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REMUNERATION REPORT
OF TAKKT GROUP 2021

REMUNERATION REPORT

The remuneration report explains the principles of the remuneration system for the members of the Management Board and Supervisory Board of TAKKT AG and describes the structure and amount of the Management Board remuneration. In addition, it describes the structure and amount of the remuneration of the Supervisory Board. It meets the requirements of the German Stock Corporation Act (section 162 AktG) and follows the recommendations of the German Corporate Governance Code.

A LOOK BACK AT THE 2021 REMUNERATION YEAR

APPROVAL OF THE REMUNERATION SYSTEM BY THE SHAREHOLDERS

Taking into account the Act Implementing the Second Shareholders' Rights Directive (ARUG II) and the new German Corporate Governance Code, the Supervisory Board has resolved changes to the remuneration system that apply to all Management Board contracts to be newly concluded or renewed from January 1, 2020 (inclusive) and submitted the remuneration system to the Shareholders' Meeting on May 11, 2021 for approval (agenda item 6). The Shareholders' Meeting approved the remuneration system for Management Board members with a vast majority of 85.1 percent.

BUSINESS DEVELOPMENT IN 2021

In the fiscal year 2021, TAKKT was able to increase sales and earnings significantly. Overall, the Group achieved a sales increase of 10.4 percent to EUR 1,178.0 million (EUR 1,067.4 million) in 2021. Organic sales growth came to 11.4 percent, rising to the highest level in the history of the company.

The easing of protective measures and sustained economic recovery led to a noticeable surge in customer demand. Bottlenecks in production and transport capacities resulted in limited product availability, which also affected the TAKKT companies. The order backlog increased by around EUR 55 million in the course of the year.

At 21.7 percent, EBITDA increased even more significantly than sales. The TAKKT Group achieved an EBITDA of EUR 112.6 million (EUR 92.6 million). The margin increased to 9.6 (8.7) percent. Adjusted for one-time effects, TAKKT would have realized double-digit profitability.

CHANGES IN THE MANAGEMENT BOARD

Maria Zesch has been responsible for the management of the TAKKT Group as CEO since August 1. She replaced Felix Zimmermann, who left the company of his own accord on May 11, 2021. Tobias Flaitz decided to resign from his position on the Management Board at his own request as of December 20, 2021.

REMUNERATION SYSTEM AT A GLANCE

PRINCIPLES OF THE REMUNERATION SYSTEM

The Management Board remuneration system is closely linked to TAKKT's corporate strategy and makes a key contribution to achieving the corporate goals. The remuneration paid is based on the company's size, its financial position, and the structure and amount of the remuneration paid to Board Members at comparable companies. The remuneration paid to Board Members is made up of non-performance-related and performance-related components.

Non-performance-related remuneration comprises a fixed remuneration, the occupational pension scheme and fringe benefits. Fringe benefits include, for example, the use of a company car and a cellphone. The amount of the non-performance-related remuneration is based on the Board Member's experience and the relevant standard market remuneration paid, based on the horizontal comparison, for the function respectively responsibility concerned. The components of the performance-related payments consist of the Short Term Incentive Plan (STIP), a remuneration component with a short- and long-term incentive, and the Long Term Incentive Plan (LTIP) in the form of a performance cash plan, a rolling remuneration component that acts as a long-term incentive. With particular regard to the performance-related components with a long-term incentive effect, Management Board remuneration is clearly oriented to a sustainable increase in the external value of the company through its direct connection to earnings per share. The STIP is primarily based on the operating result of the respective fiscal year before interest, taxes, depreciation and amortization or impairments from purchase price allocations (EBITA) as a performance criterion. Since 2020, the LTIP has been based exclusively on the development of TAKKT's total shareholder return (TSR), i.e. on the performance of TAKKT shares as well as the dividend. The performance-related remuneration component is subject to an overall cap with regard to both the STIP and the LTIP.

APPROPRIATENESS OF REMUNERATION

The remuneration system was developed by the Personnel Committee and based in part on an expert report. The expert opinion on the system formed part of an appropriateness opinion prepared by independent remuneration experts. The Personnel Committee is responsible for preparing the resolutions to be passed by the Supervisory Board on the remuneration system and for reviewing the system on a regular basis. In all of their remuneration decisions, the Personnel Committee and the Supervisory Board take the requirements set out in the German Stock Corporation Act (AktG) into account. Furthermore, they are guided by the recommendations made in the German Corporate Governance Code and by the following guidelines:

- Performance-based focus of the remuneration system
- Promotion of the company's long-term sustainable development and value generation
- Ensuring remuneration that is in line with market standards
- Conformity with stock corporation law and governance requirements

The Personnel Committee regularly reviews on the basis of appropriateness reports whether the Management Board remuneration and the individual components are in line with market standards, are competitive as well as appropriate and makes proposals for adjustments to the Supervisory Board as and when required. The assessment whether the remuneration is in line with market standards and is competitive and appropriate is based on a comparison with similar companies (peer-group), on the company's economic position and future prospects, and on the tasks and performance of the respective Board Member. The Supervisory Board conducts regular horizontal and vertical comparisons for this purpose. The horizontal comparison looks at comparable companies, while the vertical comparison assesses the remuneration paid to the Management Board in relation to the remuneration paid to top executives within the company and the company's workforce as a whole.

Following its review, the Supervisory Board came to the conclusion that the level of Management Board remuneration and pensions are appropriate from a legal point of view in accordance with section 87(1) AktG.

Peer-Group

Company	Index
Amadeus FiRe AG	SDAX
Cancom SE	MDAX
Carl Zeiss Meditec AG	MDAX
CEWE Stiftung & Co. KGaA	SDAX
CTS Eventim AG & Co. KGaA	MDAX
DEUTZ AG	SDAX
Drägerwerk AG & Co. KGaA	SDAX
Erling Klinger AG	-
GFT Technologies SE	SDAX
Grenke AG	SDAX
Hamburger Hafen und Logistik AG	-
Heidelberger Druckmaschinen AG	SDAX
Hornbach Holding AG & Co. KGaA	-
JENOPTIK AG	SDAX
Klöckner & Co SE	SDAX
Koenig & Bauer AG	-
LEONI AG	-
Nemetschek SE	MDAX
NORMA Group SE	SDAX
Pfeiffer Vacuum Technology AG	SDAX
Salzgitter AG	SDAX
Scout24 AG	MDAX
SGL Carbon SE	SDAX
SMA Solar technology AG	SDAX
Ströer SE & Co. KGaA	MDAX
Vossloh AG	-

TARGET REMUNERATION AND MAXIMUM REMUNERATION

Target remuneration

The total target remuneration is defined as the total of non-performance-related remuneration (fixed remuneration, occupational pension scheme and fringe benefits) and performance-related remuneration in the event of a target achievement of 100 percent. The fixed remuneration makes up between 33 and 39 percent of the total target remuneration for the Board Members. Fringe benefits account for between one and two percent and the occupational pension scheme makes up seven percent of the total target remuneration. The portion of the STIP with a short-term incentive (STIP without deferral) corresponds to between 24 and 29 percent of the total target remuneration; the performance-related remuneration with a long-term incentive (LTIP and STIP deferral) corresponds to between 28 and 30 percent. In line with the focus on performance, this means that the share of performance-related target remuneration exceeds the share of non-performance-related remuneration. In addition, the long-term remuneration components slightly

outweigh the short-term ones. The share of the individual remuneration components may vary depending on the individual utilization of fringe benefits, if payments are granted in connection with newly appointed members taking up their office or in the event of premature termination of service. In such cases, the Supervisory Board decides on the amount of such payments at its due discretion.

The following table shows the individual target remuneration of each Management Board member and the relative share of total target remuneration represented by each of the individual remuneration components. Other remuneration includes one-time payments for Maria Zesch in connection with her new appointment (e.g. to compensate for other remuneration entitlements). For Felix Zimmermann and Tobias Flaitz, it includes payments in connection with the premature termination of service on the Management Board. The STIP 2021 for Felix Zimmermann does not include a deferral component since he was paid the agreed pro rata target value upon termination of his Management Board activities.

Target remuneration

	Maria Zesch (since August 01, 2021)				Claude Tomaszewski			
	2020		2021		2020		2021	
	EUR thousand	in %	EUR thousand	in %	EUR thousand	in %	EUR thousand	in %
Fixed salary	–	–	188	23%	360	35%	360	35%
Fringe benefits	–	–	8	1%	20	2%	20	2%
Occupational pension scheme	–	–	35	4%	77	7%	77	7%
Non-performance-related target remuneration	–	–	231	28%	457	44%	457	44%
STIP without deferral	–	–	117	14%	287	28%	287	28%
STIP deferral	–	–	50	6%	123	12%	123	12%
LTIP	–	–	83	10%	176	17%	176	17%
Performance-related target remuneration	–	–	250	30%	586	56%	586	56%
Other	–	–	350	42%	–	–	–	–
Total target remuneration	–	–	831	100%	1,043	100%	1,043	100%

	Tobias Flaitz (since June 01, 2020 until December 20, 2021)				Felix Zimmermann (until May 11, 2021)			
	2020		2021		2020		2021	
	EUR thousand	in %	EUR thousand	in %	EUR thousand	in %	EUR thousand	in %
Fixed salary	182	36%	336	23%	520	33%	217	7%
Fringe benefits	12	2%	20	1%	20	1%	8	0%
Occupational pension scheme	37	7%	69	5%	117	7%	49	2%
Non-performance-related target remuneration	231	46%	425	29%	657	42%	274	8%
STIP without deferral	131	26%	245	17%	455	29%	276	9%
STIP deferral	56	11%	105	7%	195	12%	0	0%
LTIP	88	17%	150	10%	276	17%	115	4%
Performance-related target remuneration	274	54%	500	35%	926	58%	391	12%
Other	–	–	515	36%	–	–	2,565	79%
Total target remuneration	505	100%	1,440	100%	1,583	100%	3,230	100%

Maximum remuneration

The individual variable remuneration components and the total amount of all Management Board remuneration components, including fringe benefits and the occupational pension scheme (total remuneration), are capped. Payout of the STIP and LTIP is capped at 300 percent of the target value per plan. The maximum remuneration is equal to the total of the actual maximum inflow of all remuneration components for the relevant fiscal year.

The maximum remuneration amount for Management Board members pursuant to section 87a(1) no. 1 AktG (including fringe benefits and occupational retirement costs) amounts to EUR 3,435 thousand p.a. for the Chairman of the Management Board and EUR 2,437 thousand p.a. for an ordinary member of the Management Board. The remuneration cannot exceed these amounts.

The final report on compliance with the maximum remuneration for the 2021 fiscal year will be included in the remuneration report for the 2025 fiscal year because LTIP 2021 does not become due until May 2025.

STRUCTURE OF THE REMUNERATION SYSTEM IN DETAIL

NON-PERFORMANCE-RELATED REMUNERATION

Fixed remuneration

All Management Board members receive an agreed basic annual salary. This is paid out in twelve equal monthly installments. The amount of the annual basic salary is based on the Board Member's experience and the relevant standard market remuneration paid, based on the horizontal comparison, for the function respectively responsibility concerned.

Fringe benefits

The fringe benefits mainly comprise the use of company cars and cellphones. Board Members are also reimbursed for expenses incurred in the interests of the company (travel, representation and hospitality expenses) that they can substantiate by submitting receipts up to the maximum limits permitted under tax law. In addition, accident, luggage and D&O insurance is taken out for the Management Board members, the latter with a deductible of ten percent to be borne by the Board Member. In accordance with section 93(2) sentence 3 AktG, this deductible corresponds to no more than one and a half times the fixed remuneration.

Occupational pension scheme

The Board Members receive pensions and survivors' benefits in the form of a direct defined contribution commitment to which an

annual contribution is made that corresponds to ten percent of the sum of the basic salary and the contractually agreed STIP target amount. Contributions are only granted as long as the individual is appointed to the Management Board. Interest of five percent p. a. is granted for annual contributions until the occurrence of the insured event, and six percent p. a. for older contributions. Board members are entitled to pension payments when they leave the company but not before reaching the age of 60. In the case of disability or death, the amount from the pension plan paid out or annuitized is equivalent to what would have been paid if contributions had been made up to the age of 63. The part of this commitment that exceeds the protection ceiling of the statutory agency providing insolvency protection for occupational pension schemes is hedged against insolvency using standard market products on the basis of a contractual trust agreement.

Other fixed remuneration components

The Supervisory Board can grant further payments to new appointments on a case-by-case basis at its own discretion. These payments can be one-time payments (e.g. to compensate for other remuneration the individual would have been entitled to) or the assumption of costs associated with the move to the company (e.g. relocation costs).

PERFORMANCE-RELATED REMUNERATION

Short Term Incentive Plan (STIP)

EBITA, a key figure for the short-term operating earning power of the TAKKT Group, serves as the basis of valuation for the STIP. The target achievement is determined by means of linear interpolation based on a target value within a corridor of minus 30 percent (zero percent of the target value) to plus 30 percent (200 percent of the target value). The target value of the EBITA is set by the Supervisory Board based on the annual operating plan in line with the multi-year planning.

The value, which is determined in accordance with the target corridor, is multiplied by a modifier of zero to two based on the assessment of individual targets (results) as well as individual conduct (behavior). The results and the behavior are assessed to determine whether a Board Member meets, is below, or exceeds expectations. Depending on the assessment of the two aspects, each Board Member is positioned in a "9-box grid."

Each field in the grid is assigned a modifier/modifier range. For the fields that include a range, the Supervisory Board decides on the final individual modifier at its due discretion based on a recommendation made by the Personnel Committee.

Results	1 exceeds expectations	0	1,1–1,3	1,5–2,0
	2 meets expectations	0	1,0	1,2–1,4
	3 below expectations	0	0,4–0,6	0,7–0,9
		C below expectations	B meets expectations	A exceeds expectations

Individual performance is measured based on the achievement of individual goals (results) and individual behavior (behavior). The individual goals are agreed with the Board Members for each fiscal year. They can be quantitative or qualitative goals. They are monitored on an ongoing basis and can be adjusted if necessary.

Individual behavior is assessed based on the five TAKKT Core Behaviors:

- Think customer first: We make it easy to do business with. Our customer is the center of everything we do.
- Empower others: We engage our employees through open feedback, collaboration, transparency and teamwork.
- Improve every day: We challenge the status quo and quickly embrace change. We keep it simple and impactful.
- Take ownership: We are accountable for our targets and always deliver on our commitments.
- Compete for success: We are determined to win with a clear drive to reach our goals. We have the courage to make difficult decisions.

70 percent of the compensation linked to target achievement is paid out in the following year, 30 percent is retained for a period of three years after the end of the respective fiscal year (known as deferral). Interest on the deferral is subject to the total shareholder return (TSR), with both positive and negative interest possible. The TSR is defined as follows:

$$(\text{number of shares} * \text{closing share price}) / \text{opening share price} - 1.$$

This involves comparing the average closing prices of TAKKT's shares in the XETRA trading system of Deutsche Börse AG over the last 60 stock exchange trading days before the start of the waiting period ("opening share price") with the average XETRA closing prices of the last 60 stock exchange trading days before the end of the waiting period ("closing share price"). The dividends paid by TAKKT during the waiting period are taken into account via a reinvestment assumption (pro rata acquisition of TAKKT shares at the XETRA closing price on the day of distribution in the amount of the dividend per share).

In the 2020 fiscal year, EBITA was more than 50 percent below the EBITA target value, putting it well below the lower target achievement threshold with regard to the financial component of the STIP. For Felix Zimmermann and Tobias Flaitz, the individual target achievement resulted in a modifier of 1.0 both in terms of the individual targets (results) and individual behavior (behavior) with the target achievement "expectation met." In the case of Claude Tomaszewski, the individual targets were exceeded so that a modifier of 1.2 is applied. Due to the multiplicative link between the financial and individual components, there was zero achievement of the target value regardless of the modifier applied.

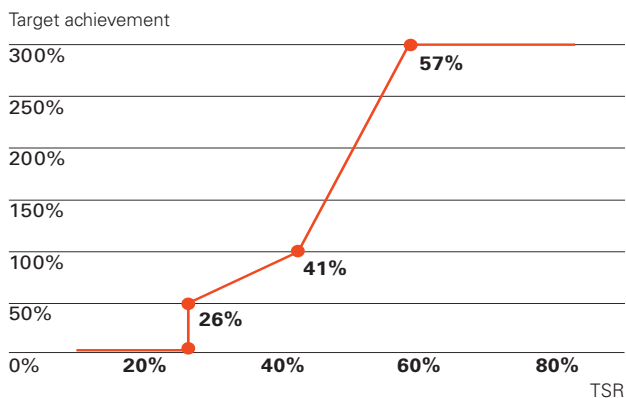
When determining the STIP, the Supervisory Board however, took into account the exceptional performance of the Management Board in successfully leading TAKKT through the coronavirus crisis, which created the basis for making up the ordinary dividend suspended in 2020 in the 2021 fiscal year. Half of the STIP target value was therefore paid out to the Management Board members in May 2021.

Long Term Incentive Plan (LTIP)

The LTIPs are launched each year in the form of performance cash plans and paid out in cash after a period of four years depending on whether the relevant targets are met. For 2021 and 2020, performance cash plans were granted which are valid until the end of 2023 and 2024, respectively. The amount to be paid out depends solely on the development of total shareholder return (TSR) over the term of the four-year plan. The TSR is defined in the STIP in line with the calculation of interest on the deferral.

The target value is achieved when the TSR is nine percent p.a.. The lower threshold that needs to be reached for a payout to be made is six percent TSR p.a.. The upper threshold at which the payout is capped is twelve percent TSR p.a..

Total Shareholder Return (TSR)

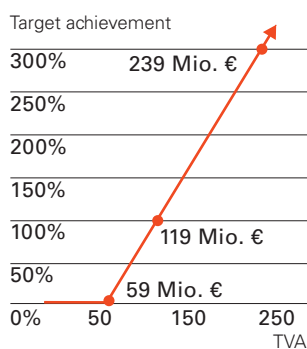


If the lower threshold is reached, the target achievement is 50 percent of the contractually agreed LTIP target amount. If the upper threshold is reached, the target achievement is 300 percent. Linear interpolation is used between six and nine percent TSR p.a. and between nine and twelve percent TSR p.a..

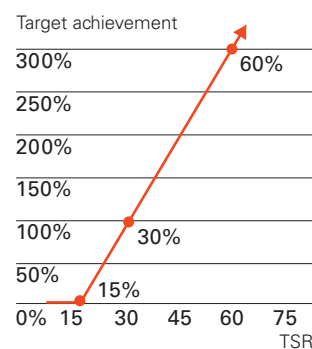
In addition to the TSR with a target weighting of 30 percent, the performance cash plans from 2017, 2018 and 2019 also depend on the amount of the cumulative TAKKT Value Added (TVA) with a target weighting of 70 percent over the term of the four-year plan. The TVA indicator is used for value-based corporate management and shows whether the interest demand by equity and debt investors will be met over the four-year performance period. The TVA is defined as the difference between the profit generated and the cost of capital on the average capital employed. The profit generated is determined on the basis of the EBIT (adjusted for amortization of intangible assets resulting from acquisitions), which is deducted by the income tax expense and increased by the other financial result.

The target values and target achievement of the LTIP tranche 2017 to be paid out in the 2021 fiscal year are shown in the following overview.

Cumulative TAKKT Value Added (TVA) 2017 – 2020



Total Shareholder Return (TSR) 2017 – 2020



With a negative total shareholder return (opening share price EUR 20.49, closing share price EUR 10.24) and a cumulative adjusted TVA of EUR 100.6 million (adjusted, among other things, for the effects of the change in accounting for lease contracts from the 2019 fiscal year onwards), the target achievement and payout were as follows:

Calculation of the target achievement level of LTIP 2017 – 2020

	Target achievement	Weighting	Total
TVA	69%	70%	49%
TSR	0%	30%	0%
Sum			49%

Calculation of LTIP payout in fiscal year 2021 in EUR thousand

	Target value	Target achievement level	Total
Felix Zimmermann	212	49%	103
Claude Tomaszewski	135	49%	66
Dirk Lessing	135	49%	66
Sum			235

MALUS / CLAWBACK

TAKKT may, in justified cases, demand the partial or full reimbursement of an already paid out STIP or LTIP amount over a period of three years from the due date. Justified cases refer, in particular, to the materialization of one of the following scenarios involving the Board Member:

- The Board Member was significantly involved in or responsible for conduct that resulted in considerable losses or a significant government sanction for TAKKT AG, meaning that they breached their duties intentionally or by gross negligence.
- The Board Member committed a serious breach of relevant external or internal regulations relating to their conduct and acted intentionally or by gross negligence in this regard.

TAKKT has the burden of proving that one of the aforementioned scenarios has materialized involving the Board Member. The reversal of the burden of proof set out in section 93c(2) sentence 2 AktG does not apply in this respect.

In the 2021 fiscal year, TAKKT AG did not claw back or reduce any variable remuneration.

**BENEFITS IN THE EVENT OF TERMINATION OF SERVICES
OCCUPATIONAL PENSION SCHEME**

The following table lists the contributions to pension plans, current service costs for the year under review and the present values of obligations for the members of the Management Board in accordance with IAS 19.

PAYMENTS IN THE EVENT OF EARLY TERMINATION

Individual members of the Management Board have the right to terminate their contracts of employment if one or more shareholders acting together acquire the majority of voting rights in TAKKT AG within the meaning of sections 29ff. of the German Securities Acquisition and Takeover Act (WpÜG). In exercising this right of termination, the Board member has the right to severance pay. In the current contracts of the Management Board Members, the limit of possible severance payments corresponds to the recommendations of the German Corporate Governance Code. According to the Code, the payments that could be paid in the event of a premature termination of the membership of the Management Board without cause may at most remunerate the remaining term and also not exceed the amount of two annual salaries. Other sources of income are not taken into account. The right to a severance payment does not apply in the event of extraordinary termination of the contract of employment by the company for good cause.

Felix Zimmermann stepped down from the Management Board on May 11, 2021. A severance payment of EUR 2,565 thousand was made to him in 2021 for the premature termination of his Board position. Heiko Hegwein stepped down from the TAKKT Management Board on September 30, 2020. In relation to the premature termination of his Board position, he was granted a payment of EUR 725 thousand in 2021 for the period from October 1, 2020 to September 30, 2021. Tobias Flaitz stepped down from the Management Board of TAKKT AG on December 20, 2021. In relation to the premature termination of his Board position, a severance payment of EUR 515 thousand was agreed, which will be paid out in May 2022. In addition, a fixed remuneration of EUR 125 thousand will be granted for the period from January 1, 2022 to May 31, 2022.

Pension commitments *in EUR thousand*

	Contribution to company pension plan		Service cost according to IAS 19		Pension obligation according to IAS 19	
	2020	2021	2020	2021	2020	2021
Maria Zesch (since August 1, 2021)	–	35	–	91	–	82
Claude Tomaszewski	77	77	134	162	3,601	3,458
Felix Zimmermann (until May 11, 2021)	117	49	183	73	5,266	–
Tobias Flaitz (since June 1, 2020 until December 20, 2021)	37	69	84	136	84	203
Total	231	230	401	462	8,951	3,743

“REMUNERATION GRANTED AND OWED” IN ACCORDANCE WITH SECTION 162(1) SENTENCE 1 AKTG

Pursuant to section 162(1) sentence 1, sentence 2 no. 1 AktG, all fixed and variable remuneration components “granted and owed” to the individual members of the Management Board in the 2021 fiscal year must be disclosed. The values stated for both the STIP and LTIP for the 2021 fiscal year therefore include all benefits actually received in the respective fiscal year, regardless of the fiscal year for which they were received by the members of the Management Board. Accordingly, the 2021 STIP corresponds to the amount of the STIP from the 2020 fiscal year, which was disbursed in the 2021 fiscal year in accordance with the contractual agreement. The 2017 LTIP therefore corresponds to the amount for the LTIP whose four-year term ended on December 31, 2020 and

which was disbursed in the 2021 fiscal year in accordance with the contractual agreement.

Other remuneration includes one-time payments for Maria Zesch in connection with her new appointment (e.g. to compensate for other remuneration entitlements). Also included are payments for Felix Zimmermann and Heiko Hegwein in connection with the premature termination of their Management Board activities. Felix Zimmermann received the STIP payment for 2020 as well as his STIP entitlement (pro rata target value) for 2021 in the 2021 fiscal year.

In accordance with section 162(5) AktG, the personal information of former Management Board members is no longer included if they left before December 31, 2011.

Remuneration granted and owed in accordance with section 162(1) sentence 1 AktG of the current members of the Management Board

	Maria Zesch (since August 01, 2021)				Claude Tomaszewski			
	2020		2021		2020		2021	
	EUR thousand	in %	EUR thousand	in %	EUR thousand	in %	EUR thousand	in %
Fixed salary	–	–	188	35%	351	42%	360	56%
Fringe benefits	–	–	2	0%	7	1%	7	1%
Non-performance-related remuneration	–	–	190	35%	358	42%	367	58%
STIP 2019 / 2020	–	–	–	–	323	38%	205	32%
LTIP 2016 / 2017	–	–	–	–	162	19%	66	10%
Performance-related remuneration	–	–	–	–	485	58%	271	42%
Other	–	–	350	65%	–	–	–	–
Total remuneration (section 162(1) sentence 1 AktG)	–	–	540	100%	843	100%	638	100%

	Tobias Flaitz (since June 01, 2020 until December 20, 2021)				Felix Zimmermann (until May 11, 2021)			
	2020		2021		2020		2021	
	EUR thousand	in %	EUR thousand	in %	EUR thousand	in %	EUR thousand	in %
Fixed salary	182	95%	336	75%	507	39%	217	6%
Fringe benefits	10	5%	18	4%	16	1%	7	0%
Non-performance-related remuneration	192	100%	354	79%	523	41%	224	6%
STIP 2019 / 2020	–	–	93	21%	511	40%	596	17%
LTIP 2016 / 2017	–	–	–	–	254	20%	103	3%
Performance-related remuneration	–	–	93	21%	765	59%	699	20%
Other	–	–	–	–	–	–	2,565	74%
Total remuneration (section 162(1) sentence 1 AktG)	192	100%	447	100%	1,288	100%	3,487	100%

* Felix Zimmermann received the STIP payment for 2020 as well as his STIP entitlement (pro rata target value) for 2021 in the 2021 fiscal year.

Remuneration granted and owed in accordance with section 162(1) sentence 1 AktG of the former members of the Management Board in EUR thousand

	Heiko Hegwein (until September 30, 2020)		Dirk Lessing (until October 31, 2019)		Franz Vogel (until February 28, 2014)	
	2020	2021	2020	2021	2020	2021
Fixed salary incl. Fringe benefits	276	-	-	-	-	-
STIP	323	154	-	-	-	-
LTIP	-	-	162	66	-	-
Pensions	-	-	-	-	90	91
Other	-	725	-	-	-	-
Total remuneration	599	879	162	66	90	91

REMUNERATION OF THE SUPERVISORY BOARD

Each member of the Supervisory Board of TAKKT AG generally receives a fixed annual salary of EUR 55 thousand. The Chairman of the Supervisory Board receives double that amount; the Deputy Chairman receives EUR 25 thousand in addition to his fixed annual salary. Members of a Supervisory Board committee generally receive an additional fixed salary of EUR 3 thousand. The Chairman of the Supervisory Board committee receives double that amount; the Deputy Chairman receives one and a half times that amount. In addition, for each meeting of the Supervisory Board or a committee that they attend, each member receives an attendance fee of EUR 500 per day in attendance. In addition, TAKKT AG offers the members of the Supervisory Board compensation for expenses.

Remuneration related to activities on the Supervisory Board and committees is not paid out until the following fiscal year. Attendance

fees are paid at the end of the month in the respective fiscal year. For better comparability of the annual change in remuneration, the attendance fees shown in the following table and comparative presentation are treated as if they had also been paid in the following year.

The fixed remuneration, remuneration for additional committee activities, attendance fees and the lack of performance-related Supervisory Board remuneration are specifically intended to reinforce the independence of the Supervisory Board members.

A change was made in the distribution of roles on the Supervisory Board effective May 11, 2021. Thomas Schmidt was elected as the new chairman by the Supervisory Board. He succeeded Florian Funck, who remains a member of the Supervisory Board.

Remuneration granted and owed of the current and former members of the Supervisory Board 2021

	Fixed payments		Committee remuneration		Attendance fees		Total EUR thousand
	EUR thousand	in %	EUR thousand	in %	EUR thousand	in %	
Thomas Schmidt	44.0	95%	-	0%	2.5	5%	46.5
Johannes Haupt	64.0	91%	3.6	5%	2.5	4%	70.1
Florian Funck	88.0	92%	4.8	5%	2.5	3%	95.3
Thomas Kniehl	44.0	95%	-	0%	2.5	5%	46.5
Dorothee Ritz	44.0	95%	-	0%	2.5	5%	46.5
Christian Wendler	44.0	90%	2.4	5%	2.5	5%	48.9

2020

	Fixed payments		Committee remuneration		Attendance fees		Total EUR thousand
	EUR thousand	in %	EUR thousand	in %	EUR thousand	in %	
Thomas Schmidt	34.7	93%	-	0%	2.5	7%	37.2
Johannes Haupt	80.0	91%	4.5	5%	3.0	3%	87.5
Florian Funck	89.5	93%	3.8	4%	3.0	3%	96.3
Thomas Kniehl	55.0	95%	-	0%	3.0	5%	58.0
Dorothee Ritz	55.0	95%	-	0%	3.0	5%	58.0
Christian Wendler	55.0	91%	3.0	5%	2.5	4%	60.5
Stefan Gemkow (until May 15, 2019)	40.7	93%	2.2	5%	1.0	2%	43.9

COMPARATIVE PRESENTATION OF THE DEVELOPMENT OF REMUNERATION OF MANAGEMENT BOARD MEMBERS, SUPERVISORY BOARD MEMBERS AS WELL AS THE REMAINING WORKFORCE AND THE EARNINGS DEVELOPMENT OF THE COMPANY

In order to comply with the requirements of section 162(1) sentence 2 no. 2 AktG, the following table shows the percentage change in the remuneration of the Management Board members, the Supervisory Board members and average remuneration of employees (full-time equivalents) as well as the earnings development of the Company compared with the previous year.

The remuneration of the Management Board members included in the table reflects the amounts actually received in the respective fiscal year. These values correspond to the values stated in the tables on remuneration "granted and owed" in accordance with

section 162(1) sentence 1 AktG. For better comparability of the remuneration, payments in the event of early termination of Board membership are not taken into account. Where members of the Management Board only received pro rata remuneration in the individual fiscal years (e.g. due to joining the company during the year), the remuneration for this fiscal year was projected for the full year in order to ensure comparability.

In accordance with section 162(1) sentence 2 no. 2 AktG, the comparative presentation also includes the annual change in the "earnings development of the Company." "Company" in the meaning of section 162(1) sentence 2 no. 2 AktG is understood to be the legally independent, listed individual company (TAKKT AG). Since the remuneration of the Management Board members is also largely dependent on the development of Group key figures, the development of EBITA in the TAKKT Group is also included.

Comparative presentation of the annual change in the compensation of Management Board members and the Supervisory Board members as well as the average employee compensation and earnings development

	Change 2021 vs. 2020 in %	Change 2020 vs. 2019 in %	Change 2019 vs. 2018 in %	Change 2018 vs. 2017 in %	Change 2017 vs. 2016 in %
Current members of the Executive Board in fiscal 2021					
Maria Zesch (since August 01, 2021)	–	–	–	–	–
Claude Tomaszewski	–24%	–14%	–2%	–20%	7%
Tobias Flaitz (since June 1, 2020 until December 20, 2021)	57%	–	–	–	–
Felix Zimmermann (until May 11, 2021)	3%	–11%	–1%	–19%	7%
Former members of the Board of Management					
Heiko Hegwein (since February 1, 2018 until September 30, 2020)	–70%	–11%	116%	–	–
Dirk Lessing (until October 31, 2019)	–60%	–84%	3%	13%	11%
Franz Vogel (until February 28, 2014)	1%	4%	2%	3%	2%
Current members of the Supervisory Board in fiscal 2021					
Thomas Schmidt (since May 15, 2019)	–20%	–	–	–	–
Florian Funk	–1%	83%	0%	0%	0%
Johannes Haupt	–20%	8%	0%	0%	0%
Thomas Kniehl	–20%	10%	0%	0%	0%
Dorothee Ritz	–20%	13%	0%	3%	–4%
Christian Wendler (since May 10, 2017)	–20%	10%	0%	–	–
Former members of the Supervisory Board					
Stephan Gemkow (until May 15, 2019)	–	0%	0%	0%	0%
Arnold Picot (until May 10, 2017)	–	–	–	0%	0%
Employees					
Average employee compensation	6%	6%	2%	0%	5%
Performance					
Annual profit/loss TAKKT AG	30%	–4%	–26%	–23%	–5%
EBITA TAKKT Group	33%	–50%	–11%	–1%	–14%

Since the employee and remuneration structures in the subsidiaries are diverse, particularly in the case of employees abroad, comparison of the development of average remuneration of the employees is based on the average remuneration of the workforce of the German subsidiaries of the TAKKT Group. In order to ensure comparability, the remuneration of part-time employees was extrapolated to full-time equivalents.

OTHER DISCLOSURES

DEFERRED COMPENSATION

Management Board members may convert parts of their STIP payments into additional pension components on a graduated basis according to age group (deferred compensation). By opting to do without gross STIP payment amounts, the Board Members acquire benefit component entitlements vis-à-vis the company. The pension benefits are granted as entitlements for pensions and survivors' benefits and in the event of disability. Amounts converted from 2021 onwards bear interest at a rate of four percent p.a. until pension payments begin; and at five or six percent p.a. for older contributions.

There are pension obligations to the members of the Management Board from deferred compensation in the amount of EUR 550 thousand (EUR 1,922 thousand). In the fiscal year, EUR 0 thousand (EUR 100 thousand) was contributed to this plan.

TAKKT PERFORMANCE BONDS

Stock options are not considered part of the remuneration of the Management Board at TAKKT and there are no plans for this in the future. A voluntary participation offer is made to TAKKT executives allowing them to take part in the economic development of the TAKKT Group through bonds.

The return of this instrument results from a basic interest rate plus a premium or discount determined according to the performance of the TAKKT Group (TAKKT value added). The subscription amount as well as the attainable return have an upper limit. There are liabilities of EUR 113 thousand (EUR 217 thousand) to members of the Management Board from TAKKT Performance Bonds.

REMUNERATION FOR SUPERVISORY BOARD MANDATES

Remuneration for activities associated with supervisory board mandates or activities performed as a member of the management in companies in which TAKKT holds a direct or indirect stake, or for which the Board Member is acting in TAKKT's interests, is offset against the STIP. The amounts are offset such that the remuneration received in the course of a fiscal year is offset against the STIP payable by the company for that year.

MISCELLANEOUS

With respect to the members of the Management Board, there are the usual receivables and liabilities from appointment and employment contracts.

The members of the Management Board did not receive any benefits from third parties in the 2021 or 2020 fiscal years, which were either promised or granted to them in connection with their service on the Management Board..

As of December 31, 2021, the members of the Management Board did not hold any (8,036) shares in TAKKT AG.

INDEPENDENT AUDITORS' REPORT ON THE AUDIT OF THE REMUNERATION REPORT PURSUANT TO SECTION 162(3) OF THE GERMAN STOCK CORPORATION ACT (AKTG)

To **TAKKT AG, Stuttgart**

AUDIT OPINION

We have formally audited the remuneration report of Takkt AG, Stuttgart, for the fiscal year from January 1 to December 31, 2021, to verify whether the disclosures pursuant to section 162(1) and (2) AktG have been made. In accordance with section 162(3) AktG, we have not audited the factual accuracy of the remuneration report.

In our judgment, the disclosures pursuant to section 162(1) and (2) have been made in the enclosed remuneration report in respect of all material matters. Our audit opinion does not extend to the factual accuracy of the remuneration report.

BASIS FOR THE AUDIT OPINION

We carried out our audit of the remuneration report in accordance with section 162(3) AktG, paying due regard to the Audit Standard of the Institute of Public Auditors in Germany (IDW) "Auditing the Remuneration Report pursuant to Section 162(3) AktG" (IDW AuS 870 [08.2021]). Our responsibility pursuant to this regulation and this standard is described in more detail in the "Auditor's responsibilities" chapter of our report. We applied the requirements of the IDW Standard on Quality Control "Requirements for Quality Control in Audit Firms" (IDW QS 1) as our audit practice. We complied with the professional obligations pursuant to the German Public Accountant Act (WPO) and the Professional Code of Conduct for Auditors/Certified Accountants, including the independence requirements.

RESPONSIBILITIES OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD

The Management Board and the Supervisory Board are responsible for the preparation of the remuneration report, including the corresponding disclosures, that meets the requirements of section 162 AktG. In addition, they are responsible for the internal control that they deem necessary to enable the preparation of a remuneration report, including the corresponding disclosures, that is free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITIES

Our objective is to obtain reasonable assurance about whether the disclosures pursuant to section 162(1) and (2) AktG have been provided in respect of all material matters in the remuneration report and to issue an audit opinion in this regard in a report.

We planned and conducted our audit in such a way that we were able to determine the formal completeness of the remuneration report by comparing the disclosures made in the remuneration report with the disclosures required by section 162(1) and (2) AktG. In accordance with section 162(3) AktG, we did not verify the factual accuracy of the disclosures, the factual completeness of individual disclosures or the appropriate presentation of the remuneration report.

APPROACH TO DEALING WITH ANY MISLEADING INFORMATION

In connection with our audit, we are responsible for paying due regard to knowledge gained during the audit of the annual financial statements when reading the remuneration report and remaining alert as to whether the remuneration report contains misleading information in respect of the factual accuracy of the disclosures, the factual completeness of individual disclosures or the appropriate presentation of the remuneration report.

If, on the basis of the audit we have carried out, we conclude that such misleading information is present, we are required to report that fact. We have nothing to report in this regard.

Stuttgart, March 16, 2022

Ebner Stolz GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft



Dr. Christoph Eppinger
Wirtschaftsprüfer
(German Public Auditor)



Sonja Kolb
Wirtschaftsprüferin
(German Public Auditor)