

*Pure Freude  
an Wasser*

**GROHE**  


**SUSTAINABILITY**  
REPORT 2015/2016



Winner 2017

“Sustainability is an integral part of our company strategy, which is oriented towards efficient growth and incorporates our entire value chain, partners, customers, suppliers and employees”.

*Michael Rauterkus*

“It is the responsibility of all of us to ensure a future worth living.”



## DEAR READERS,

In view of the profound developments in our world, which is characterised by climate change, rapid economic growth, increasing scarcity of resources and a growing world population, sustainability plays a key role in our economy and society. It is the responsibility of all of us to ensure a future worth living. For this reason, we at GROHE are working continuously to implement sustainability in appropriate structures, processes, ways of thinking and acting and to embed this within in all areas of the company. As the world’s leading supplier of sanitary fittings, we are committed to the conscious and sustainable use of every single drop of water. Our mission is to develop smart, water-saving technologies. These technologies make it possible to reduce water consumption in the kitchen and bathroom by half in an environmentally friendly manner, without sacrificing the pleasure of water. Using GROHE thermostats, water can be heated much more efficiently. GROHE Blue supplies filtered, cooled and carbonated water directly from the kitchen faucet and saves CO<sub>2</sub> emissions of more than 60 percent compared to “bottled mineral water”. The GROHE Sense water safety system on the other hand detects leaks and burst water pipes. The GROHE Sense Guard extension is installed in the mains water pipe and in extreme cases can automatically stop the water supply and thus any leaks. The owner can monitor everything easily and intervene, if necessary, using the app – even when away from home.

Sustainability is an integral part of our company strategy, which is oriented towards efficient growth and incorporates our entire value chain, partners, customers, suppliers and employees. GROHE invests in long-term resource efficiency – we already control 90 percent of our value chain and can directly influence the majority of processes. Our own cogeneration plants at the production sites in Lahr and Hemer enable us to generate part of our own electricity. These plants are effectively reducing

greenhouse gas emissions by more than 17,000 metric tons per year. We want to continue along this innovative path. Our new plant in Klaeng (Thailand) has been awarded the DGNB “Silver” certificate (DGNB: German Sustainable Building Council), making it the most sustainable plant in Southeast Asia according to the DGNB.

In January 2017, we received the CSR Award by the German government for our commitment. In addition, GROHE was included in the “Change the World” list by renowned US business magazine FORTUNE® in autumn 2017 – as a company that “changes the world” and works economically, innovatively and sustainably.



This is major recognition for us. Above all, it is also an incentive to become even better. To continually optimise sustainable processes and to honour respective projects that improve sustainability, we have been awarding the GROHE SustainAbility Trophy since 2011 to colleagues who are successfully working to make our processes even more sustainable. In addition to this, the GROHE SustainAbility Council advises the Executive Board on all strategic sustainability activities. We are actively committed to improving the efficient use of valuable resources day after day – creating a healthy environment and a sustainable future. GROHE is helping to change the world.

**Michael Rauterkus**  
Chief Executive Officer, Grohe AG

# GROHE PERSPECTIVES



“At the heart of our 360-degree sustainability approach is people. We are committed to the health and safety of our customers, employees and suppliers. Their protection and well-being have top priority at GROHE. Each and every one of us actively contributes with suggestions for improvements to workflows and processes. We share a common goal: responsible, respectful interaction with one another and safe, sustainable working conditions for all people who work with and for GROHE.”

*Thomas Fuhr*



“Compliance is an essential part of our corporate culture and is based on our fundamental attitude: zero tolerance for discrimination, corruption and anti-competitive behaviour. This maxim is both a promise and a commitment for our employees. We strongly believe that integrity is the central prerequisite for sustainable economic success.”

*Michael Mager*



“We have a clear goal: we want to increase our energy efficiency by 20 percent by financial year 2020. GROHE is well on its way to achieving this goal and has implemented numerous projects in recent years to increase resource and energy efficiency. Through our own cogeneration plants such as those in Hemer and Lahr, we generate electrical energy while at the same time using the waste heat for our own use, effectively reducing greenhouse gas emissions by more than 17,000 metric tons per year.”

*Adam Bryson*

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\_8

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- Declaration of the company management

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“We put people at the heart of our 360-degree approach to sustainability. We are committed to the health and safety of our customers, employees and suppliers.”

*Thomas Fuhr*

# GROHE WORLDWIDE

- Headquarters
- Production plants
- Sales companies and subsidiaries



- 45 % Germany
- 34 % Asia
- 18 % Europe
- 3 % North & South America



# 2017\* SALES SHARE BY PRODUCT CATEGORIES

BATH  
**37 %**



OTHER  
**3 %**



PROFESSIONAL  
**16 %**



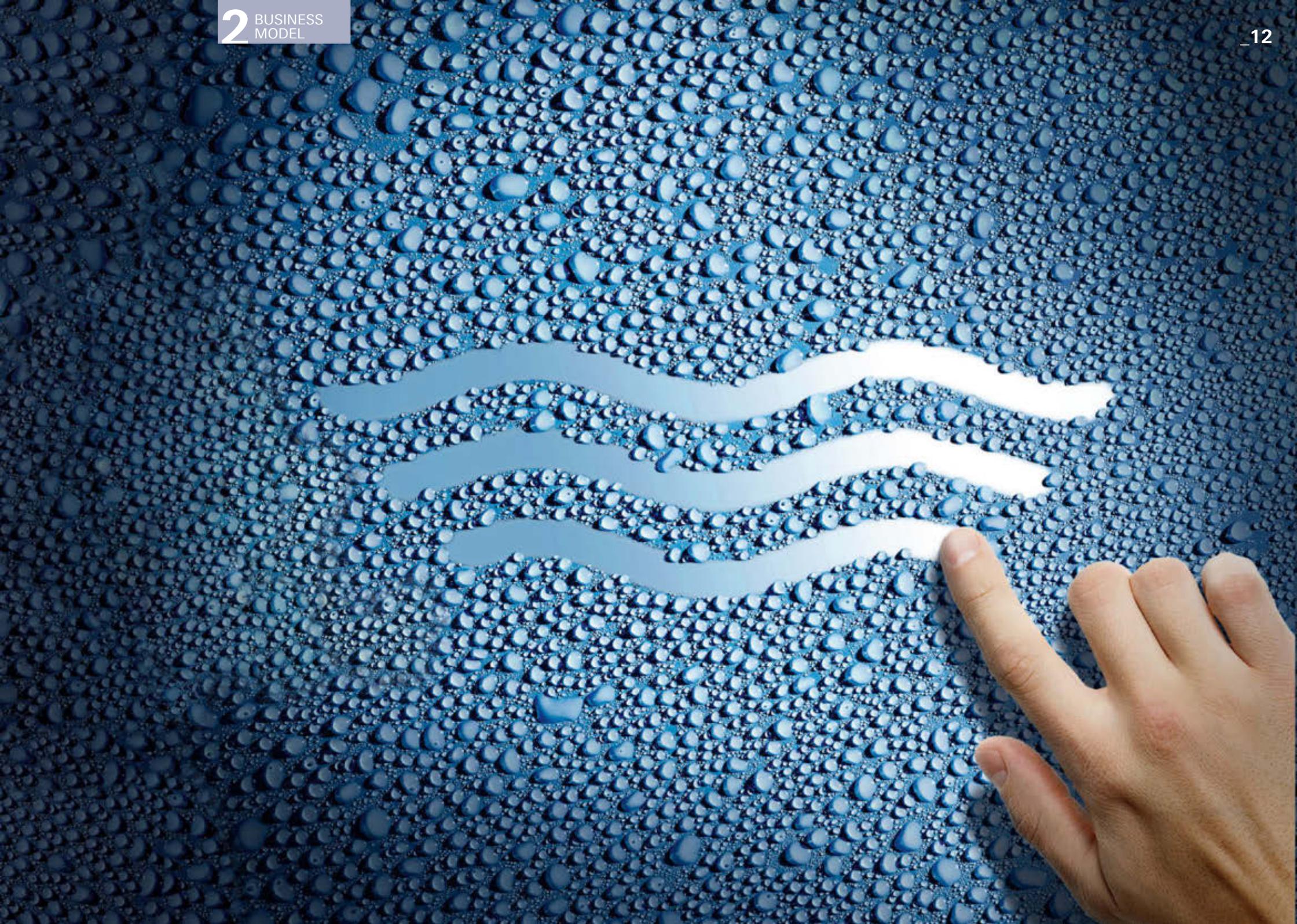
SHOWER  
**31 %**



KITCHEN  
**13 %**



\* Period: Financial year 2017



# GROHE AREAS OF ACTIVITY

IN THE FIELD OF  
SUSTAINABILITY



## BRANDS, PRODUCTS AND SERVICES

G4-4



GROHE is the manufacturer and world's leading supplier of sanitary fittings and a global brand for innovative sanitary products. As a provider for complete bathroom solutions, the company with its own brands GROHE, GROHE SPA and GROHE Professional carries products to furnish the entire bathroom from a single source. The product range includes design fittings for bath and kitchen, thermostats, shower heads and shower systems, installation and flushing systems, WCs and ceramics as well as digital products.



With the GROHE SPA brand, the company offers individual concepts and premium products to transform any bath into a personal wellness area. The GROHE Professional brand supports tradesmen in their daily work with products, services and training in all matters concerning professional sanitary installations.



GROHE stands for a brand with great innovative power: The company has continued to play a pioneering role in the sanitary industry and has for many decades relied on the brand values of technology, quality, design and sustainability to provide "Pure Joy of Water" (Pure Freude an Wasser). Innovation, design and development are closely coordinated and firmly anchored as an integrated process at our site in Germany. GROHE therefore stands for the symbol of quality "Made in Germany".

## OWNERSHIP STRUCTURE AND LEGAL FORM

G4-3, G4-7

PART OF LIXIL

Grohe Holding GmbH (hereafter referred to as GROHE) is a wholly owned subsidiary of Grohe Group S.à r.l., Luxembourg, which, since April 2015, has been fully owned by LIXIL Corporation. In January 2014, GROHE was acquired by the LIXIL Group and the Development Bank of Japan. The LIXIL Group is a company which is listed on the Tokyo Stock Exchange. It is Japan's largest supplier of building materials and furnishings for residential buildings and, as the world's leading sanitaryware manufacturer with around 70,000 employees, is home to well-known brands such as GROHE, American Standard and INAX.

## SCOPE OF BUSINESS OPERATIONS

G4-5, G4-6

The focus of the company's 6,000 or so employees in 130 countries has always been the development of innovative products that offer added-value to our customers. GROHE products are manufactured with unique precision technology in a global production network with uniformly high production standards. GROHE thus meets its worldwide quality standards for the best workmanship and highest product performance. In addition, the company has an effective international sales organisation.

The production network comprises three plants in Germany with subsidiaries in Hemer, Porta Westfalica and Lahr, as well as further plants in Albergaria (Portugal) and Klaeng (Thailand). The individual GROHE production sites form so-called competence centres and are each specialised in the manufacture of specific products such as sanitary fittings, sanitary systems or showers.

Düsseldorf is home to GROHE headquarters, GROHE Design Studios and the GROHE Store, a multifunctional showroom that creatively displays the GROHE global brand. The essential companies of Grohe Holding GmbH are listed in the appendix.

## MARKETS AND PURCHASERS SUPPLIED

G4-8

GROHE products are sold in over 130 countries. These sales markets encompass the four regions of Europe, America, the Middle East and Africa, and Asia. With 32 of its own sales companies, 35 subsidiaries and business relationships with numerous companies, GROHE has an extensive international sales network. GROHE companies mainly sell their products to architects, project planners and kitchen studios as well as via sanitary wholesalers to installers and retailers, who in turn supply private and commercial customers. Sales activities are adapted to the respective regional and national market conditions, as required.

**Graphic 1:** GROHE – Our customers



Architects



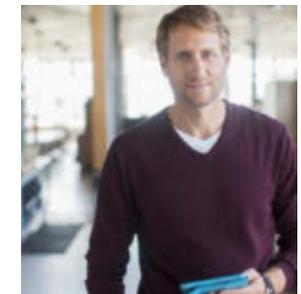
Designers



Planners



Installers



End customers

“GROHE products are manufactured to uniformly high manufacturing standards in all our production plants.”

Thomas Fuhr

## SIZE OF THE ORGANISATION SALES AND EBITDA:

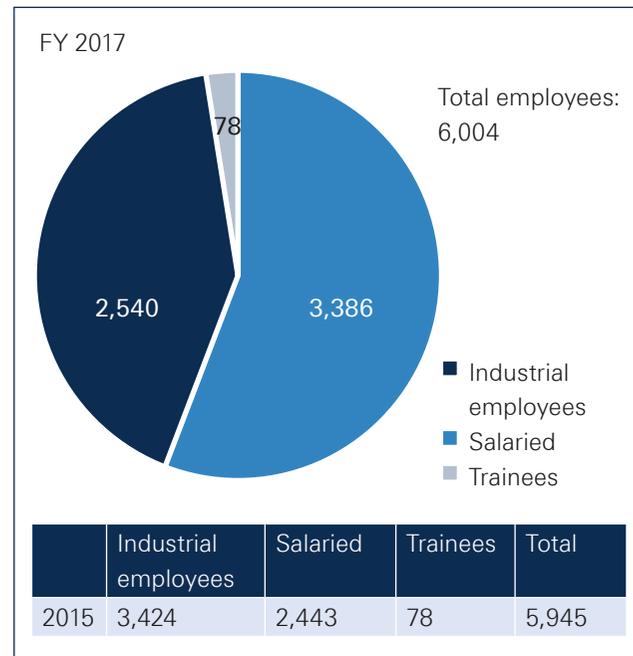
G4-9

Sales revenues/net revenues are reported as follows at Group level for the entire LIXIL Group and for the "LIXIL WATER TECHNOLOGY" business unit, which includes GROHE alongside brands such as LIXIL, American Standard, INAX, GROHE DAWN and Jaxson, on page 10 and page 32 of the LIXIL Group's 2017 Annual Report (see <http://www.lixil.com/en/investor/>).

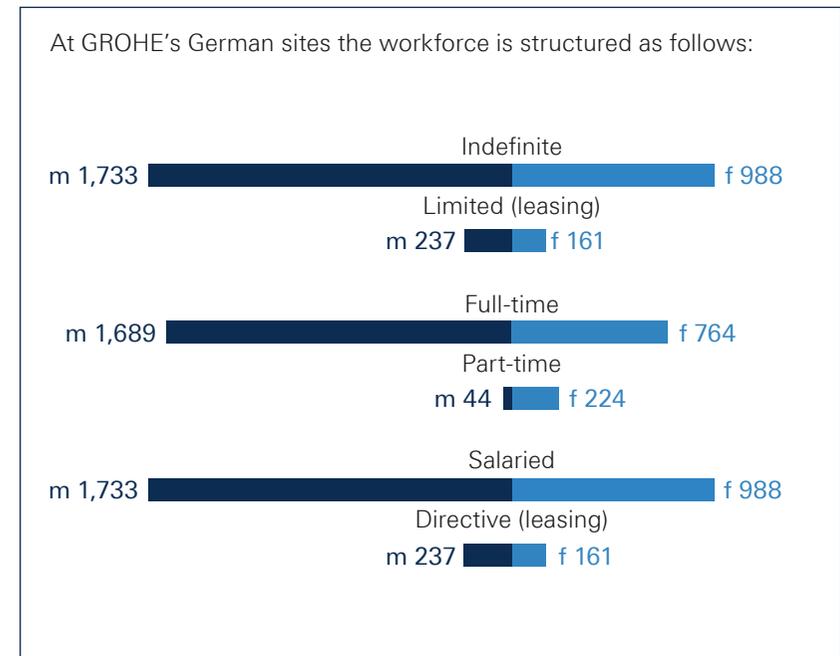
## EMPLOYEES

G4-10, G4-11

GROHE has around 6,000 employees worldwide. Most of the company's activities are performed by salaried employees. 98.5 % of employees are covered by collective agreements, such as collective bargaining agreements and company-level agreements. In the reporting period, there was a slight increase without significant fluctuations in the number of employees. For a breakdown of the total workforce by region, see the graphic on page 10.



Graphic 2: GROHE employees total



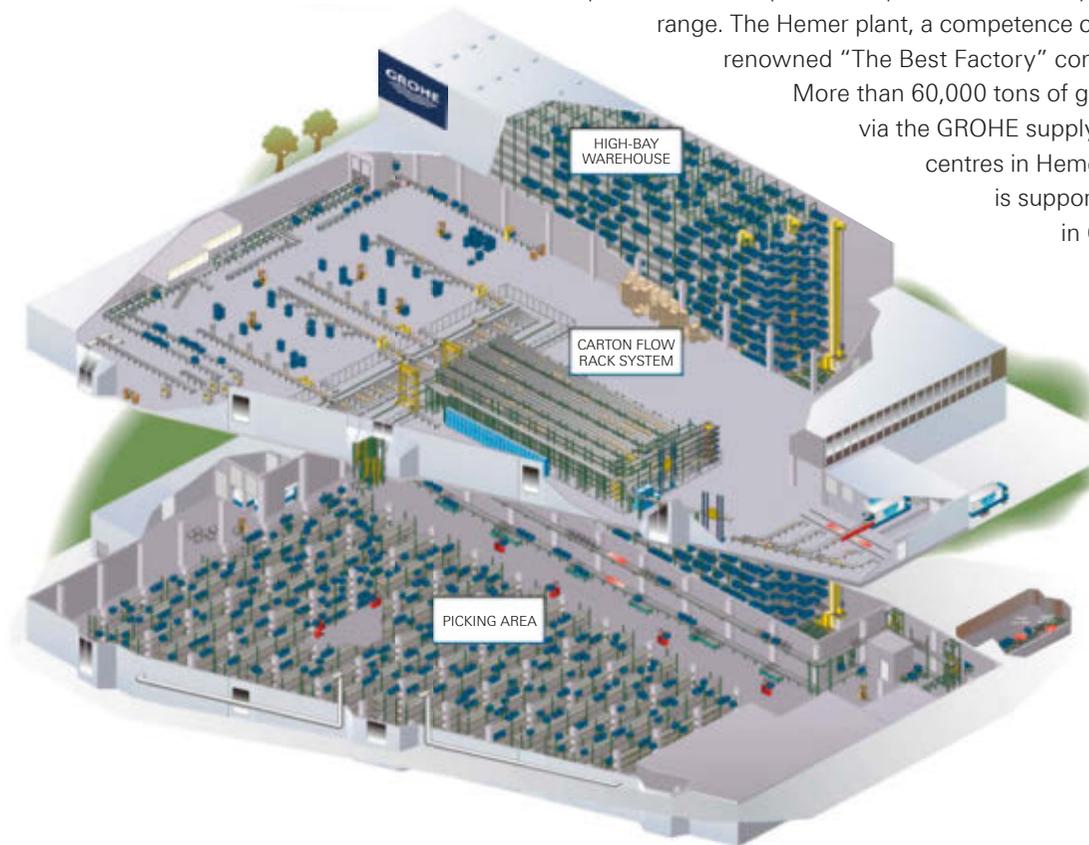
Graphic 3: GROHE employees Germany

## GROHE VALUE CHAIN

G4-12

GROHE has a total of five production sites worldwide. These include the German plants in Hemer, Lahr and Porta Westfalica, and the plants in Albergaria (Portugal) and Klaeng (Thailand). GROHE is one of the few manufacturers in the sanitary industry to have central smelting furnaces with high capacities. This gives the company a unique competitive advantage in terms of quality and innovative ability. About 50 % of the production comes from the German plants, where approximately 40 % of all employees work in production. The worldwide production network is based on German precision technology as well as high performance capacity and efficiency. GROHE has introduced uniform quality and manufacturing standards at all production sites throughout the entire manufacturing process. Experienced plant managers are on site to ensure compliance with these standards at all GROHE plants and to optimise production processes. Each plant is responsible for clearly defined product groups and price segments of the GROHE product range. The Hemer plant, a competence centre for the production of complex faucets, won second place in the renowned "The Best Factory" competition in 2009.

More than 60,000 tons of goods per year are delivered to the company's customers worldwide via the GROHE supply chain. 80 % of the production volume is merged in the two logistics centres in Hemer and Porta Westfalica. Outside of Germany, the GROHE supply chain is supported by four larger warehouses operated by logistics service providers in China, Russia, the USA and India.



Graphic 4: Logistics centre Hemer

## ASSOCIATIONS AND SPECIAL-INTEREST GROUPS

**G4-16**

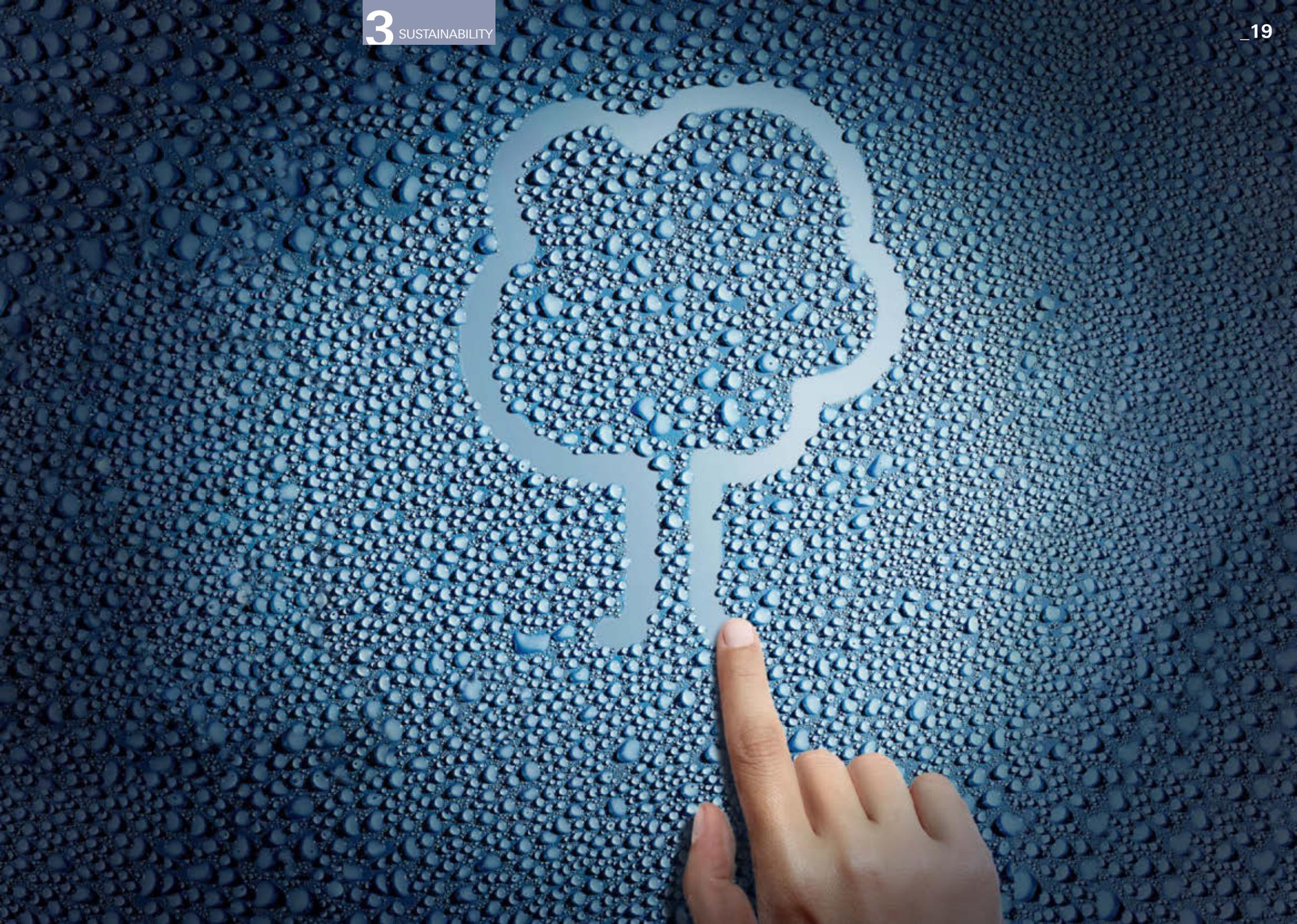
GROHE is a member of selected German associations, special-interest groups and committees that are also engaged with sustainability. GROHE participates in various standards committees such as the CEN/DIN Standards Committee for Water Management and Water Recycling.

As a result of antitrust proceedings completed in 2011 within the EU and a resulting fine raising awareness of anti-competitive behaviour at GROHE has become increasingly important and the company has been very selective in its work in associations and special-interest groups since then.

Furthermore, GROHE is engaged in local associations, such as the Wirtschaftsinitiative Hemer e.V. (Business Initiative Hemer) and the Förderverein Gewerbliche Schulen Lahr (support association for trade schools in Lahr). The company is also an active member in numerous committees and working groups of the Chambers of Commerce and Industry (IHK Südlicher Oberrhein and SIHK, Südwestfälische Industrie- und Handelskammer) in Hagen.

GROHE foreign subsidiaries are similarly active in the relevant national and local associations, special-interest groups and initiatives. In order to continuously gain inspiration for product design and entrepreneurial action, GROHE is a member of selected associations and initiatives. The most significant of these are:

- Regional Association of Employers (Märkischer Arbeitgeberverband e. V. – MAV)
- Südwestmetall – Baden-Wuerttemberg Employers' Association of the Metal and Electrical Industry e. V.
- Royal Institute of British Architects (RIBA) Enterprise Ltd.
- German Hotel Association (IHA) e. V.
- German Sustainable Building Council (DGNB e.V.)
- German Environmental Management Association (Bundesdeutscher Arbeitskreis für Umweltbewusstes Management - B.A.U.M. e. V.)
- TrendWatching
- German Design Council
- German Sustainability Code (GSC)
- The LIXIL Group is a member of UN Global Compact



According to the World Economic Forum's Global Risks Report 2015, global demand for water will increase by around 55 % by 2050. In this context, sustainable water management plays a key role.

## COMPANY VALUES

G4-56

The joy of water has always inspired GROHE's passion for sustainability. As the world's leading manufacturer of sanitary fittings, GROHE has a mission to develop smart technologies that enable people to use water consciously and sustainably. Climate change, economic growth, urbanisation and a constantly growing world population are making water an increasingly valuable resource. According to the World Economic Forum's Global Risks Report 2015, global demand for water will increase by around 55 % by 2050. In this context, sustainable water management plays a key role.

## MISSION: CONTRIBUTION TO SUSTAINABLE DEVELOPMENT

GROHE shares its passion for sustainability with all brands belonging to the LIXIL Group. In July 2013, LIXIL signed the UN Global Compact (United Nations Pact with private companies to promote social, environmental and ethical principles). Soon after the adoption of the Sustainable Development Goals (SDGs) by the United Nations General Assembly in September 2015, LIXIL took additional measures and updated its Corporate Responsibility (CR) strategy in March 2016 to contribute to achieving these global sustainability goals. As part of this CR strategy, LIXIL named its three strategic pillars of sustainability and set the following goals:



Graphic 5: LIXIL values and SDGs

As part of the LIXIL Group, GROHE shares these goals and is firmly committed to them. GROHE also attaches great importance to the 17 goals for sustainable development of the United Nations. With regard to the core business and GROHE product portfolio, the availability and sustainable management of water and sanitation (goal 6), decent work and economic growth (goal 8), the promotion of sustainable consumption and production (goal 12) and the development of measures to combat climate change (goal 13) are particularly relevant and are the focus of our efforts.

These focal points offer GROHE the opportunity to continue developing technologies and products that can make a substantial contribution to achieving the goals of the United Nations.



**Graphic 6:** SDGs particularly relevant for GROHE

## COMPANY VALUES

GROHE company values are in line with the LIXIL VALUES and they read:

- Work with respect
- Deliver on commitment
- Embrace quality
- Inspire passion
- Pursue growth



**Graphic 7:** LIXIL VALUES

These values describe the GROHE attitude and motivation. The five values are summarised in a competence wheel and each is presented with three complementary competencies. This is intended to serve as a comprehensive guideline for all employees and to clearly specify which behaviour is the standard in the company.

GROHE firmly believes that the quality of its work depends on two factors: the performance of its employees and the consensus with LIXIL values and competencies. Thus, in the annual employee dialogue, not only the performance is assessed, but also the values on which the performance is based. In this sense, not only the results achieved are important, but also the way in which they are achieved.



## STRATEGY

“The aim is to strike a balance between economic success, environmental protection and social responsibility.”

Michael Rauterkus

### SUSTAINABILITY AS PART OF OUR COMPANY STRATEGY

GROHE firmly believes that a continuous examination of sustainability is as indispensable as it is challenging. “The aim is to strike a balance between economic success, environmental protection and social responsibility. This must not however be defined exclusively through isolated projects. Rather, a consistently sustainable orientation should be established as a matter of course and form part of the company strategy”, says CEO Michael Rauterkus.

To this end, GROHE consistently pursues a 360-degree sustainability approach that encompasses the interests and responsibilities of employees, suppliers, customers, factories, processes and the company’s contribution to the well-being of society in equal measure. Sustainability is therefore an integral part of the company strategy and, alongside quality, technology and design, is a core value of the GROHE brand.

“Each and every one of us actively contributes with suggestions for improvements to workflows and processes.”

Thomas Fuhr

## ORGANISATION AND RESPONSIBILITY

**G4-34, G4-35, G4-36**

At GROHE, the organisation and responsibilities for sustainability are as follows:

### EXECUTIVE BOARD AND SUPERVISORY BOARD

As a stock corporation under German law, GROHE has a dual management structure, consisting of an Executive Board and Supervisory Board:

- Chairperson of the Board: Michael Rauterkus
- Members of the Board: Adam Bryson, Thomas Fuhr, Michael Mager
- Chairperson of the Supervisory Board: David J. Haines (until 7 March 2016); Kinya Seto (since 7 July 2016).

Between 7 March 2016 and 7 July 2016, the Deputy Chairperson of the Supervisory Board, Mr. Ahmet Karademir, was in charge of the Supervisory Board.

### SUSTAINABILITY ON THE BOARD OF GROHE

The Operations Board at GROHE is responsible for environmental protection, occupational safety and sustainability and reports in this capacity to the entire Board and the Supervisory Board of the company.

### DEPARTMENT FOR ENVIRONMENTAL, HEALTH AND SAFETY (EHS) AND SUSTAINABILITY MANAGEMENT

GROHE ensures and monitors compliance with legal regulations and approval requirements as well as continuous improvement in the areas of environmental protection, occupational safety and sustainability management through its Corporate EHS & Sustainability Management function, which reports directly to the Executive Board. This includes in particular a legally and norm-compliant organisational structure and systematic process structures as well as regular internal and external audits of the Environmental, Health and Safety (EHS) Management System in all relevant areas.

### GROHE SUSTAINABILITY COUNCIL

The GROHE Sustainability Council meets once a month to discuss strategic sustainability issues. The composition of the Council is interdisciplinary. Next to the director of Operations responsible for sustainability and the director of Human Resources and Organisation, the areas Corporate Communications, Corporate Marketing, Corporate R&D, Corporate Quality & Industrial Engineering and Corporate EHS & Sustainability Management departments are represented.



## ORGANISATIONAL STRUCTURE

GROHE organises and documents its organisational structure in job and functional descriptions and informs the workforce internally with the help of organisational charts and organisational messages (OM).

## OPERATIONAL STRUCTURE

The operational structure is systematically regulated by organisational guidelines (OG), process instructions (PI), operating instructions (OI) and work instructions (WI). This also includes the topic of sustainability.

## INTERNAL AUDITING

GROHE's internal auditing department checks worldwide compliance with applicable general regulations and special requirements of LIXIL and GROHE.

## MATERIALITY AND STAKEHOLDER DIALOGUE CREATING REPORT CONTENT/MATERIALITY MATRIX:

G4-18, G4-19, G4-20, G4-21

In March 2016, LIXIL updated its Corporate Responsibility (CR) strategy. The LIXIL Group pursues the corporate vision of being the world's most valued, innovative and trustworthy company in the "Living Technology" sector by 2020. This vision applies worldwide for the established GROHE brand values:

- Quality
- Technology
- Design
- Sustainability

In the field of sustainability, GROHE identified the company's essential areas of activity back in 2000, based on the 16 principles for sustainable development of the International Chamber of Commerce (ICC) in 1992. In the context of legal conformity, these include:

- Products
- Processes
- Employees
- Customers
- Suppliers
- Social responsibility



**Graphic 8:** GROHE areas of activity in the field of sustainability

**G4-18, G4-19, G4-20, G4-21**

The strategic alignment of the GROHE sustainability policy was reviewed during a workshop in 2015 on relevant issues with employees from different business units as well as external consultants. In 2017, GROHE reviewed its sustainability policy through stakeholder surveys. The following were taken into account:

- Employees
- Architects as an important customer group for GROHE
- Suppliers

The results of this dialogue, in particular the board-approved matrix comprising the essential topics, served as the basis for the creation of the first and current sustainability reports (see graphic “Essential Topics GROHE”).

From GROHE’s viewpoint, the results of the stakeholder surveys 2015 and 2017 support the sustainability path taken by the company, documented among other things in GROHE’s sustainability policy, the resulting areas of activity and the strategic objectives.

When identifying and evaluating the relevant topics in the context of the organisation in the workshop, GROHE considered it important to not only include the internal perspective, but also the perspective of relevant stakeholders. Aspects are only considered essential if they are of importance from the internal perspective of the company and/or from the perspective of external stakeholders. The stakeholder survey of 2017 showed that the same topics were still considered essential for GROHE as in 2015. However, there was a change in weighting, as stakeholders attached greater relevance to three issues. For example, the topic of “raw material and material consumption” was classified as very relevant both by GROHE and the stakeholders surveyed, and “social commitment” rose from high to very high relevance from the stakeholder perspective. The opinion of stakeholders on waste and water pollution changed from low to medium relevance.

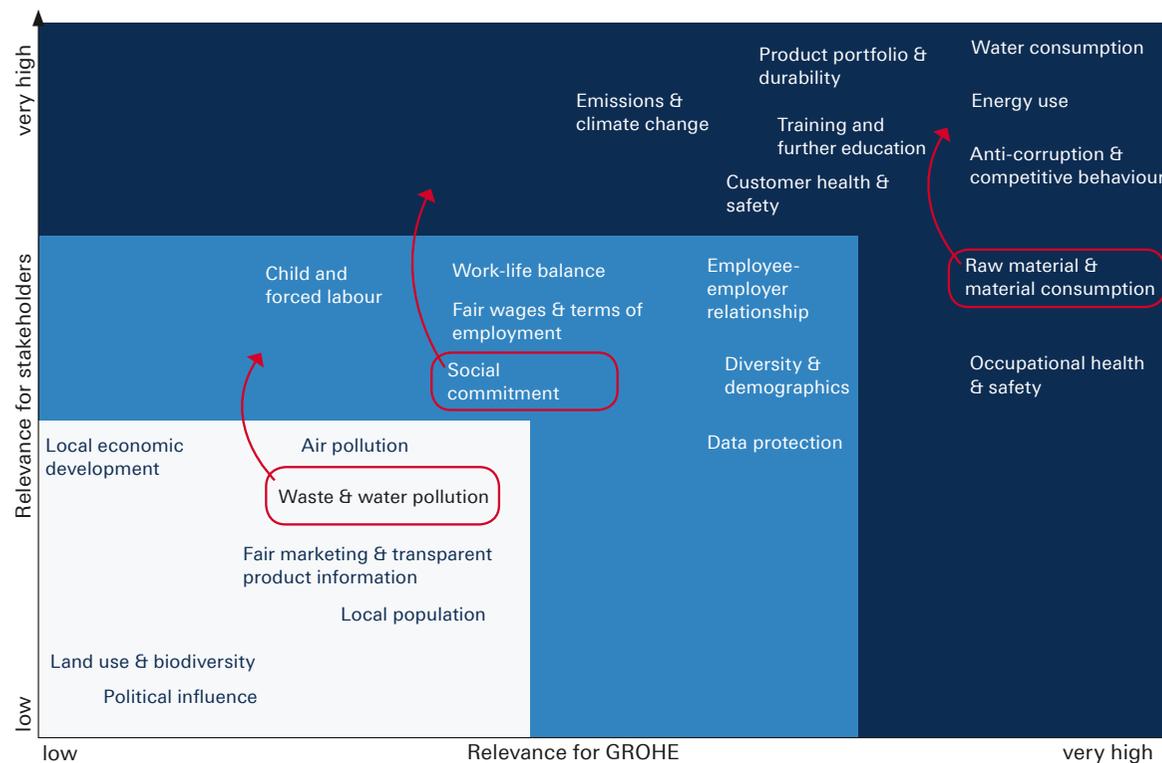
The most relevant topics identified in the 2015 materiality workshop and validated by stakeholders in 2017 include:

- Energy use
- Raw material and material consumption
- Emissions and climate change
- Customer health and safety
- Occupational health and safety
- Water consumption
- Training and further education
- Product portfolio and durability
- Anti-corruption and competitive behaviour
- Social commitment

**G4-18, G4-19, G4-20, G4-21**

Some of the measures derived from our business model have a direct impact on the design and manufacture of GROHE products: Studies of the life-cycle assessment by the EU-Commission show that about 99 % of all environmental impacts of sanitary fittings, shower heads and irrigation systems occur in the use phase. Therefore, sustainable issues such as water consumption, energy consumption, product portfolio and durability, emissions and climate change as well as customer health and safety play a particularly important role during the product use phase. Other topics are of great relevance in GROHE production and with GROHE suppliers. This applies in particular to raw material and material consumption, training and further education, occupational health and safety, risks from corruption or anti-competitive behaviour and also to the issue of social responsibility.

The results of the workshop on essential issues form the basis of this sustainability report. They were evaluated and prepared by GROHE in accordance with the GRI G4 reporting guidelines.



**Graphic 9:** GROHE materiality matrix

## STAKEHOLDER: SELECTION AND DEFINITION OF RELEVANT STAKEHOLDERS

**G4-24, G4-25, G4-26, G4-27**

GROHE is in regular contact with its stakeholders. The company is therefore always informed about the positions, interests and expectations of relevant stakeholders and can recognise corresponding changes in good time. GROHE proactively conducts discussions on the subject of sustainability with customers, employees and suppliers. GROHE also conducts round table discussions with local stakeholders, politicians and the media to find out the opinions, questions or findings of the stakeholders and subsequently integrate them into its own actions.

At the same time, the company is in a position to inform its discussion partners in advance of decisions that have an environmental or social impact and to recognise inaccurate assessments by third parties at an early stage or to avoid them from the outset.

GROHE counts the following groups of people and institutions as its most important stakeholders:

- Customers
- Employees and employee representatives
- Suppliers
- Business partners
- Certification organisations
- Legislators
- Media
- Trade unions
- Regulatory authorities
- Research institutes
- Local community and its residents
- Interested general public
- Banks
- Proprietor
- NGOs
- Political organisations

Continuous interaction with stakeholders is also relevant to GROHE with regard to the quality and attractiveness of its products. The regular dialogue with the customers (wholesalers, installers, planners, architects, object planners, kitchen studios and – indirectly – end users) clearly shows what demands and requirements are placed on GROHE products.

As a general principle, the following expectation applies: A GROHE faucet must be energy and water-saving and attest to sustainable quality. In addition, there are sustainability requirements such as material savings and minimisation of raw materials, which are already taken into account in the product development phase.

**G4-26, G4-27**

In co-operation with its suppliers, GROHE creates the conditions for a diversified product portfolio and durable products through technical innovations. GROHE also maintains contact with numerous research institutions and seeks exchanges with relevant authorities and institutes in order to coordinate approval and certification processes. In this way, the latest findings are always incorporated into the development of new technologies and products, and technical or legal requirements are taken into account in a timely manner. This is particularly relevant in the areas of energy use and water consumption, emissions and climate change, customer health and safety, occupational health and safety: The regular review of management systems by external certification bodies is also an important component of stakeholder dialogue and compliance with applicable laws (see the management standards mentioned on page 34).

GROHE has formulated clear guidelines for the interaction of employees with each other and with external persons, because these factors have a direct impact on the company's reputation. To implement these guidelines, GROHE introduced a compliance management system early on. It includes the GROHE Code of Conduct and the Supplier Code of Conduct as well as the functions of the central and regional compliance officers. In 2015, the newly created LIXIL Code of Conduct replaced GROHE's internal code of conduct. To live up to its responsibility as an employer, GROHE is in continuous exchange with its employees and special-interest groups.

A secure job with fair pay, a wide range of training and further education opportunities and a mutually respectful environment are of vital importance for employees. Only by constructive dialogue with all parties involved, internally and externally, can GROHE achieve sustainable economic, ecological and social success.

## ROUND TABLE

GROHE products are used internationally in bathroom and kitchen installations in all building typologies. Durability, economy and responsible use of water and energy resources are the hallmarks of GROHE technologies. Architects around the world rely on the sustainability of GROHE solutions and recommend them to their clients with conviction. As a partner of architects, GROHE closely follows developments in the global construction and real estate sector, especially in connection with building culture. Since 2009, the GROHE dialogue series "Trends Theses Typologies" has taken up current architectural topics and discussed them with renowned architects in front of and with a large specialist audience. GROHE offers various communication platforms such as "Slow Architecture", "The City of the Future" or "Rethinking Housing" at different locations several times a year. There, the company answers questions from an interested public. Among the topics discussed are the use of honest, regionally available materials in architecture, how cities can develop sustainably in their continuous growth, or how urban and residential construction can harmoniously create desirable places to live for their inhabitants.



## SUSTAINABILITY MANAGEMENT AT GROHE

The GROHE brand stands for quality, technology, design and sustainability. Thus sustainability also means responsibility – responsibility towards people and the environment. The various facets of responsibility range from the development of water and energy-saving products, sustainable purchasing and resource-saving production to resource efficiency of products and services for customers as well as social responsibility.

## GROHE SUSTAINABILITY POLICY

The framework for the implementation of all sustainability activities at GROHE is the GROHE SustainAbility Policy which is based on various principles:

- The 16 principles for sustainable development of the International Chamber of Commerce (ICC Business Charter for Sustainable Development)
- Requirements from the international environmental management standard ISO 14001:2009 (from 2018: ISO 14001:2015)
- Requirements from the internationally leading standard for occupational health and safety management systems OHSAS 18001:2007
- Requirements from the internationally leading standard for energy management systems, ISO 50001:2011
- Best practices applied by other organisations

Company management has defined comprehensive principles and guidelines for sustainable development in the form of GROHE's SustainAbility Policy; these are implemented on all levels and in all areas. GROHE determines strategic objectives for essential areas of activity and implements these consistently and systematically using operational objectives and Key Performance Indicators (KPI). Key Performance Indicators are a part of target agreements, all the way to the top management. In order to achieve the strategic and operational objectives of the GROHE SustainAbility Policy, appropriate programmes and measures have been introduced and applied consistently. The GROHE SustainAbility Policy was amended in 2016 to implement requirements resulting from ISO 50001:2011 (Energy Management).

As part of the implementation, GROHE continually improves its products and processes and thus meets the requirements of environmental protection, occupational safety and health protection for the future. GROHE informs and trains its employees, therefore promoting environmental, occupational and health-conscious behaviour.

The GROHE SustainAbility Policy consists of principles and guidelines for sustainable actions.



In order to achieve the goal of a net zero balance, LIXIL has set Group-wide targets for the design of its product portfolio: Year after year, the products are to become more water-saving and energy-efficient.

The members of the Group report regularly to the LIXIL Headquarters in Tokyo on the current performance parameters with corresponding key figures.

>> *More details on net zero balance can be found on page 44.*

This is a solid basis for making GROHE and LIXIL's contribution to achieving the United Nations' Sustainable Development Goals (SDGs) tangible and measurable and confirms the LIXIL Group's commitment to the principles of the United Nations Global Compact (UNGC).

## PRODUCTS

At various points in the GROHE development process, the topics of "product safety" and "environmental and energy relevance" are also systematically examined in the design and manufacture of GROHE products. Since the greatest environmental potential lies in the product use phase, GROHE is particularly committed to the development of environmentally friendly, i.e. water and energy-saving products. GROHE's central approval department ensures that only approved materials and processes are used for GROHE products worldwide. This applies, for example, to the use of materials suitable for drinking water. Numerous national approval authorities (DVGW, KIWA, etc.) send local auditors to GROHE production sites to check whether country-specific approval requirements are met.

## PROCESSES

**G4-14**

GROHE has established structures worldwide to systematically comply with legal and regulatory requirements and to continuously improve in the areas of quality, environment, occupational health and safety and energy management. The regular internal and external certification audits at all GROHE Group production sites worldwide, to ISO 9001 (quality management), ISO 14001 (environmental management), OHSAS 18001 (occupational health and safety management) and since 2016 also to ISO 50001 (energy management) by internal GROHE auditors and an independent external certification company also serve this purpose.

### QUALITY MANAGEMENT ACCORDING TO ISO 9001 – GROHE CERTIFICATION SINCE 1992

ISO 9001 is the leading international system standard for quality management systems. GROHE was among the first 750 companies and organisations in Germany to be certified according to this standard in 1992 and has been ever since (certification body: TÜV Nord, Essen). 2017 was the 25th anniversary of this “quality community” between GROHE and TÜV Nord.

### ENVIRONMENTAL MANAGEMENT ACCORDING TO ISO 14001 – GROHE CERTIFICATION SINCE 2003

ISO 14001 is the leading international system standard for environmental management systems. GROHE has been continuously certified according to this standard since 2003 (certification company: TÜV Nord, Essen).

### OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT ACCORDING TO OHSAS 18001 – GROHE CERTIFICATION SINCE 2011

OHSAS 18001 (in future ISO 45001) is the leading international system standard for occupational health and safety management systems. GROHE has been continuously certified according to this standard since 2011 (certification company: TÜV Nord, Essen).

### ENERGY MANAGEMENT ACCORDING TO ISO 50001 – GROHE CERTIFICATION SINCE 2016

ISO 50001 is the leading international system standard for energy management systems. GROHE was certified according to this standard for the first time in 2016 (certification body: TÜV Nord, Essen).

With the environmental and occupational safety information system GEHSIS (GROHE Environmental, Health and Safety Information System), GROHE systematically collects and manages legislation in the fields of environment, occupational health and safety, and energy management at its German sites. The duties requiring action resulting from legal regulations – but also official approvals or permits – are regularly identified and assigned to corresponding employees with the authority to act and make decisions (catalogue of duties). Similar systems exist at our locations abroad. Through internal audits, GROHE checks whether the delegated duties requiring action are being complied with.

## ECONOMIC, ECOLOGICAL AND SOCIAL STANDARDS AND INITIATIVES **G4-15**

GROHE follows international standards to continuously improve and document its sustainability performance.

### ICC BUSINESS CHARTER FOR SUSTAINABLE DEVELOPMENT FROM 1992

The original GROHE Principles and Guidelines on Environmental Protection (GROHE Environmental Policy) from 2000 and the sustainability policies based on them from 2008 as well as the current one from May 2016 are based on the 16 Principles for Sustainable Development of the International Chamber of Commerce from 1992.

### UN GLOBAL COMPACT

The GROHE Code of Conduct (replaced by the LIXIL Code of Conduct in 2015), the GROHE Supplier Code of Conduct and the organisational and operational structures and programmes in the areas of internal auditing, antitrust law, compliance, trade compliance, quality management and purchasing comply with the principles of the UN Global Compact. GROHE's parent company, LIXIL, has already committed itself to UN Global Compact in 2013.

### GERMAN SUSTAINABILITY CODE

GROHE was the first company in the industry to submit a declaration of compliance with the German Sustainability Code to the German Council for Sustainable Development in 2015. Divided into the core topics of strategy, process management, environment and society, the declaration provides detailed information on the company's activities for sustainability.





Member since 2016

## MEMBERSHIP OF B.A.U.M. E. V.

GROHE has been a member of the German Environmental Management Association (Bundesdeutscher Arbeitskreis für Umweltbewusstes Management – B.A.U.M. e.V.) since 2016. B.A.U.M. was founded in 1984 and, with over 500 members, is the largest network for sustainable development in Europe. The network supports its member companies in all matters pertaining to environmental protection. As a member company, GROHE has committed itself to complying with the B.A.U.M. Code for sustainable development.

## COMPLIANCE

**G4-SO3, G4-SO4, G4-SO7**

As a leading supplier of sanitary products, GROHE attaches great importance to compliance with international legal norms, standards and codes of conduct. GROHE is one of the best-known brands in the sanitary industry, which is why it is particularly important to adapt the company's organisational behaviour to the growing requirements of the global capital markets and corporate compliance standards. This applies particularly in view of the fact that possible breaches of the law and breaches of agreements within the industry can result in high costs and reputational damage. They also hinder social development towards a more sustainable way of life and economic management.

Compliance is therefore a central area of activity for GROHE. It forms the basis for the other six areas of activity: Customers, products, processes, employees, suppliers and social commitment. This encompasses the compliance with legal regulations and requirements of authorities as well as the orientation of each individual employee towards the ethical principles of the company. The focus in this area of activity lies in particular on the prevention of corruption and anti-competitive behaviour as well as on the observance of human rights.

In order to ensure that all employees in Germany and abroad act in compliance with the law and the values of the company, GROHE has defined central ethical standards in its corporate code. The code was issued jointly by the Executive Board and Supervisory Board in 2007 and obliges employees to comply at all times with applicable laws, guidelines and regulations as well as the principles of the company. It serves as a guide for binding practices, whether in dealings with local decision-makers, state and local governments, the European Commission, owners or financial institutions, customers or suppliers. This GROHE Code of Conduct was replaced in 2015 by the LIXIL Group Code of Conduct, which also contains principles relating to compliance and integrity.

GROHE has established a comprehensive compliance management system to ensure compliance with these rules of conduct and to protect the company from damage. Each individual employee can contribute to this by reporting problems or (potential) violations of the Code. Employees and third parties can contact external ombudsmen via a worldwide reporting system, the so-called "Speak-Up Hotline", while maintaining their anonymity. Contact persons in the respective national language can be found for employees on the compliance intranet.

"We strongly believe that integrity is the central prerequisite for sustainable economic success."

Michael Mager

GROHE has set up a Compliance Committee, of which the Human Resources Director is a permanent member. The committee monitors compliance with all laws and standards as well as voluntary commitments. The committee, chaired by an external Chief Compliance Officer, meets at least four times a year and reports quarterly to the Audit Committee of the Supervisory Board. Critical issues are independently reported directly to the Chairperson of the Supervisory Board.

The company-own GROHE Compliance Committee consists of the following members:

- Chief Compliance Officer/Ombudsman (external solicitor)
- General Counsel
- Four Regional Compliance Officers (Russia/Asia Pacific/Americas/Middle East)
- Management Board of Human Resources and Organisation
- Director of Corporate Auditing
- Trade Compliance Officer
- Data Protection Officer

Once a year, all GROHE managers and employees receive classroom-based and online training on key compliance-relevant topics (antitrust law, anti-corruption, data protection and code of conduct). In these training courses, employees are made aware of critical situations and also learn who they can turn to with questions or how to handle notices regarding violations.

## ANTI-CORRUPTION AND COMPETITIVE BEHAVIOUR

**G4-S05, G4-S07**

Following antitrust proceedings before the European Court of Justice on the basis of price-fixing agreements and a corresponding fine in 2010, GROHE has introduced structures and programmes to prevent price fixing and/or other antitrust relevant procedures. With the GROHE Supplier Code of Conduct and the GROHE Antitrust Guidelines, GROHE demands compliance with ecological and social standards from its global suppliers and also obliges its own employees to behave ethically.

Anti-corruption and competitive behaviour are fundamental topics for GROHE and affect our own organisation in exactly the same way as it does the supply chain. GROHE's sites are regularly reviewed by the Audit Department and the Chief Compliance Officer. Throughout the risk analysis process no significant corruptions risks were identified. The comprehensive compliance system results in an improved and early identification of violations occurred. No violations of compliance were reported during the reporting period. Nor have there been proceedings for anti-competitive behaviour, cartels and the formation of monopolies.

**Number of compliance violations in 2015: 0**

**Number of compliance violations in FY 2017: 0**

*>> More information on implementation in the GROHE supply chain can be found in the Suppliers chapter.*



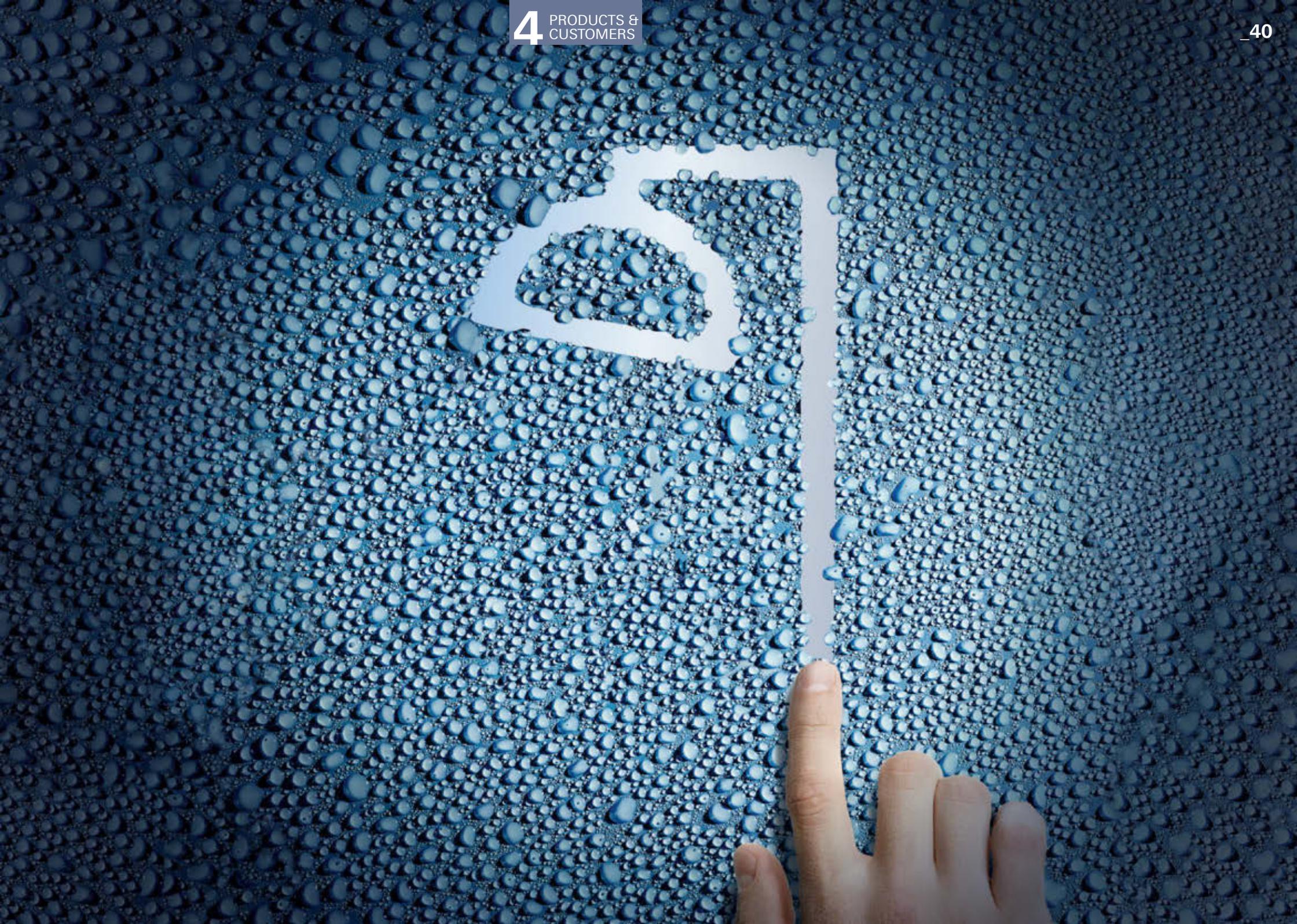
## HUMAN RIGHTS

**G4-HR1, G4-HR9**

GROHE respects human rights and is committed to maintaining and fostering them wherever the company does business. The human rights principles of LIXIL/GROHE are based on international standards, including the United Nation's Universal Declaration of Human Rights and the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work. The human rights principles at LIXIL/GROHE apply to all employees across all sites. GROHE also expects that its business partners, including suppliers and dealers, respect human rights and do not violate them.

>> *More information on respect for human rights in the supply chain can be found in the Suppliers chapter.*

At GROHE, all employees are provided with training on human rights. GROHE regularly evaluates human rights risks at its own sites. So far, this has not resulted in any indications that would have required a detailed examination of a site. The Supplier Code of Conduct is binding for all suppliers and also a component of all investment agreements at GROHE.



GROHE considers it its mission to develop water-saving technologies and products. The company has set itself the goal of developing products that enable users to use water and energy resources safely and responsibly.

## OPPORTUNITIES AND CHALLENGES IN THE SECTOR OF PRODUCTS AND CUSTOMERS

By 2050, mankind will need 55 % more drinking water than is available on earth today. One third of the world's population already lives in areas where water is scarce, and almost one billion people have no access to clean drinking water. In addition, some of the world's most fertile agricultural land is experiencing increasing periods of drought. These sobering conclusions were drawn by the World Economic Forum's "Global Risks Report 2015". Water scarcity was on the annual list of the most threatening risks for economies, the environment and people for the fourth time, and in the top position for the first time.

### WATER- AND ENERGY-EFFICIENT PRODUCTS

Each individual can save a few drops of water every day. For example, simply turning off the faucet while brushing your teeth saves six litres per minute. Washing machines and dishwashers should always be fully loaded so that they have to run less frequently. Dripping faucets should be repaired, otherwise up to 15 litres of water can be lost every single day. That's about 5,500 litres a year. 14 % of the total water wasted worldwide is due to undetected leaks. For purely private water consumption, this figure is 10 %. GROHE has therefore developed a solution to detect leaks and switch off the water supply immediately in the event of a pipe break.



The repair of dripping faucets can save 15 litres of water every day.



Turning off the faucet when brushing teeth saves 6 litres per minute.

GROHE considers it its mission to develop water-saving technologies and products that enable users to use water and energy resources safely and responsibly. Starting with technical development and design, GROHE focuses on the entire product life cycle.

The formulation of GROHE's objectives and performance developments in relation to these challenges are shown in the following.

## GROHE SUSTAINABILITY OBJECTIVES: WATER ABSTRACTION

G4-EN8

GROHE has set itself the goal of reducing water abstraction successively by 20 %, as part of the GROHE SustainAbility Objectives FY 2013 – FY 2020. This concerns the relative water consumption related to the cost relevant output.

The target in detail:

FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Base year	-2.86 %	-5.71 %	-8.57 %	-11.42 %	-14.29 %	-17.14 %	-20 %

Table: GROHE SustainAbility Objectives FY 2013 – FY 2020, sustainability targets, water abstraction

Over the last few years, the water abstraction rate has been as follows:

WATER ABSTRACTION		FY 2013	FY 2014	FY 2015	FY 2016
Surface water	m <sup>3</sup>	153,001	155,284	132,654	148,652
Ground water	m <sup>3</sup>	100,804	117,401	119,408	131,654
Rain water	m <sup>3</sup>	---	---	---	---
Waste water from another organisation	m <sup>3</sup>	---	---	---	---
Municipal water supply or other water suppliers	m <sup>3</sup>	93,464	85,985	77,890	81,567
<b>TOTAL</b>	<b>m<sup>3</sup></b>	<b>347,269</b>	<b>358,670</b>	<b>329,952</b>	<b>361,873</b>

Table: GROHE SustainAbility Objectives FY 2013 – FY 2020, water abstraction in the FY 2014 – FY 2016 period

The key indicator development is as follows:

\* Water abstraction (m<sup>3</sup>) / cost relevant output (€)

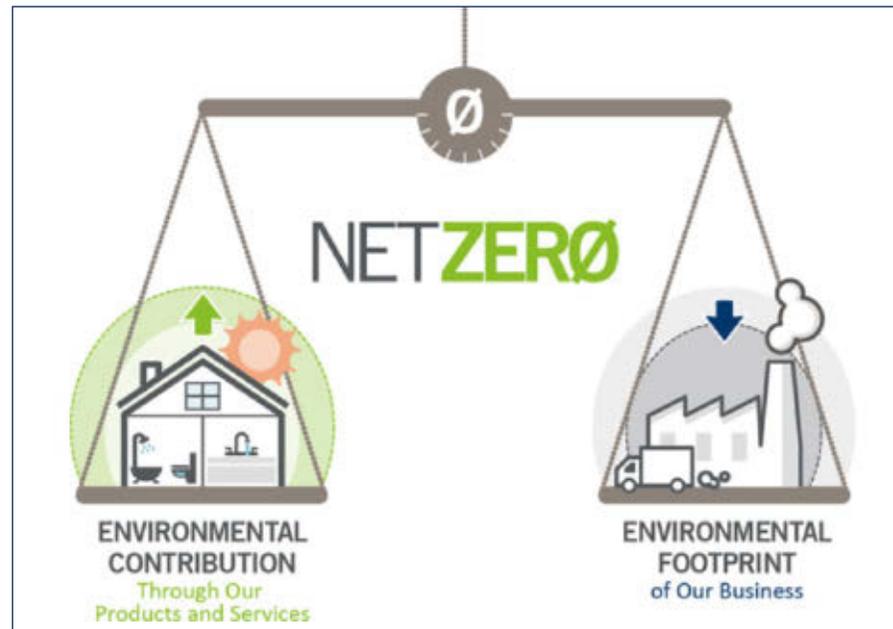
WATER ABSTRACTION		FY 2013	FY 2014	FY 2015	FY 2016
Key indicator	m <sup>3</sup> /€*	756.7	730.8	681.8	632.5
Sustainability target	m <sup>3</sup> /€*	Base year	-2.86 %	-5.71 %	-8.57 %
<b>RESULT</b>			<b>-3.4 %</b>	<b>-9.9 %</b>	<b>-16.4 %</b>

Table: GROHE SustainAbility Objectives FY 2013 – FY 2020, key indicator development, water abstraction in the FY 2013 – FY 2016 period

## MEASURES TO REDUCE THE ENVIRONMENTAL IMPACT OF PRODUCTS: LIXIL NET ZERO PROGRAMME

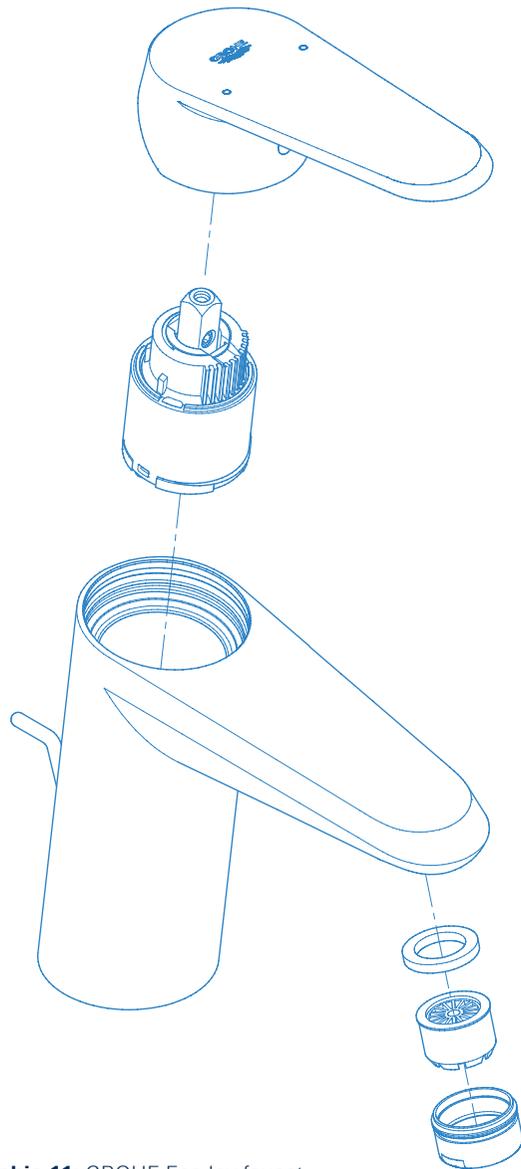
**G4-EN27**

Within the LIXIL Group, GROHE participates in the “Net Zero Programme”, which aims to offset greenhouse gas emissions resulting from the production of GROHE products by providing suitable product features over the entire life cycle of the product. In the ideal case, emissions can even be overcompensated.



**Graphic 10:** LIXIL Net Zero Programme

As part of this programme, GROHE calculates the water and energy savings that can be achieved through ecologically beneficial product features. GROHE classifies products that allow a low flow rate of water or energy as “EcoJoy”. In recent years GROHE has steadily increased the proportion of products with this classification in its portfolio of individual product categories.



**Graphic 11:** GROHE EcoJoy faucet

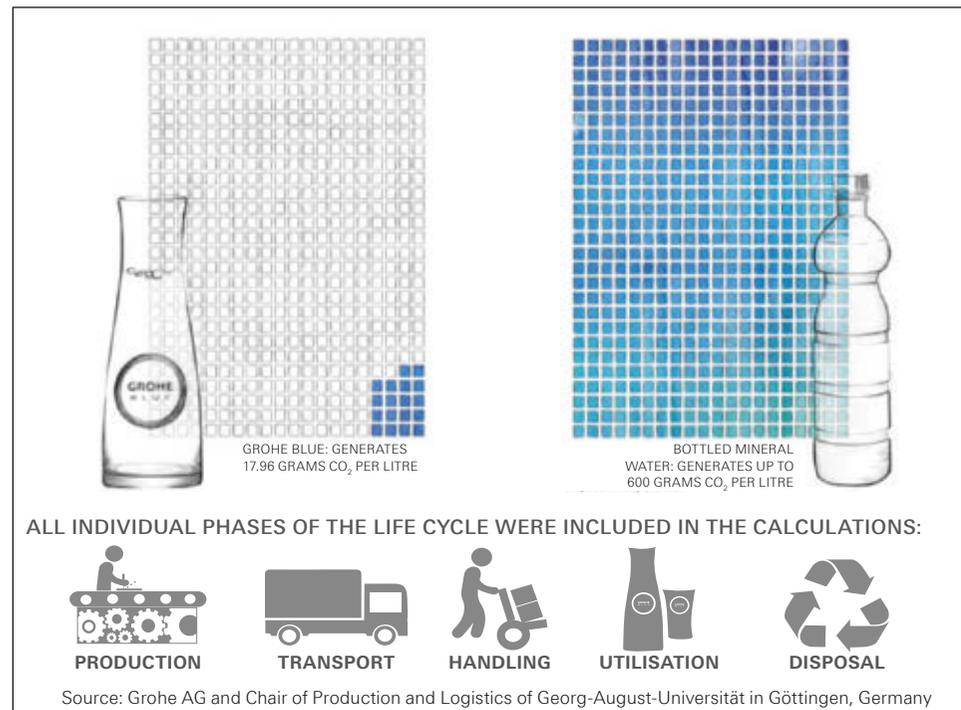
PROPORTION OF GROHE ECOJOY FITTINGS IN OVERALL PORTFOLIO BY PRODUCT CATEGORY	FY 2014	FY 2015	FY 2016
Flushing systems	80.5 %	83.1 %	85.8 %
Showers and shower systems	40.0 %	43.6 %	44.0 %
Shower sets in bundles	62.5 %	79.0 %	82.1 %
Wash basin faucets	38.3 %	57.3 %	66.0 %
Bidet faucets	34.8 %	59.8 %	74.4 %
Kitchen faucets	17.0 %	21.1 %	20.3 %
Industrial faucets	57.7 %	56.1 %	57.7 %

GROHE EcoJoy faucets reduce water consumption from ten litres per minute to just over five litres thanks to flow limiters. A perlator with flow limiter allows water consumption to be reduced without sacrificing the comfort of a full water jet.

## GROHE BLUE

GROHE Blue is a smart, sustainable solution for waste prevention and CO<sub>2</sub> savings for the kitchen and was conceived from the outset as a “sustainable product”. In addition to the usual function of a kitchen faucet, GROHE Blue supplies filtered and cooled water, still or sparkling, directly from the faucet and without having to use environmentally harmful plastic bottles. Based on the European average, this means a saving of 600 bottles per year. While seven litres of water are required for the filling and provision of a single 1-litre bottle of mineral water, GROHE Blue only uses the actual amount of water taken from the faucet.

Furthermore, a study conducted by the University of Göttingen has shown that the system saves more than 60 percent of CO<sub>2</sub> emissions compared to bottled water.



**Graphic 12:** CO<sub>2</sub> savings GROHE Blue



**Graphic 13:** GROHE Blue Home faucet

The average service life of GROHE faucets with customers is approximately 17 years.

## CUSTOMER HEALTH AND SAFETY

**G4-PR1, G4-PR2**

GROHE takes its customers' environmental protection and resource conservation as well as occupational health and safety requirements into account and provides support for relevant issues. The average service life of GROHE faucets with customers is approximately 17 years. The replacement is generally not due to a lack of functional performance, but to the customer's desire for a new design for the bath, kitchen or WC. GROHE products and services are developed according to a systematic product development process. In this process, the company checks different product requirements according to a uniform standard. Customer health and safety are of paramount importance.

For significant product and service changes or new developments and innovations, GROHE works with additional methods of quality promotion and quality assurance, such as Failure Mode and Effect Analysis (FMEA) and Quality Function Deployment (QFD). Customer health and safety also play an important role in both methods. GROHE had no incidents of non-compliance with regulations and voluntary codes relating to the effects of products and services and safety during the reporting period.

In order to guarantee the customer a reliable service life for many years, GROHE gives a 5-year manufacturer's warranty on all products and even increases this warranty to 10 years for all flush-mounted products. Electronic faucets have a warranty period of 2 years with an extension to 3 years upon registration of the customer. GROHE replacement parts are available for at least 15 years.



GROHE has set itself the goal to make all processes such that they fulfil in the best way possible the demands of the environment, resource efficiency, occupational health and safety requirements while considering economic factors.

## OPPORTUNITIES AND CHALLENGES IN THE PROCESSES AREA

Rising populations and growing economies demand more energy every day. According to the United Nations, this is a heavy burden on the limited resources of the planet. We can all save energy today if we are prepared to change our habits just a little.



**Graphic 14:** Global waste production 2007 vs. 2017

According to a 2014 study by New York University, global waste production has doubled in the last ten years. And a considerable part of this waste is plastic water bottles. By 2025, the world will produce 2.5 billion tons of waste annually. The more urban and industrialised a country is, the more waste it produces. Furthermore, we are increasingly developing into a “disposable society” – according to the American Environmental Protection Agency, for example, 60 % of all flat-screen televisions that are disposed of and replaced are still functional. The growing waste problem is harmful to public health, pollutes the environment and threatens to deluge poorer countries with toxins.

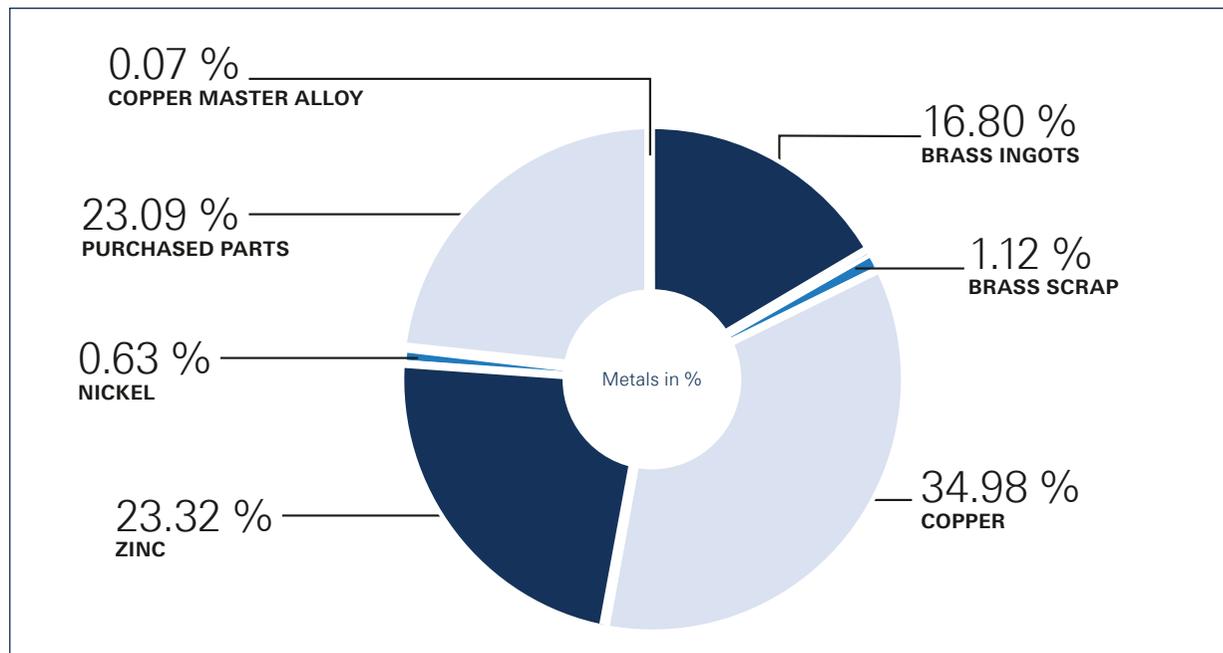
It is the mission of GROHE to conserve resources – within and outside its operational processes. The company has set itself the goal to make all processes such that they fulfil in the best way possible the demands of the environment, resource efficiency, occupational health and safety requirements while considering economic factors. Present and planned processes are therefore systematically analysed with regard to their effects, in order to minimise potential stresses. Moreover, GROHE takes selected measures to prevent accidents to ensure a high level of safety for man and the environment.

The formulation of GROHE’s objectives and performance developments in relation to these challenges are shown in the following.

## RAW COMMODITY & MATERIAL CONSUMPTION MATERIALS USED AND SECONDARY MATERIALS

G4-EN1, G4-EN2

The materials used by GROHE are mainly metals for in-house smelters, plastic granulates and packaging. The most important bought-in metals are brass, copper, zinc and nickel. Around 23 % of the total requirement is covered by renewable materials (scrap).

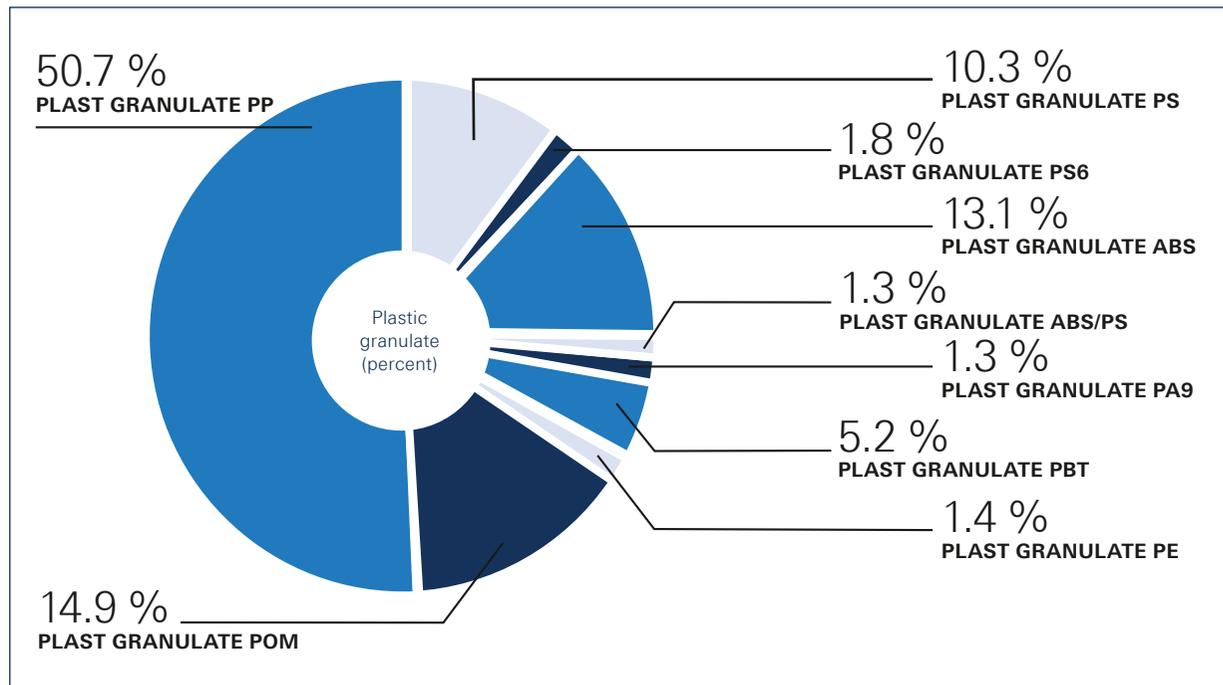


Graphic 15: Metals used by weight in %, FY 2017

Table: Metals used by weight in tons FY 2017

## PLASTICS

Out of the plastic granulates used in financial year 2017, 80 % of the ABS material which is generated as waste during in-house production is recycled and reused in the ongoing process. 20 % cannot be reused and goes into the thermal waste-to-energy.



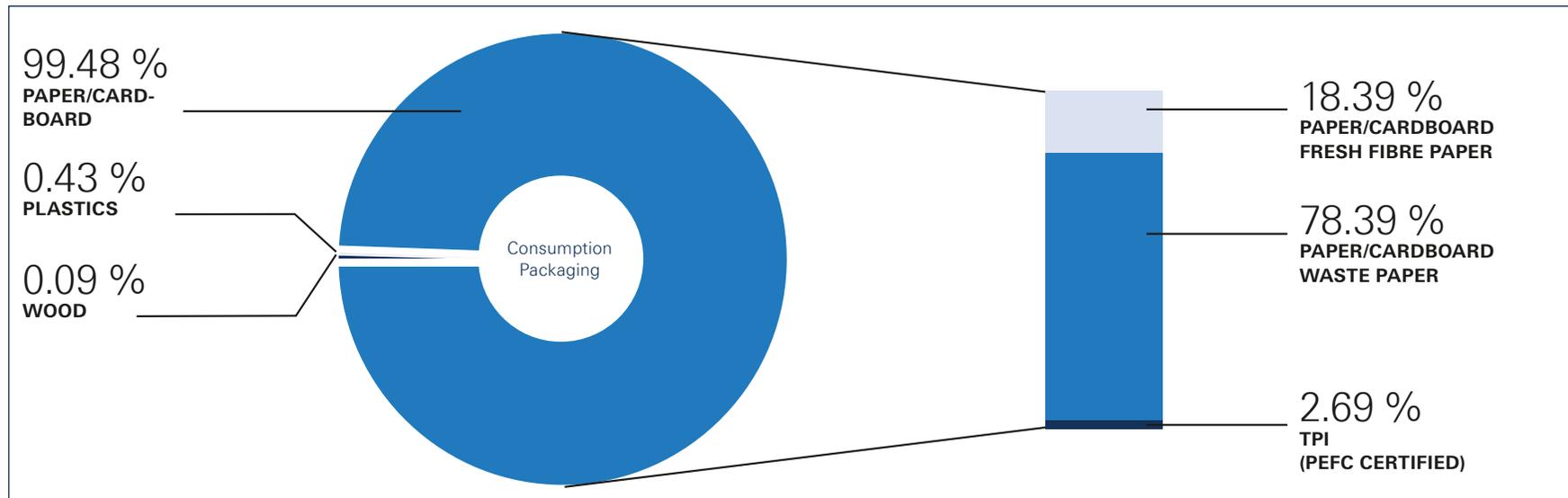
**Graphic 16:** Plastic granulate used by weight in %, FY 2017

PLASTIC GRANULATE	QUANTITY (TONS)
PS	710
PS6	125
ABS	903
ABS/PS	92
PA9	93
PBT	356
PE	100
POM	1,029
PP	3,502
Total	6,910

Table: Plastic granulate by weight in tons, FY 2017

## PACKAGING

The packaging used is divided by GROHE into paper, wood and plastics. Paper and cardboard constitute the largest volume. Currently 79 % of the paper and cardboard packaging is made from reconstituted material. Product descriptions (TPI) are printed 100 % on PEFC-certified paper.



**Graphic 17:** Packaging by weight in %, FY 2017

PACKAGING	QUANTITY (TONS)	WASTE PAPER (TONS)	FRESH FIBRE PAPER (TONS)	TPI (PEFC certified) (TONS)
Wood	11			
Plastics	53			
Paper/cardboard	12,224	9,633	2,260	331
<b>TOTAL</b>	<b>12,288</b>			

Table: Packaging by weight in tons, FY 2017

## BRASS

**G4-EN23**

The proportion of the secondary raw materials (pre-consumer and post-consumer) depends on the required brass specification. Generally it is in the region of 75 – 85 % of secondary raw material content in the new material. Around 23 % of the entire brass requirement is covered by renewable materials (scrap). As metals can be recycled repeatedly without loss of quality, secondary raw materials (scrap) and new metal are of equivalent quality. The “recyclability” of metals at the end of a product’s life cycle is therefore practically 100 %.

## PLASTICS

Primary raw materials are used almost exclusively, for reasons of quality. The “sprues” and “risers” that are created by the plastics injection moulding machines are collected by GROHE at the individual machines, processed (re-granulated) and returned to the production process. Secondary raw materials (pre-consumer) are used in low amounts in qualitatively uncritical components.

## GROHE SUSTAINABILITY OBJECTIVES: WASTE

GROHE has set itself the target of increasing the waste recycling rate successively to 99 %, as part of the GROHE SustainAbility Objectives FY 2013 – FY 2020.

The target in detail:

RECYCLING RATE	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Sustainability target	Base year	93 %	94 %	95 %	96 %	97 %	98 %	99 %

Table: GROHE SustainAbility Objectives FY 2013 – FY 2020, sustainability targets, waste recycling rate

Over the last few years, the development of the waste recycling rate has been as follows:

		FY 2013	FY 2014	FY 2015	FY 2016
<b>I. NON-HAZARDOUS WASTE</b>					
1. Recycling / reuse:					
Sales	t	3,862,472	3,748,353	3,819,696	4,489,425
Recycling	t	14,613,847	16,583,585	16,157,323	16,796,001
Composting	t	39	29	41	41
Thermal waste-to-energy	t	250,234	243,925	263,935	310,878
2. Disposal:					
Burning	t	0	13,650	94,840	121,450
Landfill	t	208,506	807,977	79,553	220,311
<b>II. HAZARDOUS WASTE</b>					
1. Recycling / reuse:					
Sales	t	64,802	59,087	38,578	36,662
Recycling	t	4,119,542	2,341,612	1,973,339	3,414,886
Thermal waste-to-energy	t	1,015,708	805,869	709,232	826,501
2. Disposal:					
Burning	t	130,213	367,726	1,009,232	500,611
Landfill	t	1,126,873	124,352	511,846	895,379
<b>TOTAL: Reuse (non-hazardous and hazardous waste)</b>					
Sales	t	3,927,274	3,807,440	3,858,274	4,526,087
Recycling	t	18,733,389	18,925,197	18,130,662	20,210,887
Composting	t	39	29	41	41
Thermal waste-to-energy	t	1,265,942	1,049,794	973,167	1,137,379
TOTAL	t	23,926,644	23,782,460	22,962,144	25,874,394
<b>TOTAL: Disposal (non-hazardous and hazardous waste)</b>					
Burning	t	130,213	381,376	1,104,072	622,061
Landfill	t	1,335,379	932,329	591,399	1,115,690
<b>TOTAL</b>	<b>t</b>	<b>1,465,592</b>	<b>1,313,705</b>	<b>1,695,471</b>	<b>1,737,751</b>
<b>RECYCLING RATE</b>	<b>t</b>	<b>94.2 %</b>	<b>94.8 %</b>	<b>93.1 %</b>	<b>93.7%</b>

Table: GROHE SustainAbility Objectives FY 2013 – FY 2020, waste recycling rate, FY 2013 – FY 2016

Waste treatment processes other than those listed are not used. The choice of the disposal method is primarily orientated around the statutory requirements, followed by the company internal requirement of achieving as high a recycling rate as possible.

The key indicator development is as follows:

RECYCLING RATE		FY 2013	FY 2014	FY 2015	FY 2016
Sustainability target	Wgt % *	Base year	93 %	94 %	95 %
Result	Wgt % *	94.2 %	94.8 %	93.1 %	93.7%

Table: GROHE SustainAbility Objectives, FY2013 – FY2020, waste recycling rate, FY 2013 – FY 2016

In the meantime, as the legislator has prescribed that, at one of the company's sites, certain waste (core sand waste) that could previously be reused must be disposed of, the recycling targets set in 2013 and 2014 are now harder to achieve than originally assumed. GROHE is sticking to the objective of a high recycling rate and is attempting to achieve this target by compensating with other types of waste and/or sites.

## RETURNED PRODUCTS

**G4-EN28**

GROHE and the GROHE product portfolio are subject to differing legal take-back obligations. In the EU these are principally take-back obligations for packaging, batteries and electrical/electronic devices. GROHE generally fulfils these obligations by participating in national take-back systems, which guarantees subsequent recycling of the materials or safe disposal.

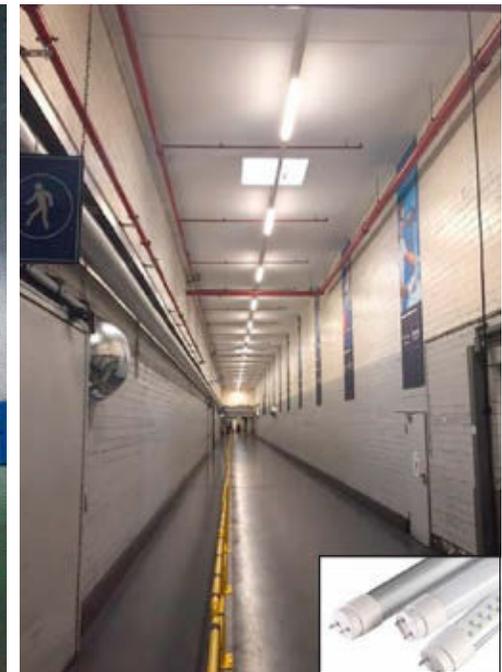
## EMISSIONS, ENERGY USE & CLIMATE CHANGE

As a consequence of a global rise in population numbers and growing national economies, the demands for energy will increase in the near future. According to the United Nations, this increased demand could thoroughly decimate the earth's already scarce resources. Water is needed to generate power, and power is needed to extract water; in this case only a holistic solution can help which takes all of the factors into account.

GROHE sees it as its mission to develop both energy-saving technologies, as well as to save as much energy as possible in the operating procedures.



**Graphic 18:** Cogeneration plant



**Graphic 19:** Changeover to LED lighting

The formulation of GROHE's objectives and performance developments in relation to these challenges are shown in the following:

## GROHE SUSTAINABILITY OBJECTIVES: REDUCTION OF ENERGY CONSUMPTION

**G4-EN3, G4-EN6**

GROHE has set itself the goal of successively improving the company's energy efficiency by 20 %, as part of the GROHE SustainAbility Objectives FY 2013 – FY 2020. This goal is based on the key indicator for energy use and related to the cost relevant output.

The target in detail:

ENERGY EFFICIENCY	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Sustainability target	Base year	+2.86 %	+5.71 %	+8.57 %	+11.42 %	+14.29 %	+17.14 %	+20 %

Table: GROHE SustainAbility Objectives FY 2013 – FY 2020, sustainability targets, energy efficiency

The development of energy use (kWh) in recent years, has been as follows:

ENERGY USE		FY 2013	FY 2014	FY 2015	FY 2016
Electricity	kWh	98,235,684	99,724,660	99,941,089	103,462,154
Natural gas	kWh	38,825,330	39,131,228	41,643,506	49,869,437
LPG	kWh	1,648,363	1,929,207	1,995,618	1,769,820
Heating oil (stationary)	kWh	339,120	8,697	14,910	20,874
Diesel (portable)	kWh	67,214	87,632	79,221	186,977
<b>TOTAL</b>	<b>kWh</b>	<b>139,115,711</b>	<b>140,881,424</b>	<b>143,674,344</b>	<b>155,309,262</b>

Table: GROHE SustainAbility Objectives FY 2013 – FY 2020, energy consumption in the period FY 2013 – FY 2016

The development of energy consumption (MJ) in recent years has been as follows:

ENERGY CONSUMPTION		FY 2013	FY 2014	FY 2015	FY 2016
Electricity	MJ	356,239,613	361,529,615	359,839,908	372,778,830
Natural gas	MJ	137,457,122	140,872,421	149,945,875	179,564,648
LPG	MJ	5,934,107	6,945,145	7,772,756	6,371,352
Heating oil (stationary)	MJ	1,220,832	31,309	53,676	96,617
Diesel (portable)	MJ	241,607	315,475	311,429	673,117
<b>TOTAL</b>	<b>MJ</b>	<b>501,093,281</b>	<b>509,693,965</b>	<b>517,923,644</b>	<b>559,484,564</b>

Table: GROHE SustainAbility Objectives FY 2013 – FY 2020, energy consumption in the period FY 2013 – FY 2016

Heating and cooling energy is not captured separately by the company. Steam is not used by the company as an energy source. Electricity, heating energy, cooling energy or steam was not sold during the FY 2013 – FY 2016 financial year period.

Conversion factors used:

Density: 0.84 kg/m<sup>3</sup>N; heating value: 37,884 kJ/m<sup>3</sup> (source: Despacho 17313/2008)

Density: 0.54 kg/l; heating value: 26,620 kJ/l (source: Thai DEDE Report)

Density: 0.84 kg/l; heating value: 42,600 kJ/kg

Energy: 1 kWh = 3.6 MJ

The key indicator development for increasing energy efficiency is as follows:

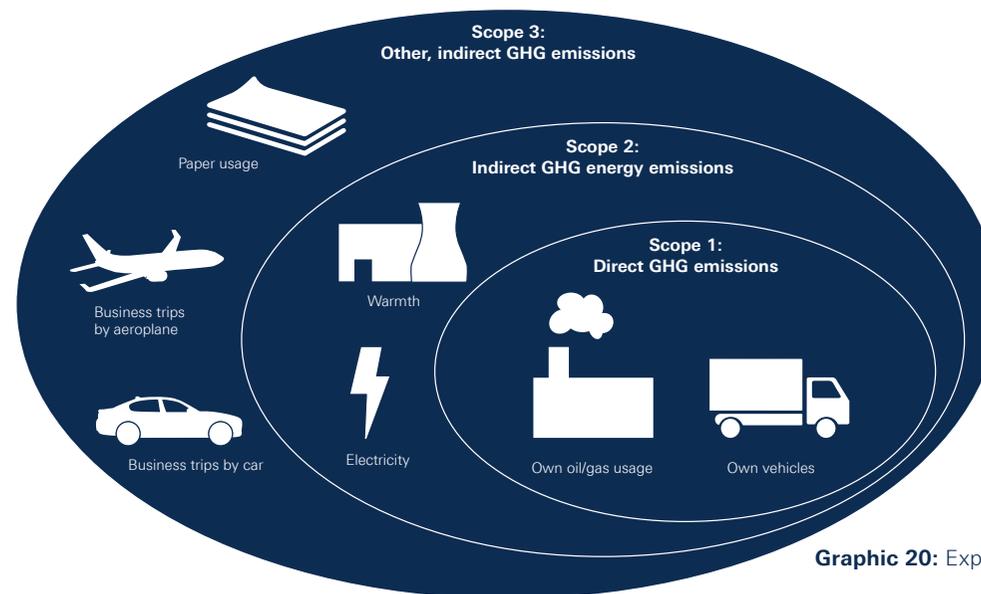
\* Energy use in kWh / cost relevant output (€)

ENERGY EFFICIENCY		FY 2013	FY 2014	FY 2015	FY 2016
Key indicator	kWh/€*	303.3	288.5	291.6	260.0
Sustainability target		Base year	+2.86 %	+5.71 %	+8.57 %
<b>RESULT</b>			<b>+4.9 %</b>	<b>+3.9 %</b>	<b>+14.3 %</b>

Table: GROHE SustainAbility Objectives FY 2013 – FY 2020, key indicator development, energy efficiency during the FY 2013 – FY 2016 period

## GROHE SUSTAINABILITY OBJECTIVES: DIRECT GHG EMISSIONS

GROHE has set itself the goal of reducing greenhouse gas emissions (GHG / carbon footprint) successively by 20 %, as part of the GROHE Sustainability Objectives FY 2013 – FY 2020. This target is based on the key indicator: Carbon footprint (CO<sub>2</sub>) related to the cost relevant output.



**Graphic 20:** Explanation Scope 1 – 3

The target in detail:

CARBON FOOTPRINT	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Sustainability target	Base year	-2.86 %	-5.71 %	-8.57 %	-11.42 %	-14.29 %	-17.14 %	-20 %

Table: GROHE Sustainability Objectives FY 2013 – FY 2020, sustainability targets, carbon footprint

## SCOPE 1 (DIRECT GHG EMISSIONS)

G4-EN15

GHG – SCOPE 1		FY 2013	FY 2014	FY 2015	FY 2016
Natural gas	t CO <sub>2</sub>	7,230.900	7,323.464	7,843.464	9,474.783
LPG	t CO <sub>2</sub>	197.423	231.060	239.014	211.970
Heating oil (stationary)	t CO <sub>2</sub>	90,068	2.310	3.960	5.544
Diesel (portable)	t CO <sub>2</sub>	34.369	40.289	41.319	70.777
<b>TOTAL</b>	<b>t CO<sub>2</sub></b>	<b>7,552.760</b>	<b>7,597.123</b>	<b>8,127.986</b>	<b>9,763.074</b>

Table: GROHE SustainAbility Objectives FY 2013 – FY 2020, GHG, Scope 1, FY 2013 – FY 2016

## SCOPE 2 (INDIRECT ENERGY-RELATED GHG EMISSIONS)

G4-EN16

GHG – SCOPE 2		FY 2013	FY 2014	FY 2015	FY 2016
Electricity	t CO <sub>2</sub>	45,914.27	44,659.00	41,338.94	40,334.66
<b>TOTAL</b>	<b>t CO<sub>2</sub></b>	<b>45,914.27</b>	<b>44,659.00</b>	<b>41,338.94</b>	<b>40,334.66</b>

Table: GROHE SustainAbility Objectives FY 2013 – FY 2020, GHG, Scope 2, in the FY 2013 – FY 2016 period

## SCOPE 3 (OTHER INDIRECT GHG EMISSIONS)

G4-EN17

The integration of GROHE into the LIXIL concern has resulted in the introduction of a company-wide Environment Health and Safety (EHS) key indicator structure. The implementation process is in full swing. Scope 3, emissions do not belong to this at the moment, which is why this highly data intensive analysis has not been created for the reporting period.

## REDUCTION OF GHG EMISSIONS

G4-EN19

Over the last few years, the development of the greenhouse gas emissions (Scope 1 and Scope 2) has been as follows:

GHG EMISSIONS		FY 2013	FY 2014	FY 2015	FY 2016
<b>GHG – SCOPE 1</b>					
Natural gas	t CO <sub>2</sub>	7,230.900	7,323.464	7,843.693	9,474.783
LPG	t CO <sub>2</sub>	197.423	231.060	239.014	211.970
Heating oil (stationary)	t CO <sub>2</sub>	90,068	2.310	3.960	5.544
Diesel (portable)	t CO <sub>2</sub>	34.369	40.289	41.319	70.777
<b>GHG – SCOPE 2</b>					
Electricity	t CO <sub>2</sub>	45,914.27	44,659.00	41,338.94	40,334.66
<b>TOTAL</b>	<b>t CO<sub>2</sub></b>	<b>53,467.026</b>	<b>52,256.121</b>	<b>49,466.927</b>	<b>50,097.729</b>

Table: GROHE SustainAbility Objectives FY 2013 – FY 2020, THG, Scope 1 and Scope 2, in the FY 2013 – FY 2016 period

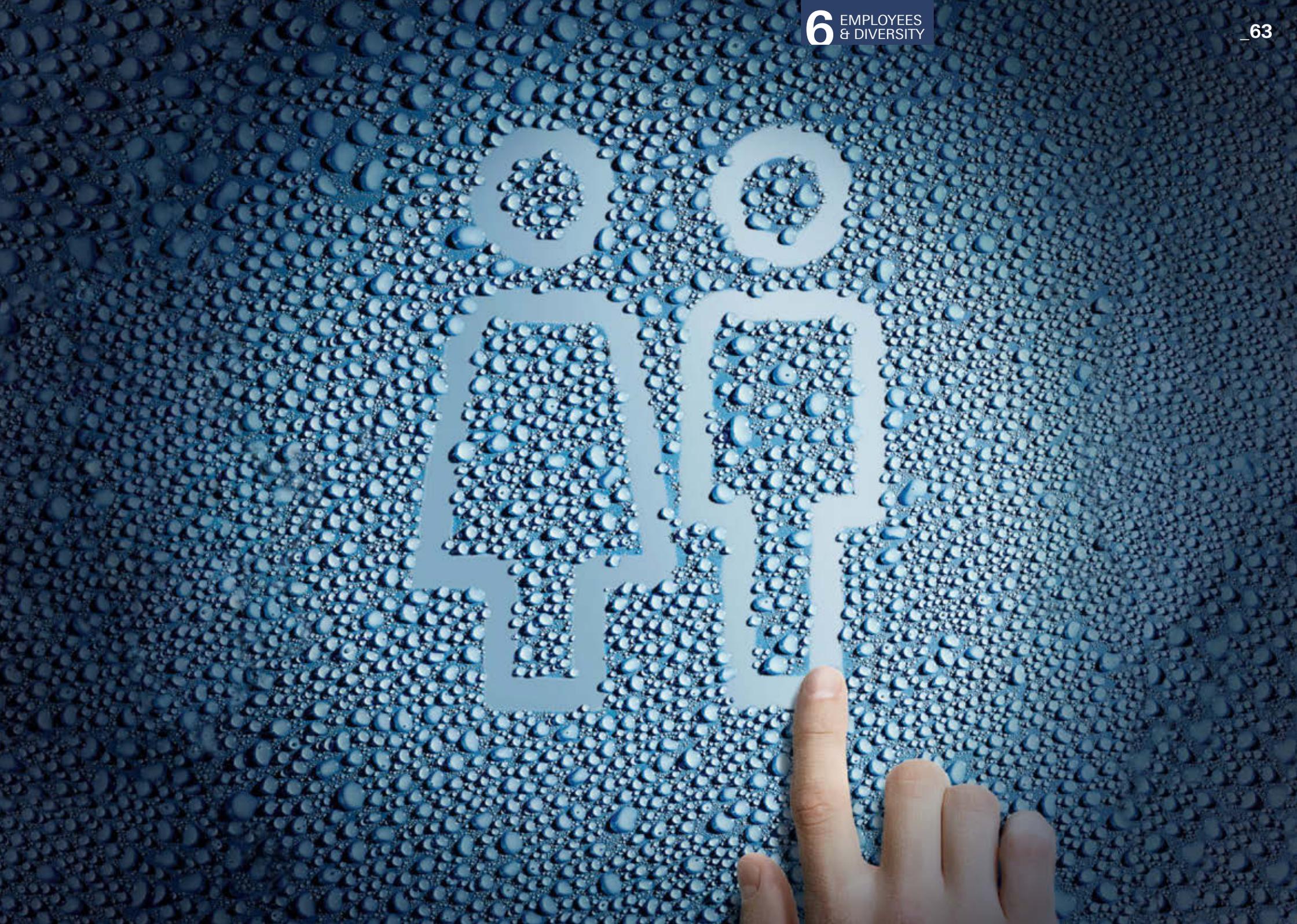
In the observations and calculations, direct and indirect greenhouse gas emissions are included from Scope 1 and Scope 2. Only CO<sub>2</sub> has been taken into account as CH<sub>4</sub>, N<sub>2</sub>O, HFC, PFC, SF<sub>6</sub>, N<sub>3</sub> were ignored due to lack of relevance. The emission factors used for the calculated greenhouse gas emissions correspond to information provided by national electricity suppliers or accepted international calculation factors for other energy sources such as natural gas, heating oil, diesel or LPG (Liquid Petroleum Gas). The emissions of the GROHE Group's production sites and the logistics centres have been taken into account (consolidation approach = capital share, financial and operational control). The energy consumed outside of the organisation is not captured.

The key indicator development is as follows:

\* Carbon Footprint in kg CO<sub>2</sub> / cost relevant output (€)

CARBON FOOTPRINT		FY 2013	FY 2014	FY 2015	FY 2016
Key indicator	kg CO <sub>2</sub> /€*	116.5	106.5	102.2	87.6
Sustainability target		Base year	-2.86 %	-5.71 %	-8.57 %
<b>RESULT</b>			<b>-8.58 %</b>	<b>-12,27 %</b>	<b>-24.80 %</b>

Table: GROHE SustainAbility Objectives FY 2013 – FY 2020, key indicator development GHG / Carbon Footprint in the FY 2013 – FY 2016 period



The employees at GROHE are fostered in their daily work by tackling challenging tasks, not just within the framework of individual events. Because only those who are prepared to tackle challenges can surpass themselves and develop their strengths.

Sustainability not only requires a sense of responsibility for the environment, but also responsibility for the person.

## OPPORTUNITIES AND CHALLENGES IN THE ARENA OF EMPLOYEES

Sustainability not only requires a sense of responsibility for the environment, but also responsibility for the person. GROHE therefore sets great store by clear regulations, an effective compliance system and an open conversation culture. In addition, the Supplier Code of Conduct guarantees ethical treatment of the suppliers and their employees.

GROHE supports its employees with various initiatives. For example, GROHE invites all new trainees to the “Trainee On Tour” programme, where they receive sales training during their vocational training. GROHE is in continuous dialogue with all of its employees and their special-interest groups. This is how the company ensures that it fulfils its responsibilities as an employer. Integral to this, of course, is a secure job and fair payment; but also training and further education opportunities. That’s why GROHE has improved its offers in these areas for all of its employees: Part of this is the new GROHE Master Academy which offers both internal and external courses, the “GROHE Potential” programme and an onboarding programme for new employees. GROHE wants to help every employee to realise their full potential with the latest learning methods and the concept of lifelong learning.

## REMUNERATION POLICY

**G4-51**

GROHE stands for a performance-related remuneration policy and follows the principle that employees are paid according to their level of responsibility and how they have performed. GROHE offers its employees that are not tariff-bound, a combination of fixed basic income and variable components, the latter depends on hitting individual targets. The targets consist primarily of sales targets that take the fulfilment of certain basic requirements into account, such as financial housekeeping within the constraints of budgetary responsibility. Independent of this, every employee receives honest feedback regarding their performance and target attainment as part of an annual performance review.

Recruitment premiums can be earned as part of the employee recommendation programme.

## ANNUAL REMUNERATION RATIO

**G4-54**

The annual remuneration ratio between the highest paid employees and the medium level of annual remuneration (median) of all employees, is 5:1. Due to the LIXIL-wide reorganisation for ascertaining personal-key indicators, it is currently not possible to provide detailed data on the annual remuneration ratio. However, this will be the case once the reorganisation and introduction of corresponding analysis tools has been completed.



## DIVERSITY

G4-LA12

33.3 % of the seats on the Executive Board are held by women. The age groups and representation of minorities are not known. The members of the board are of different nationalities but are for the most part German and Japanese. GROHE employs staff from nearly 50 different nations. The average age of the general staff is 45.7 years. The percentage of women in the general staff is 36.4 %. As currently key personal indicators are being set up LIXIL-wide, it is not possible to provide detailed data on gender, age group or other diversity indicators at the moment.

## TRAINING AND FURTHER EDUCATION

G4-LA9

GROHE provides traineeships for over 25 different professions. Every year, 80 up-and-coming trainees complete the traineeship programme. But the company is not just concerned with quantity, it is particularly concerned with the quality of the training. GROHE has repeatedly received recognition for this from third parties. Since 2010, seven GROHE trainees have been crowned Germany's Best Trainee. Many complete their apprenticeship at GROHE as Trainee of the Year at national or regional level. The company also supports further education with subsidies, thereby ensuring future availability of a large pool of qualified personnel. Beyond this, GROHE has developed the GROHE Master Academy and recently initiated the GROHE Campus to offer all of its employees a new online training portal.



YOUR CHANCE TO  
BE PART OF THE  
GROHE TEAM

## STAFF ADVANCEMENT

GROHE does not differentiate its further education programmes according to gender, in fact the further education offering is based on the qualification requirement, which the company ascertains and defines in advance to optimise individual and organisational services.



In 2015, GROHE invested approx. 5.0 hours/employee in courses, in the 2017 financial year 5.8 hours/employee.

**Graphic 21:** Courses in hours, per employee

Approximately 25 % of all further education offerings have been carried out as online courses. The course offering is directed at all employees, whereby a differentiation must be made between GroheExcellence and GroheEfficiency programmes. Both programmes follow the principle that the employee should be viewed as an expert in their respective field who can pass their knowledge on to other colleagues. GroheExcellence deals with basic professional skills, such as using Microsoft Office programmes, for example. GroheEfficiency, however, addresses wide-ranging leadership skills and soft skills and is intended for the optimisation of these competences. External experts are also called-in for this programme.

These programmes account for just 10 % of overall employee development schemes. A further 20 % consist of learning from external third parties. And 70 % of the learning process happens consciously in (and guided by) daily practice and “on the job” – this equates to the build-up of experience from mastering challenges on your own. The 70/20/10 model is widespread practice and forms an integral part of the learning and training philosophy at GROHE.

## LIFELONG LEARNING

G4-LA10

The transformation of the markets, the changing requirements of products and materials as well as the geographic expansion of the company means that there is a constant pressure to adjust, which in turn means that the organisation and its employees must continue to learn on a permanent basis. In the past, once knowledge had been acquired it lasted for years, but this is not the case anymore, in any sector. An everlasting process of education is the basic requirement for competitiveness. In addition to this, GROHE is operating in new fields of work due to new processes (e.g. 3D printing) or new materials and components (e.g. electronics), but also with new distribution channels (e.g. e-commerce) that are fundamentally new to the employees and therefore require special qualification measures. The training requirements are discussed with the employee and their supervisor as part of the annual employee dialogue. The skills that the employee needs to learn are derived from the GROHE Skills Wheel (see Corporate values section), which is a fixed element of GROHE’s corporate philosophy.



## CAREER START AT GROHE

GROHE acquaints its employees with the company's products, standards and procedures as soon as possible, as part of the onboarding process. New employees from all international markets participate in an induction event, part of which includes a factory tour, a visit to the headquarters in Düsseldorf and a meeting with the management team. If employees are unable to personally attend the event, they can call up a digital induction event via the GROHE Campus online training portal and take a virtual journey through the history of the company, its sites and product portfolio.

## INNOVATIVE LEARNING OPTIONS

GROHE is putting ever greater emphasis on innovative digital solutions, especially those that make learning fun. As part of e-training courses, videos, interactive surfaces, animations and quiz formats are used that make the learning experience more effective while also having plenty of fun. Knowledge can be broadened by simply using different learning cards. The basic principle is a knowledge base that can be called up on the go and is suitable for any desktop, tablet or smartphone.

## TALENT AND CAREER MANAGEMENT

Planning and plannability play a central role for your personal career development. That's why GROHE is not just planning for its promising talents but planning with them. Because "talent" is a combination of capacity to perform and the potential to increase it.

In order to assess the capacity and potential of its employees, GROHE carries out employee dialogues as well as regional "talent reviews", during which the respective Vice Presidents, together with their Human Resources Business Partners, present the talents in their teams to the Board. The Board reserves whole days over the entire year for a qualitative discussion. Talent management and employee advancement are important parts of the company strategy and a key to success for GROHE. The early preparation of employees for future leadership positions is an important part of succession planning at GROHE. If employees are not prepared in due time for future leadership positions, gaps will emerge in the succession planning which could cause the company problems in the future.

An in-house successor has already been designated for four fifths of the key positions at GROHE. 10 % of employees who rise to important leadership positions are former trainees. This demonstrates the success of the company's succession planning.

## LEADERSHIP DEVELOPMENT

The GROHE Potential System (GPS) supports potential young executives to develop their skills in a targeted manner and to prepare themselves for a leading position. By making use of the latest findings in the field of learning psychology and its implementation in project work, course content can be matched to the personal requirements of the employees. As part of the programme, colleagues from other departments and countries meet for discussions on experiences, ideas and how to improve procedures.

This creates dynamic interaction, which enables the employees to learn from each other on different levels. Every training module is practice orientated and the sessions are taken by experienced coaches who give feedback on the personal requirement for additional support. The collaboration in teams also improves the participants' networking capabilities as well as their intercultural skills before presenting a project that they have developed to sponsors and managers, the board and former programme participants.

The employees at GROHE are fostered in their daily work by tackling challenging tasks, not just within the framework of individual events. Because only those who are prepared to tackle challenges can surpass themselves and develop their strengths. Special projects and initiatives encourage the employees to leave their comfort zone and tackle the unknown. Usually these projects relate to areas that are completely new to the employees. This allows them to develop their skills portfolio and management capabilities.

At GROHE, employee support does not end once you've attained a management post. Besides internal talent management, employees in management posts also take part in programmes that are organised by LIXIL, including courses and project work.

## FEEDBACK AND DEVELOPMENT

Every employee gets an annual performance review by their supervisor at GROHE. The implementation of the discussion is monitored by the employee responsible in the personnel department and the Board is informed in the event of non-fulfilment. In all business units worldwide, employees have the right to a regular and differentiated appraisal.

**G4-LA11**

## OCCUPATIONAL SAFETY AND HEALTH PROTECTION

GROHE employees are regularly informed and educated on environmental protection and resource conservation, as well as occupational health and safety requirements because these topics are of key importance to GROHE. The company makes a great effort to protect its employees and supports employee initiatives that lead to improvements in this area.

Every accident in the workplace is subject to a precise analysis of the causes and must be reported to the management board with a detailed action plan for the prevention of similar accidents in the future. Occupational safety and health help to maintain the productivity of the employees. GROHE also recognises the potential danger of reputational damage as a result of accidents. For this reason, the topic is a permanent item on the agenda at the weekly board meeting.

The setting of targets and performance developments as well as the offerings and structures put in place by GROHE with regard to these challenges are shown here:

### SOCIAL PARTNERSHIPS FOR OCCUPATIONAL SAFETY AND HEALTH PROTECTION

G4-LA5

At GROHE, the formal joint employer and employee committees for occupational safety and health protection are positioned at site level or plant level. This is especially the case for the administration and production sites in Germany (Düsseldorf, Hemer, Porta Westfalica and Lahr) as well as in Portugal (Albergaria) and Thailand (Klaeng). In addition, there is a General Works Council at the GROHE sites in Germany and a European Works Council for the GROHE sites in Europe. The committees are principally positioned at management level. Almost 100 % of the entire general staff is represented in formal “joint employer and employee committees” for occupational health and safety.

### GROHE SUSTAINABILITY OBJECTIVES: LOST TIME DAYS

G4-LA6

GROHE has set itself the target of reducing the number of lost time days in the company successively by 60 %, as part of the GROHE Sustainability Objectives FY 2013 – FY 2020.

The objective in detail (lost time days):

LOST TIME DAYS	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Sustainability target	Base year	-8.57 %	-17.14 %	-25.71 %	-34.29 %	-42.85 %	-51.42 %	-60.0 %

Table: GROHE Sustainability Objectives FY 2013 – FY 2020, sustainability targets, lost time days

## LOST TIME INCIDENTS (LTI)

GROHE will endeavour to prevent all accidents and is pledged to the "Zero Accident" philosophy. The number of lost time incidents is monitored as a key indicator for the improvement of occupational safety in the company.

Over the last few years, the development of the key indicator has been as follows:

	FY 2013	FY 2014	FY 2015	FY 2016
Lost time incidents (LTI)				
Employees	64	62	38	16
Contractors	27	27	20	8
<b>TOTAL</b>	<b>91</b>	<b>89</b>	<b>58</b>	<b>24</b>
Accidents with days lost per 1 million working hours / Lost Time Incident Frequency Rate (LTIFR)				
Employees	7.51	8.43	4.96	2.06
Contractors	44.56	41.59	32.88	10.25
<b>TOTAL</b>	<b>9.98</b>	<b>11.12</b>	<b>7.01</b>	<b>2.81</b>

Table: Lost time incidents. In the FY 2013 – FY 2016 period, there were no days lost due to deaths in the workplace.

## LOST TIME DAYS (LTD)

The following picture emerges from the key indicator development:

LOST TIME DAYS		FY 2013	FY 2014	FY 2015	FY 2016
Sustainability target	%	Base year	-8.57 %	-17.14 %	-25.71 %
	LTD	1460	1335	1210	1085
<b>RESULT</b>	<b>LTD</b>	<b>1460</b>	<b>1618</b>	<b>771</b>	<b>424</b>
	%		<b>+10.82%</b>	<b>-47.19%</b>	<b>-70.96%</b>

Table: GROHE SustainAbility Objectives FY 2013 – FY 2020, sustainability targets, lost time days in the FY 2013 – FY 2016 period

## HAZARDS AND EXPOSURE

G4-LA7

GROHE performs systematic and regular workplace-specific and job-specific risk assessments in the workplace. Hazards and exposure can differ significantly, depending on the workplace and the respective job and working conditions. Suitable technical, organisational or personal protective measures are installed, introduced and/or agreed with the employees, based on the local GROHE risk assessment. Qualified personnel for industrial safety, works doctors as well as psychologists and physiotherapists assist GROHE managers with this. Wherever concentrated exposure is identified, GROHE has implemented the corresponding additional programmes and measures, whereby aspects related to an increase in the general staff's average age play an important role.

By changing the organisation of work, using special equipment such as height-adjustable desks, job rotation or performing short fitness routines before work and/or during the breaks can, for example, prevent ergonomic problems. GROHE makes the corresponding provisions for this. Besides this, in areas of concentrated exposure there are compulsory and voluntary examinations for the staff. The so-called "G" examinations (occupational health checks) are part of this in Germany.

Generally speaking, there are no jobs at GROHE that are associated with posing a particularly high risk of serious illnesses. Nevertheless, the company takes its responsibility for the health of its employees very seriously and implements all measures necessary to ensure that the safety of the employees is guaranteed on a daily basis, from the first day of their traineeship until the day they retire. The

employees profit from local programmes for health and safety. GROHE ensures that all legal obligations as well as the company's own guidelines are fulfilled by making sure that a responsible contact partner is available to employees on-site, anytime and anywhere. At every site, there is a health management working group which meets regularly and determines health-promoting measures. Members (participants) of the working groups include, amongst others, the company management, the works council, operations manager, the personnel department and the company doctor.

In November 2016, GROHE carried out an employee survey under the heading "GROHE Health Survey 2016 – How's it going...?".

The objective of the GROHE Health Management Team (GHM-Team) was to find out how the employees were feeling and what can be done to foster their health and well-being. The survey was carried out on a voluntary basis, it was anonymous and gave the GHM Team new stimulus.

Simultaneously, the survey had the objective of pointing out the existing company sports groups, such as those for football, volleyball, hiking and mountain biking and to find out if there was interest in other sports being added to this list.

From the answers, it was clear that the employees wanted options such as yoga, back-therapy training and also fitness courses. Corresponding measures were derived from this and are currently in planning.



## PROMOTING EMPLOYEE WELL-BEING

As part of the GroheExcellence and GroheEfficiency training programmes, the company offers several different courses at the German sites that are intended to improve health and safety. However, every employee is also responsible for their own health. A seminar on the topic “Health-orientated leadership” deals with precisely this topic. GROHE can only offer safe and sustainable jobs when every single company manager leads by good example and underlines the meaning of well-being to the employees. In order to promote employees health, GROHE also offers them the option of renting a bike. In Hemer, e-bikes can be parked and charged at our own charging stations. Once a year, GROHE host a local “Health and Safety Day” to sensitise employees to the all important health and safety topics in a fun environment. For instance, under the banner of “Lahr on the Move”, the GROHE plant in Lahr hosts a regular health initiative to break up the daily work routine with short bouts of physical exercise. At small workshops,

the employees learn exercises which can be conveniently integrated into their working day and also help lower their risk of injury.

In addition to this, specially trained ergonomic consultants advise the employees on how to arrange their workplace in an optimal way and check if any special equipment may be necessary. The company headquarters in Düsseldorf also has a fitness studio that can be used by employees anytime before or after work.



Graphic 22: E-bike charging station, Hemer



GROHE Football Cup

The GROHE Board actively participates in sporting events such as the Düsseldorf Marathon or the GROHE Football Cup to personally exemplify the meaning of a healthy lifestyle as part of working life.

The company integration management is a tried and trusted method for GROHE and its employees to find their way back into the daily working routine after prolonged periods of absence due to illness. Especially after long-term illness, it is not always immediately possible to make a full-scale return to working life.

For this reason, GROHE draws up a plan with the employee and assisted by the company doctor, with the aim of placing the employee so that they can quickly return to work in accordance with their capabilities. Changes to the workplace can also be implemented if necessary.

However, the dialogue is not directed solely towards the future, it also questions whether there were operational reasons that affected the person's state of health. Therefore, an additional objective of integration management is to learn from the respective situations and implement preventative measures.

Medical support from a company doctor is provided at all sites. GROHE also co-operates closely with health insurance companies, district and regional associations.



Düsseldorf Marathon

## OCCUPATIONAL SAFETY AND HEALTH PROTECTION

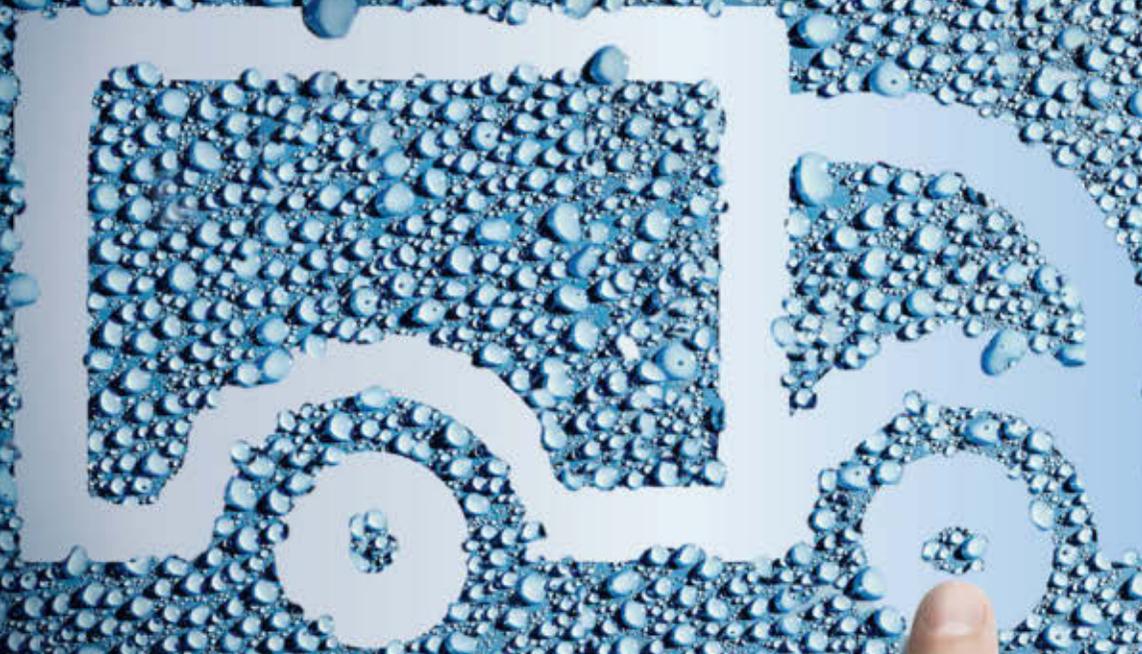
**G4-LA8**

Health protection and occupational safety are fixed elements of the GROHE's corporate philosophy and therefore core tasks of the management. Specialised areas and specialists are heavily involved with occupational health and safety and risk management topics. GROHE works in close liaison with the respective authorities, unions and employer's mutual insurance associations at all its international sites.

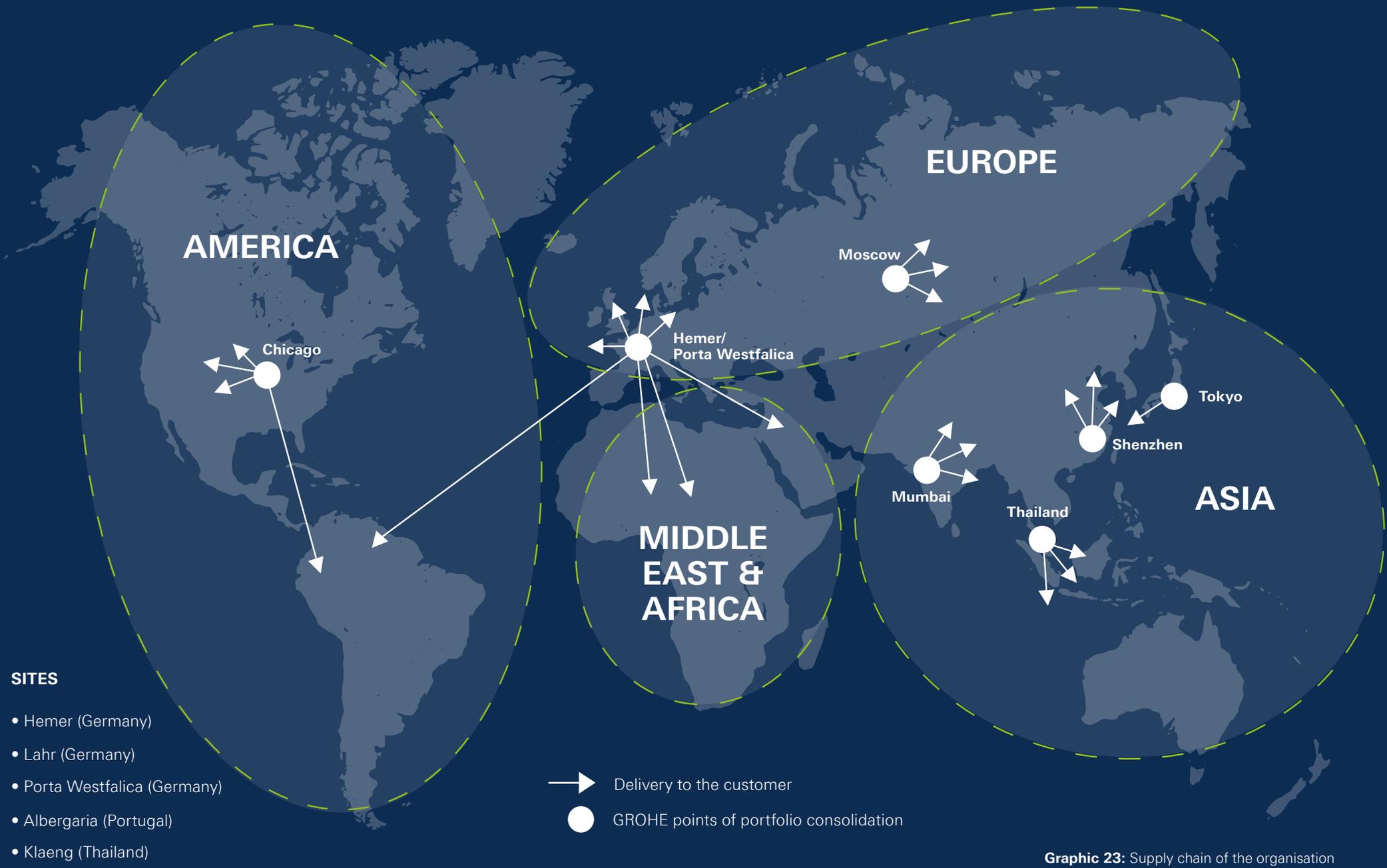
GROHE employs specialists at all sites who attend to occupational health and safety and ensure that both the legal requirements and the internal regulations – that sometimes exceed mandatory requirements – are fulfilled. All of this means that the individual responsible takes on an especially important role, as the large GROHE sites are traditionally the production sites. Under the guidance of these trained specialists, regular on-site inspections, working groups, training sessions and respective audits are conducted at all GROHE sites.



In the working groups, both strategic and operative topics are discussed and measures agreed. The particular relevance of the specialists in relation to content and legislation is also evident as they report directly to the plant or divisional management at local level or directly to the GROHE Board at central level.



80 % of the global production volume is merged in Germany.



Graphic 23: Supply chain of the organisation

## OPPORTUNITIES AND CHALLENGES IN THE EMPLOYEE ARENA

**G4-12**

The complexity and global nature of supplier networks means that ensuring human rights are not violated along the entire supply chain is a challenging task for all internationally active companies. It is essential that sustainability is guaranteed in the supply chain, which, for example, means adhering to human rights conventions, environmental protection and anti-corruption practices.

For the manufacture of its products, GROHE sources materials and services from a global network of suppliers. The manufacture of production materials is resource-intensive and has impacts on the environment. The company endeavours to minimise these. The numerous jobs that are linked to the supply chain as well as the observance of basic working rights is of major concern to GROHE. Observance of human rights applies both to the employees in the supply chain and the people in the local communities. GROHE works with suppliers that share the values of the company and supports GROHE in becoming the most sustainable sanitary fittings supplier in the world. GROHE can only be successful as a company in the long term with a reliable network of suppliers that tackles the common ecological and social challenges together with GROHE.

80 % of the global production volume are merged in the two logistics centres in Hemer and Porta Westfalica, with Hemer and its capacity of almost 20,000 pallets being the larger warehouse. Outside of Germany, the GROHE supply chain is supported by four larger warehouses operated by logistics service providers:

- Suzhou, China (FHI Logistics / Public Bonded Warehouse)
- Moscow, Russia (FM Logistics)
- Roselle, IL, USA (RIM Logistics)
- Mumbai, India (Kühne & Nagel)

Over 60,000 tonnes of goods are delivered annually to GROHE customers via the GROHE supply chain:

- from the suppliers to the plants
- from the plants to the distribution centres
- from the distribution centres to the customers

GROHE views its suppliers and service providers as partners; also in the areas of environmental protection and resource conservation and occupational health and safety requirements. Improvement measures in these areas are demanded and promoted by GROHE.

## SUSTAINABLE SUPPLY-CHAIN MANAGEMENT

In order that sustainability is also implemented in the supply chain, GROHE has established a sustainable supply-chain management system. The company regularly analyses the sustainability impact, derives corresponding measures and checks their effectiveness.

### REQUIREMENTS IN THE SUPPLY CHAIN

There is a three level approach to sustainable supply-chain management at GROHE:

- Behavioural requirements  
are laid down in the GROHE Supplier Code of Conduct and the GROHE Formal Statement of Obligations for Suppliers and Service Providers.
- Process orientated requirements  
refer, for example, to the quality of production processes that are documented in corresponding certifications (e.g. certification according to ISO 9001 for quality, ISO 14001 for the environment, OHSAS 18001 for occupational safety and health or ISO 50001 for energy).
- Product and service-orientated requirements:  
in component and material specifications, GROHE also incorporates sustainability aspects into environmental and work safety criteria when selecting suppliers.

Supplier selection is generally linked to availability, quality and price as well as the adherence to sustainability on the three levels.

### LOCAL PROCUREMENT IMPLEMENTED GLOBALLY

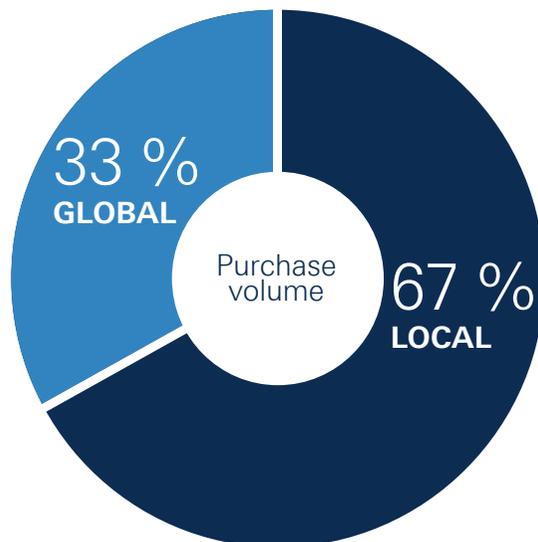
Local suppliers are an important component of GROHE's sustainable procurement strategy. When selecting suppliers, GROHE defines the term "local" as the country in which the respective production site is located. The definition "Main business sites" results from this. These are the company's international plant locations (Hemer, Lahr, Porta Westfalica in Germany, Albergaria in Portugal and Klaeng in Thailand). All plants and the headquarters are merged in terms of data. However, there may be legal or business-related limits for the local procurement of production materials or services.

## PRODUCTION MATERIALS, FACILITIES AND OPERATING RESOURCES (DIRECT):

GROHE products are subject to different national statutory drinking water regulations worldwide. This means it is possible that the availability of certain components and materials, such as adhesives with drinking water approval, depends on special approval or certification criteria of production sites or facilities, which are only achieved with suppliers at certain production sites in the world. Procurement of machinery, systems and equipment also takes place in close and systematic coordination with the environmental management officer, the safety management officer and energy management officer, so that the corresponding aspects can be taken into account in due time.

Durability, occupational safety, ergonomics, environmental compatibility, consumption of auxiliary and operating materials, energy and water consumption, quantity and recyclability of waste as well as emissions are essential criteria that must be taken into account. As regards hazardous substances, it must first be ensured that only substances approved by GROHE are ordered and delivered, that a risk assessment and operating instructions are drawn up and a register of hazardous substances kept to make the handling of such substances as safe as possible for the employees. In addition to this, handling and storage requirements must be observed and employees properly trained before the operation.

The procurement of hazardous substances takes place in close co-operation with environmental protection and work safety functions of the respective GROHE sites.



## SERVICES (INDIRECT):

A large proportion of the services at production sites that are related to the installation, repair, maintenance and servicing of buildings, machines, systems and respective facilities are sourced locally or regionally by GROHE. If there are special requirements, it may be necessary to contract maintenance, repairs or conversions across national borders since there may not be any appropriate service providers available locally, regionally or nationally. This can, for example, affect special machines that come from abroad.

For certain services, such as the maintenance of facilities for handling substances hazardous to water or substances damaging to the climate or ozone layer, legal requirements are in place regarding the qualification of the service provider and their employees, which also limits their availability. Services required for the disposal or recycling of waste are usually commissioned locally as the disposal and recycling is normally performed nationally. In some cases, where no high-quality processing infrastructure is available, there may be cross-border transportation. In order to forestall illegal (hazardous) waste disposal practices, independent procedures for worldwide auditing and approval of disposal services have been developed.

Graphic 24: Purchase volume FY 2017

## ENVIRONMENTAL AND SOCIAL STANDARDS IN THE SUPPLY CHAIN: OBLIGATE SUPPLIERS TO COMPLY

G4-EN32, G4-LA14

GROHE has determined rules and regulations for the assessment of suppliers that also contain ecological and social aspects. Human rights are included therein. The Supplier Code of Conduct is used by GROHE to obligate all global suppliers to comply with ecological and social standards. GROHE obligates its suppliers to fulfil social standards, human rights and employee rights, to treat employees with respect and dignity and to create the corresponding working conditions at the supplier's sites. Since 2010, GROHE has only been working with suppliers who have agreed in writing to comply with the requirements of the GROHE Supplier Code of Conduct. GROHE also accepts participation in equivalent, recognised industry association solutions or membership of the UN Global Compact.

In order that service providers can operate at one of the worldwide sites, they must accept the GROHE Formal Statement of Obligations for Suppliers and Service Providers and thereby comply with the provisions relating to social standards, occupational safety, health and environmental protection, traffic safety and data protection.

Since 2015, the supplier selection process at GROHE has been supported by a supplier portal. Suppliers can apply here or new suppliers can be requested to register by the purchaser responsible. As part of this selection process, every supplier must fill in a questionnaire electronically, which also contains questions on environmental and occupational safety, the Supplier Code of Conduct and the Formal Statement of Obligations for Outside Companies and Service Providers so that everything is traceably documented. All new suppliers are obliged to register using this process. Existing suppliers will also be successively requested to register on the portal.

## SYSTEMATIC ASSESSMENT OF COMPLIANCE

GROHE Supplier Quality Management audits and assesses all new suppliers as regards the quality of their products and their environmental and social standards. Aspects of human rights belong to the social standards. Existing suppliers will be re-audited at regular intervals. Discrepancies will be documented and signed off by both parties and rectified by means of target agreements. Breaches of the Supplier Code of Conduct will be checked in detail and corrective measures initiated as required.

In the financial year 2017, GROHE carried out 40 system audits and examined ecological and social criteria as part of this process. Within the framework of these audits, all new suppliers of production materials were checked. No potentially negative or actual discrepancies relating to ecological or social criteria were found.

In addition to the audits, GROHE suppliers are subject to an annual standardised supplier review, which is described in detail in a procedural instruction. GROHE covers 80 % of the global procurement volume for production material with these assessments. In the indirect sector (services), all suppliers with a procurement value over €500,000 are assessed. In addition, other strategic and success-critical suppliers are included in the assessment in both areas.



## HUMAN RIGHTS IN THE SUPPLY CHAIN

G4-HR10

GROHE respects human rights and pursues the aim of maintaining and fostering them wherever the company has business operations. The human rights principles of LIXIL/GROHE are based on international standards, including the United Nation's Universal Declaration of Human Rights and the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work. The human rights principles of the LIXIL Group are also obligatory for GROHE and affect all employees at all sites. GROHE also expects that its business partners, including suppliers and dealers, respect human rights and do not violate them.

*>> More on respecting human rights at GROHE can be found in the Sustainability chapter at GROHE.*

GROHE adheres to all laws that are in force in the countries and regions in which the company is active. In the event that GROHE is confronted with discrepancies between internationally recognised human rights standards and the laws of the respective country or region, GROHE will adhere to the higher standard. If there is a conflict between the two, GROHE will seek suitable ways of honouring the basic principles of the recognised human rights while also adhering to local laws.

The requirements regarding human rights in the supply chain are anchored in the GROHE Supplier Code of Conduct. The human rights situation will be checked as a consequence of checking the environmental and social standards. GROHE thus checks all new suppliers of production materials for observance of human rights.

## DUE DILIGENCE IN THE LIXIL GROUP

As part of the LIXIL Group, GROHE is also included in the group-wide due diligence process. The LIXIL Group thus identifies, avoids and minimises negative human rights impacts by means of the due diligence processes. In the event that GROHE causes direct negative human rights impacts or has indirectly contributed in some way, GROHE pledges to use legitimate processes to remedy these negative consequences. This means that a complaints system enables the affected party to access a redress procedure.

## ANTI-CORRUPTION AND COMPETITIVE BEHAVIOUR IN THE SUPPLY CHAIN

**G4-S04**

Anti-corruption and competitive behaviour is a fundamental topic for GROHE and affects our own organisation in exactly the same way as it does the supply chain. By signing up to the GROHE Supplier Code of Conduct, suppliers pledge to adhere to the requirements relating to anti-corruption and anti-competitive practices. This is monitored by checking the environmental and social standards in the supply chain. All GROHE suppliers receive the LIXIL Code of Conduct (LIXIL CoC), whereby the explicit confirmation quota in the high cost countries is at 94 % and in the low cost countries at 98 %. In the case of direct supply, 80 % of the procurement volume is covered by the LIXIL CoC and 40 % for indirect supply. The term "trade compliance" is defined by GROHE as the compliance of all legal regulations and internal corporate guidelines which are associated with the transport of goods in international trade. After designating a Trade Compliance Officer in 2012 and the implementation of global organisational and operational structures, GROHE is certified according to AEO-F and approved as an economic operator (AEO - Authorised Economic Operator).

>> *More on the implementation within the organisation using the GROHE Compliance System can be found in the Sustainability chapter at GROHE*

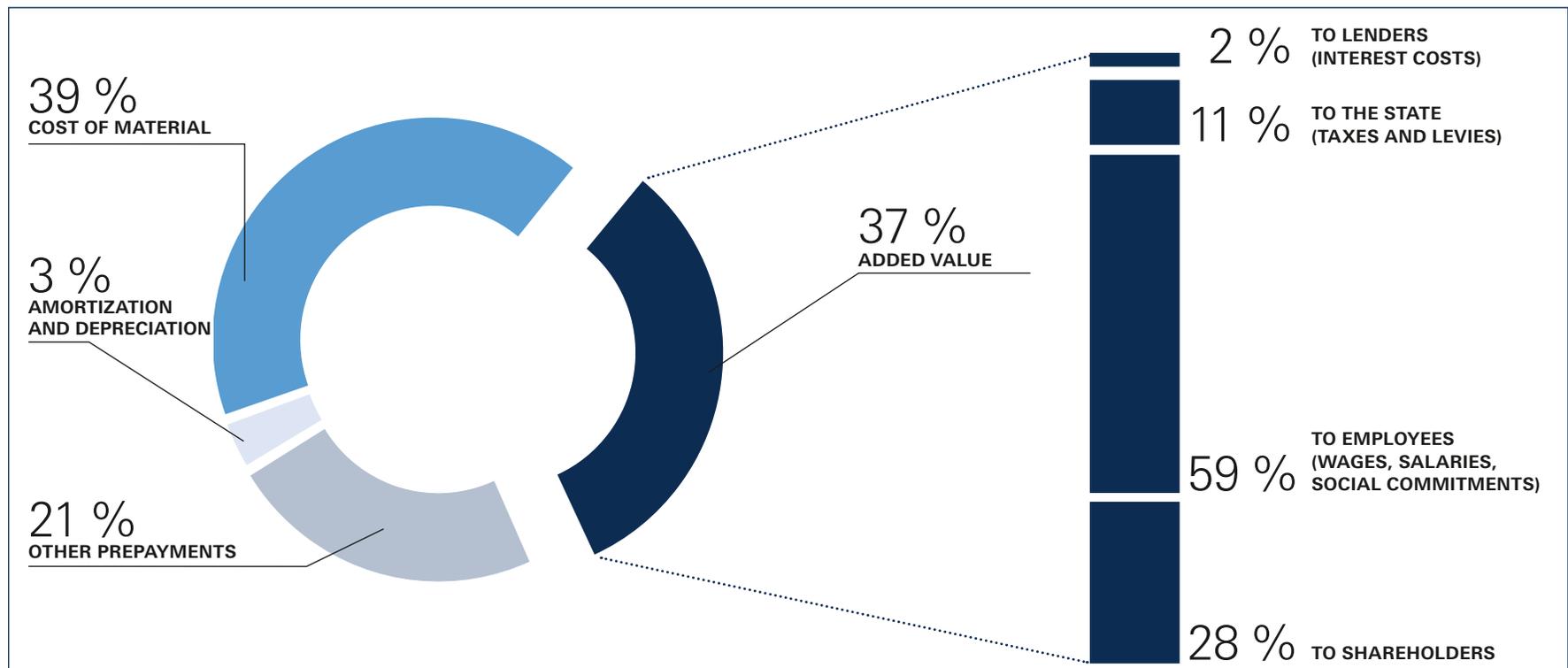


At the heart of sustainability there is a feeling of responsibility – a responsibility that extends organically from the environment and the individual to society as a whole.

## SOCIAL RESPONSIBILITY

G4-EC1

At the heart of sustainability there is a feeling of responsibility; a responsibility that extends organically from the environment and the individual to society as a whole. Besides the social and societal responsibility, the various aspects of responsibility range from customer service, energy-saving technologies and production processes all the way to resource efficiency. At GROHE, sustainability goes beyond simply conserving valuable resources. The company is involved in many areas that do not belong to its core business to foster the well-being of people. These commitments are about the people, society and an economy that serves the people and society as a whole. The directly generated and distributed economic value therefore also reflects a part of GROHE's societal responsibility. It links the economic success of GROHE to added value in society. This is how GROHE makes a palpable contribution to the economic development and quality of life at the company's sites. The following value creation calculation identifies this contribution:



Graphic 25: Distribution of added value

Social responsibility is an important element of GROHE's sustainability strategy. GROHE therefore maintains an open and constructive dialogue with interested sections of the public and promotes activities and measures that contribute to environmental protection and resource conservation, as well as the improvement of occupational safety and health.

## GROHE'S SOCIAL COMMITMENT

The company's social responsibility especially extends into disadvantaged communities. Therefore GROHE actively supports projects for improving social conditions around the globe together with its employees.

### FREE TRAINING IN THE GROHE DUAL TECH PROGRAMME

One of the best examples of GROHE's social commitment is the award-winning GROHE Dual Tech programme. It was initiated in 2009 with the opening of the GROHE JAL Academy in a partnership alliance with Don Bosco Mondo e. V. in Mumbai, India. The academy trains young men from disadvantaged backgrounds to be installers. As a consequence, they learn the skills that are necessary to earn their living and can also ensure the water supply in their own communities. Since the beginnings in 2009, the academy has trained 800 apprentices. The project claimed first place in the "Innovation Competition for Professional Training in Developing Countries" of the German Federal Ministry for Economic Cooperation and Development.



The original idea for the social project in India was developed by young GROHE manager trainees during an advanced training course. From the very beginning, it was clear that GROHE would not just provide the academy with financial support. The GROHE employees volunteered to get personally involved. They even travelled to India on their holidays to pass on their knowledge. This training initiative is especially aimed at equipping people with marketable skills. In this way, GROHE helps the whole of society in a tangible way and doesn't just fill vacancies in its own ranks. GROHE is continuing with this award-winning project, but not just in Mumbai, new training centres have also been opened in New Delhi (India) and Tondo, Manila in the Philippines.



## LOCAL EXAMPLES OF GROHE'S SOCIAL RESPONSIBILITY

The GROHE team in Jodhpur (India) supported the "Clean India Movement" and voluntarily got involved in the cleaning of public toilets. In 2015, GROHE initiated the "Turn Water Into Food" (TWIF) project in the Kingdom of Saudi Arabia. In co-operation with mosque foundations, the initiative distributed food to disadvantaged people during the holy fasting month of Ramadan. The idea: Mosques are equipped with self-closing faucets. The water saved in this manner is "changed" into food. For every ten litres of water saved, GROHE donates a food package to a needy family. To date, this programme has helped more than 2,360 families. After the success of the initiative in Saudi Arabia, Egypt and Turkey, TWIF will soon be introduced – in co-operation with the Food Bank Network – in Bahrain, the United Arab Emirates, Ghana, Lebanon and Jordan.



## FUND-RAISING CAMPAIGNS

In the reporting period, GROHE has supported local associations, such as FLASCHENKINDER e. V. in Hemer, an initiative that attends to the needs of children whose parents have alcohol-dependency problems, as well as the Hemer hospice "Mutter Teresa". Both associations have received donations that were collected at the annual football tournament.

In addition to this, the plant in Lahr has supported the local "Garagenprojekt" project, an initiative of the Ortenaukreis district administration. The aim is to integrate pupils and young adults back into society who have a broken education career and/or work history and to try and guide them back into education or work. In 2015, GROHE handed over a donation which was collected during the "Night of the Apprenticeship".

## POLITICAL DONATIONS

GROHE does not make political donations.

## APPENDIX

**G4-13, G4-22, G4-23, G4-28, G4-29, G4-30, G4-31, G4-32, G4-33**

### ABOUT THIS REPORT:

In this report, GROHE provides information on the economic, ecological and social impacts of its business operations in the years 2015/2016.

With effect from the 1st of January 2015, Mr Michael Rauterkus has been appointed as Chief Executive of the Board by the Grohe AG Supervisory Board.

Due to the change of financial year end from 01/01 – 31/12 to 01/04 – 31/03, some of the stated data relates to the period from 01/04/2016 to 31/03/2017 and is additionally indicated by the financial year (FY 2017).

This is the second sustainability report that GROHE has published. On the basis of this report, in the future reporting shall take place every two years. An external audit of the content has not yet been carried out but cannot be ruled out for future reports. This sustainability report was submitted for the GRI Materiality Disclosure Service. GRI confirms with its logo on page 91, the correctness of the references of GRI materiality data (G4-17 to G4-27).

Some of the desired data cannot be furnished currently due to the LIXIL-wide reorganisation for ascertaining personal-key indicators (e.g. country-specific data on gender, number of employees, worldwide remuneration analyses etc.).

This should be the case, however, after completion of the reorganisation process and the introduction of the corresponding analysis tools.



## GRI G4 CONTENT INDEX FOR "IN ACCORDANCE" - CORE

The GRI G4 Content Index shows where in the GROHE Sustainability Report 2015/2016 the GRI standard information can be found.

GENERAL STANDARD DISCLOSURES		
General Standard Disclosures	Page	External Assurance
<b>STRATEGY AND ANALYSIS</b>		
G4-1	3	-
<b>ORGANIZATIONAL PROFILE</b>		
G4-3	14	-
G4-4	14	-
G4-5	15	-
G4-6	15	-
G4-7	14	-
G4-8	15	-
G4-9	16	-
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G4-11	16	-
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<b>IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES</b>		
G4-17	94	-
G4-18	27-29	-
G4-19	27-29	-
G4-20	27-29	-
G4-21	27-29	-

GENERAL STANDARD DISCLOSURES		
General Standard Disclosures	Page	External Assurance
G4-22	90	-
G4-23	90	-
<b>STAKEHOLDER ENGAGEMENT</b>		
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G4-25	30	-
G4-26	30-31	-
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<b>REPORT PROFILE</b>		
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G4-29	90	-
G4-30	90	-
G4-31	90	-
G4-32	90	-
G4-33	90	-
<b>GOVERNANCE</b>		
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G4-35	25	-
G4-36	25	-
<b>ETHICS AND INTEGRITY</b>		
G4-51	65	-
G4-54	65	-
G4-56	21-23	-

SPECIFIC STANDARD DISCLOSURES			
Material Aspects	DMA and indicators	Omissions	External Assurance
<b>Material Aspects: Anti-corruption and competitive behaviour</b>			
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Anti-competitive behaviour	DMA: 36-38 G4-SO7: 36-38	-	-
<b>Material Aspects: Product portfolio and durability</b>			
Products and Services	DMA: 42-46 G4-EN27: 44-46	-	-
<b>Material Aspects: Water consumption</b>			
Water	DMA: 42-46 G4-EN8: 43		
<b>Material Aspects: Energy use</b>			
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Evaluation of the suppliers with regard to ecological aspects	DMA: 81 G4-EN32: 81	-	-
<b>Material Aspects: Customer health and safety</b>			
Customer health and safety	DMA: 47 G4-PR1: 47 G4-PR2: 47	-	-

SPECIFIC STANDARD DISCLOSURES			
Material Aspects	DMA and indicators	Omissions	External Assurance
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Products and Services	DMA: 56 G4-EN28: 56	National solutions mean that currently no analysable material and volume analyses on packaging disposal in the individual European countries are possible. No common database exists.	
Waste water and waste	DMA: 54-56 G4-EN23: 54-56		
<b>Material Aspects: Emissions and climate change</b>			
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Products and Services	DMA: 44-46 G4-EN27: 44-46	-	-

**SPECIFIC STANDARD DISCLOSURES**

Material Aspects	DMA and indicators	Omissions	External Assurance
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**Material Aspects: Training and further education**

Training and further education	DMA: 65-69 G4-LA9: 66 G4-LA10: 67 G4-LA11: 69	-	-
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**Material Aspects: Occupational safety and health**

Occupational safety and health protection	DMA: 70-75 G4-LA5: 70 G4-LA6: 70-71 G4-LA7: 72 G4-LA8 : 75	-	-
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Evaluation of the suppliers with regard to social aspects	DMA: 81 G4-LA14: 81	-	-
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**Material Aspects: Social commitment**

Economic performance	DMA: 86-89 G4-EC1: 86	-	-
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Politics	G4-SO6: 89	-	-
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**Human rights**

Investments	DMA: 39 G4-HR1: 39	-	-
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Review	DMA: 39 G4-HR9: 39	-	-
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Evaluation of the suppliers with regard to human rights	DMA: 82 G4-HR10: 82	-	-
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## ESSENTIAL COMPANIES OF GROHE HOLDING GMBH

G4-17

**Grohe A/S.,**  
Copenhagen, Denmark

**Grohe Adria d.o.o.,**  
Zagreb, Croatia

**Grohe América do Sul  
Serviços de Representação Ltda.,**  
São Paulo, Brazil

**Grohe America Inc.,**  
Bloomingdale, USA

**Grohe Beteiligungs GmbH,**  
Hemer, Germany

**Grohe CR s.r.o.,**  
Cestlice, Czech Republic

**Grohe Deutschland Vertriebs GmbH,**  
Porta Westfalica, Germany

**Grohe España S.A.,**  
Barcelona, Spain

**Grohe Gesellschaft mbH,**  
Vienna, Austria

**Grohe Hong Kong Limited,**  
Hong Kong, China

**Grohe Hungary Kft.,**  
Budapest, Hungary

**Grohe India Private Limited,**  
New Delhi, India

**Grohe International GmbH,**  
Hemer, Germany

**Grohe Japan K.K.,**  
Tokyo, Japan

**Grohe Ltd.**  
Hounslow, United Kingdom

**Grohe Malaysia Sdn Bhd,**  
Kuala Lumpur, Malaysia

**Grohe N.V.,**  
Winksele, Belgium

**Grohe Nederland B.V.,**  
Zoetermeer, Netherlands

**Grohe North America,**  
Hemer, Germany

**Grohe Pacific Pte. Ltd.,**  
Singapore, Singapore

**Grohe Portugal,  
Componentes Sanitarios Lda.,**  
Albergaria-a-Velha

**Grohe S.à r.l.**  
Courbevoie - La Défense, France

**Grohe S.p.A.,**  
Cambiago, Italy

**Grohe Services GmbH,**  
Hemer, Germany

**Grohe (Shanghai)  
Sanitary Products Co. Ltd.,**  
Shanghai, China

**Grohe Switzerland S.A.,**  
Volketswil, Switzerland

**Grohe Verwaltungs GmbH,**  
Hemer, Germany

**Grohe Vietnam  
One Member Company Limited,**  
Ho-Chi-Minh City, Vietnam

**GROHEDAL Sanitärsysteme GmbH,**  
Porta Westfalica, Germany

**Grohe Mexico S. DE R.L. DE C.V.,**  
Monterrey, Mexico

**OOO Grohe,**  
Russia

**PT Grohe Indonesia,**  
Jakarta, Indonesia

**Servicios Grohe Mexico  
S. DE R.L. DE C.V.,**  
Monterrey, Mexico

**Grohe AG,**  
Hemer, Germany

**Grohe Siam Ltd.,**  
Klaeng, Thailand

**Grohe (Thailand) Limited,**  
Klaeng, Thailand

**Grome İç ve Dış Ticaret  
Limited Şirketi,**  
Istanbul, Turkey

**Grome Marketing (Cyprus) Ltd.,**  
Nicosia, Cyprus

**Grohe Canada Inc.,**  
Mississauga, Canada



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