis of gender. Fair and equal pay for women and men is guaranteed as follows:

- Job assessment by function in accordance with the proven Hay method on the basis of know-how, thinking ability and accountability. All jobs are pooled in a Group-wide grading system. The resulting grade is the basis for determining an employee’s pay. This guarantees gender-neutral, fair salary structures.
- Binding wage agreements with set pay grades at many Geberit sites.

Diversity of governance bodies and employees (GRI 405-1)

The proportion of female employees at the end of 2020 was 24% (previous year 24%), and for senior management this figure was 11% (previous year 11%). The six-member Board of Directors has two female members, which represents a share of more than 30%. In the reporting year, a woman took over as Managing Director of Geberit Vertriebs GmbH in Germany, which has the largest share of sales in the Group at 32%.
Geberit would welcome more women in managerial positions. However, as is typical for the industry, the number of women in management is only increasing slowly at present. The proportion of females in Geberit’s most important customer target group – plumbers – is extremely low. For example, in Switzerland the proportion of female plumbers is lower than 3%.

Know-how and expertise play a major role at Geberit. As a result, employees with extensive experience are also an important part of the company. Around 20% of employees have worked at the company for periods in excess of 15 years.

For key figures on diversity in terms of gender and age structure, see Key figures sustainability > Employees and society.

**Ratio of remuneration between women and men (GRI 405-2)**
According to the annual survey of all Geberit Group companies, no differences between the basic salaries of women and men exist anywhere within the Group.

**Non-discrimination (GRI 406)**

**Management approach non-discrimination**
The Geberit Code of Conduct forbids discrimination as defined in the ILO (ILO = International Labour Organization) core labour standards. Geberit does not tolerate either discrimination or workplace bullying on the basis of race, gender, religion, creed, nationality, age, sexual orientation, physical or mental handicap, marital status, political views or other characteristics protected by law. Geberit aims to ensure a safe working environment for its employees. All forms of workplace violence, including threats, threatening gestures, intimidation, attacks and similar forms of behaviour are forbidden. Compliance with the Code is verified annually as part of a Group-wide survey.

According to the Geberit Code of Conduct, employees who openly address irregularities which represent breaches of applicable law, ethical standards or the Code of Conduct are acting correctly. The Group Executive Board of Geberit must be informed of problems in the area of integrity in order to be able to manage these swiftly and reliably. By openly addressing such issues, Geberit employees are contributing to their own protection, that of their colleagues and the protection of Geberit’s rights and interests.

If issues should occur, employees should seek a personal meeting with their supervisor. The Geberit Integrity Line is available to all employees as a whistleblower hotline in the corresponding language. The service is intended to enable employees to anonymously report cases such as sexual harassment or when a corrupt payment is being covered up. The Integrity Line is operated by an external company with experience in this area, and is available around the clock seven days a week.

**Cases of discrimination (GRI 406-1)**
According to the annual Group-wide survey, there were two cases of verbal sexual harassment revealed in 2020, and these were both investigated. In one case, the accused person received an official warning under applicable labour law; in the other, the accused person has since left the company. There was also one case of workplace bullying, which was investigated. The accused person has also since left the company.

**Freedom of association (GRI 407)**

**Management approach freedom of association**
Employees are completely free to join trade unions, associations and similar organisations. No rights with respect to exercising freedom of association or collective bargaining as defined in the ILO core labour standards and the UN Global Compact are subject to restriction at the Geberit Group.

**Non-compliance with the right to freedom of association and collective bargaining (GRI 407-1)**
According to the annual Group-wide survey, no infringements of the guarantee of freedom of association and collective bargaining were identified in 2020.