

A young girl with long, wavy brown hair, wearing a brown short-sleeved top and a white dress, is shown in profile, looking upwards and to the right. She is holding a small, white toy wind turbine in her hands. The background is a soft-focus landscape of rolling hills and green fields under a warm, golden light, suggesting a sunset or sunrise. Large, semi-transparent orange geometric shapes are overlaid on the image, framing the girl and the turbine.

# Sustainability Report

OF TAKKT GROUP 2022

# Sustainability Report

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## SUSTAINABILITY STRATEGY

### The TAKKT sustainability approach

The past couple of years have been challenging in many respects. The consequences of the pandemic and the Russian attack on Ukraine had some severe negative effects on us as individuals and on society. But also companies had to adapt to the changing circumstances and to react flexibly to new developments. Due to the great commitment of its employees and the resilience of its business model, TAKKT has coped well with the consequences of these crises to date and will also master the existing challenges. In such a volatile and uncertain environment, it is crucial to have the future in mind while taking care of the day-to-day operations. Maintaining TAKKT's long-term success is dependent on positioning the group in a future-oriented and sustainable manner. Hence, TAKKT has been pursuing a new strategy since the beginning of 2022, which consists of three pillars: Growth, OneTAKKT and Caring. In addition to higher growth and a more integrated setup, sustainability is an essential part of the corporate strategy.

Responsible entrepreneurship, a collaborative partnership with customers and employees as well as the protection of the climate and natural resources are core elements of TAKKT's sustainability strategy. TAKKT is committed to the principles of the Global Compact and is guided by the Sustainable Development Goals (SDGs) of the United Nations. In doing so, TAKKT undertakes to observe sustainable corporate practices not only with regard to its employees, but also along the entire value chain. The goal is to be part of the solution of ecological, social and economic challenges on a global scale. This means taking into account the needs of the present generation, while also ensuring that the needs of future generations are met.

### Our vision:

#### Bringing tomorrow's worlds of work to life

**TAKKT Vision 2025: Bringing new worlds of work to life by caring about environmental resources, people and customer success.**

The TAKKT vision serves as the foundation for the sustainability and business strategy. The aim is to shape tomorrow's worlds of work together with TAKKT's stakeholders. One thing that is not negotiable: they need to be sustainable.

For TAKKT, meeting the demands of customers as well as satisfying the requirements of tomorrow regarding sustainable products and services is not only a social mission, but also an important growth opportunity. Sustainability will change the work environments in the future, therefore TAKKT wants to embrace this development at an early stage and take advantage of the opportunity it presents. Sustainability already plays a significant role in the purchasing decisions of more than half of the customers. This is also reflected in customers' willingness to pay more for products that have ecological and social added value.

At the 26th UN Climate Change Conference in Glasgow, 196 countries agreed on the joint implementation of the Paris Agreement with the goal of limiting the rise in global temperatures to below 1.5 degrees Celsius. This decision is already having a growing impact on the economic activity of companies at both the micro and macro level. In addition to new legal requirements and regulations, the markets in which TAKKT operates are also changing. The design of sustainable procurement and sales markets, innovations and greater capital flows towards sustainable economic activities are changing the general conditions. Legislative initiatives such as the EU Taxonomy and the German Act on Corporate Due Diligence Obligations in the Supply Chain (Lieferkettensorgfaltspflichtengesetz [LkSG]) are a reflection of the increased societal demand for ecologically and socially acceptable corporate behavior.

TAKKT sees these changes as an opportunity: Actively working on the transformation to a carbon-free economy today ensures that TAKKT will remain competitive in the future. In addition to the shortage of skilled workers, digitalization and the growing significance of health in the workplace, transforming tomorrow's worlds of work in a socially responsible way will play a deciding role in shaping the purchasing decisions of customers in the future.

### Our mission statement

**TAKKT Sustainability Mission: We want to give our customers the ability to choose sustainable products (by education and enablement) and have them delivered via sustainable logistics from a sustainable business.**

TAKKT's responsibility as a B2B omnichannel distributor is to help customers make the right choice when purchasing a product or solution. TAKKT wants its customers to be optimally equipped so that they can meet their day-to-day challenges and remain successful in their markets. In addition to the necessary information about a product or solution, this also includes empowering customers to take into account all relevant factors in their decision-making, including sustainability. TAKKT knows that today's customers place a high value on sustainable products and solutions. The goal is to make this information easily accessible so that they can make more sustainable product choices wherever possible. In addition to the ever-growing range of sustainable products and solutions, TAKKT also has a responsibility to make the corresponding logistics sustainable.

TAKKT's mission statement incorporates the needs of stakeholders, including employees, customers, shareholders and society. This means that it is also deeply anchored in the materiality assessment and reflects the aim to make TAKKT a sustainable and future-ready company.

With our "enkelfähig" approach, we provide customers with the necessary information to choose products that fulfill their purpose, while also creating ecological and social added value. TAKKT is working on a comprehensive "enkelfähig" portfolio of sustainable products and solutions, which involves evaluating the existing product portfolio and setting standards for new products and suppliers.

In addition to the climate impact of the products and solutions, more action is required in the area of Scope 3 emissions caused by logistics. Together with its partners in this area, TAKKT wants to continue working on climate, environmentally and socially compatible transport solutions in order to minimize the carbon footprint in logistics.

TAKKT itself strives to become a more sustainable company. This means that TAKKT is increasingly working on minimizing its Scope 1 and 2 emissions. The emission reduction strategy currently being developed will help to identify and reduce the largest sources of emissions in the future. In addition, various initiatives and campaigns in the area of social sustainability will continue to be promoted with the help of the ENGAGE team, which supports employees who would like to contribute to society through volunteer work. With a view to the increasing legal requirements and regulations, TAKKT wants to adapt its internal processes and structures at an early stage to ensure the future viability of its business activities.

### Stakeholders and materiality

TAKKT's sustainability activities are reviewed on a regular basis in a dialogue with stakeholders. The material aspects are determined on the basis of the non-financial declaration, the sustainable development goals (SDGs) of the United Nations and the standards for sustainability reporting of the Global Reporting Initiative (GRI).

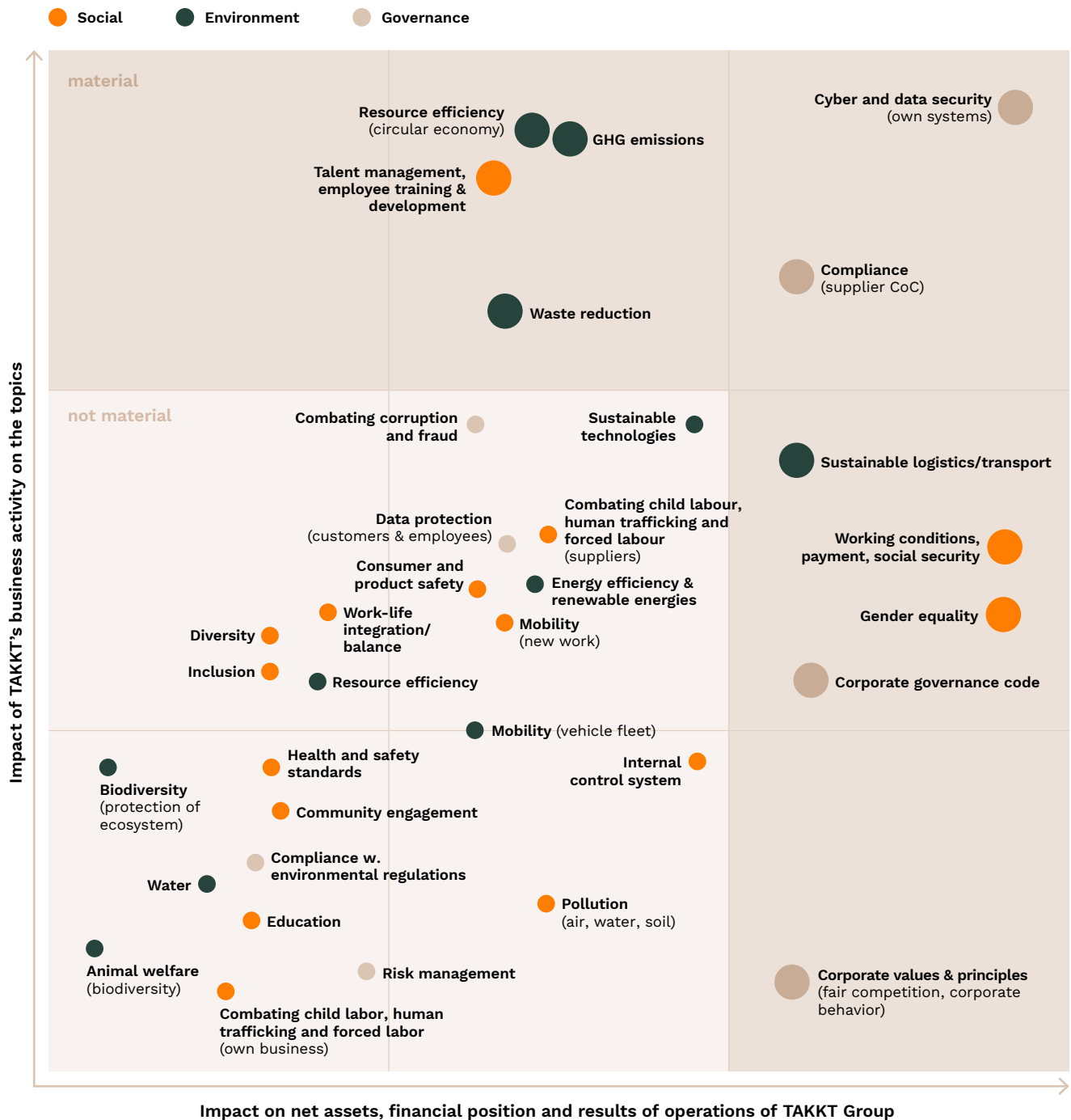
The aim is to gain a comprehensive overview of the topics that are relevant from a stakeholder perspective and also crucial for TAKKT's long-term business success. The materiality analysis is therefore a strategic instrument to ensure TAKKT's long-term added value and future viability.

The most comprehensive stakeholder survey on sustainability to date was carried out in 2020/2021. A quantitative online survey asked 1,250 stakeholders from 18 companies across all TAKKT divisions in eleven countries about their social, environmental and economic needs and expectations.

Based on this stakeholder survey, TAKKT once again conducted a materiality analysis in 2022. This materiality analysis was conducted applying the concept of double materiality with the help of external consultants. The concept of double materiality requires performing an assessment of how sustainability factors affect the company's performance as well as the impact of the company's activities on non-financial aspects. The process has already been carried out preparing for the

upcoming Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). The review carried out together with an external team of experts confirmed the areas of focus that TAKKT set for itself. The results were presented to the Management Board and approval was obtained.

The chart shows an overview of the fields of action identified as material by TAKKT. A description of all material topics can be found in the GRI index at the end of the sustainability report.



### Our Sustainability Roadmap

The key fields of action of the TAKKT Sustainability Roadmap, which are based on the results of the materiality analysis, are at the product level, in logistics and the social area. At the product level, TAKKT wants to make the product portfolio more transparent by means of the “enkelfähig” rating. The effects of the individual products can be gathered, analyzed and documented based on the multidimensional sustainability assessment (SDG 12). In the area of logistics, TAKKT also wants to implement further measures to reduce emissions in the long term (SDGs 7 & 13). In the social area, TAKKT wants to do more for the community, especially through social involvement.


In addition to the product, logistics and social areas, TAKKT has defined “must-haves”. This includes the expansion of reporting structures in order to ensure compliance with legal requirements and regulations.

This also involves internal and external communication to keep employees, customers, partners and other stakeholders up to date on TAKKT’s projects, goals and successes. The ongoing work regarding carbon accounting, regular EcoVadis ratings and in the future the Carbon Disclosure Project (CDP) are also “must-haves” for TAKKT.

### Goals

The year 2022 showed a positive development for TAKKT and its subsidiaries in terms of the sustainability key figures. Sales with sustainable products as well as the share of women in executive positions increased and the first steps were taken towards reducing emissions. Specification of the sustainably certified purchasing volume and the resulting new definition of the key figure was successfully implemented. This provides a solid and more manageable basis for the further progress that TAKKT would like to achieve in the coming years.

### Results 2022

Focus area	SDGs	Sustainability KPI	Goal 2025	Result 2022
Core business	<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION 	Share of enkelfähig products of order intake (in %)	<b>40%</b>	<b>19.8%</b>
		Purchasing volume from sustainability-certified suppliers (in %)	Ever certified: <b>80%</b> Certification obtained in 2025: <b>40%</b>	Ever certified: <b>38.3%</b> Certification obtained in 2022: <b>10.9%</b>
Environment	<b>13</b> CLIMATE ACTION 	Scope 1 & 2 emissions (in t CO <sub>2</sub> e)	<b>7,471 t CO<sub>2</sub>e</b> (20% reduction in comparison to base year 2021)	<b>8,339 t CO<sub>2</sub>e</b> (11% reduction in comparison to base year 2021)
Commitment	<b>5</b> GENDER EQUALITY 	Share of women in management positions (in %)	<b>45 %</b>	<b>28.9 %</b>

## GOVERNANCE

### Sustainability organization

A comprehensive sustainability strategy is absolutely essential for TAKKT. It enables the long-term survival and success of the company by aligning economic, social and ecological aspects. Effective governance ensures that TAKKT acts sustainably in all respects. In addition, it helps in complying with laws and regulations, managing risks and enhancing the company's reputation. By anchoring sustainability in the corporate strategy and decision-making processes, TAKKT demonstrates its commitment to the long-term well-being of our planet and its inhabitants.

The Group-wide SCORE (Sustainable Corporate Responsibility) governance system was fundamentally revised in 2021 and rolled out throughout the company in 2022.

### TAKKT Management Board

At TAKKT, sustainability is anchored at the highest level of corporate governance. Accordingly, the TAKKT Management Board is responsible for the entire sustainability performance of the Group. It approves and informs about the vision, mission, strategy, goals and priorities regarding sustainability at TAKKT.

Together with the Vice President of Group Sustainability, the management of the TAKKT divisions and the individual business units, the Management Board regularly reviews the most important sustainability performance indicators. In addition, the Management Board gets informed of the overall progress of the sustainability topics in the TAKKT Executive Meetings on a quarterly basis.

### Group Sustainability

The department of Group Sustainability at TAKKT is lead by the Vice President Group Sustainability and is responsible for creating and implementing the sustainability strategy and acts as a central interface between the divisions, business units and external stakeholders. It is also responsible for the development of the sustainability mission, vision, strategy, goals and priorities throughout the entire Group and promotes the implementation of the sustainability roadmap as part of the sustainability strategy.

Furthermore, the Group Sustainability department supports the individual TAKKT companies in transferring the Group-wide goals to company-specific projects and concise implementation plans. The team monitors the implementation, coordinates the exchange of knowledge and is responsible for consolidating the sustainability KPIs tracked throughout the Group

### Management

The management of the TAKKT divisions and business units is responsible for the specific sustainability goals, projects and results of its own divisions and companies. It informs its companies and approves relevant measures. In addition, management appoints the SCORE officers in the specific areas who are responsible for the operational implementation of the measures and data collection in the respective companies. Management also designates the contact persons who are responsible for implementing department-specific sustainability projects (e.g., sustainable procurement).

### SCORE officers

Together with TAKKT Group Sustainability, the SCORE officers at the individual TAKKT business units develop company-specific sustainability goals and implementation plans in order to achieve the Group-wide goals. This is coordinated with their respective managers. They also coordinate the implementation of projects in the functional areas, assess their progress and are responsible for the corresponding collection, validation and provisioning of data.

They work closely with the function-specific contact persons on the individual sustainability topics in their company.

## CLIMATE

### Our climate strategy

The impacts of the climate crisis can be felt already today and the global community is facing enormous challenges. The Paris Climate Agreement calls for global warming to be limited to 1.5 degrees Celsius, which means that greenhouse gas neutrality must be achieved by 2045.

TAKKT is also aware of its responsibility toward climate protection, which is why it is an essential part of the Group's corporate strategy. As a global B2B omnichannel distributor, TAKKT wants to reduce the Scope 1 and 2 greenhouse gas emissions of all locations by 50 percent by 2030 compared to the base year 2021. TAKKT is already working towards achieving a reduction of 20 percent by 2025. This is to be achieved through several reduction measures, including insetting projects. The offsetting of emissions by external partners should only be applied as an optional measure, not an integral part of the climate strategy.

Achieving the aforementioned goals by 2025 and 2030 not only requires ambition, but also the necessary willingness to invest. TAKKT sees this challenge as an opportunity to demonstrate its competitiveness and offer added value to stakeholders on an economic as well as social and ecological level over the long term.

The foundation for the path to emission reduction was laid in 2021, when the emissions of all TAKKT companies were calculated in accordance with the GHG Protocol Standard for the first time. In 2022, the focus was on improving the data quality in order to strengthen the validity of the carbon footprint results. In the course of this, software was introduced facilitating the systematic retrieval and aggregation of data from over 60 locations with nearly 100 data suppliers. In addition, it also allows for an external audit of the data, which TAKKT is already preparing for the upcoming changes due to the Corporate Sustainability Reporting Directive (CSRD).

Within the scope of improving data quality, also training on carbon accounting according to the Greenhouse Gas (GHG) protocol was offered to all TAKKT managing directors during the reporting year. The training will be extended to all employees in 2023.

To support TAKKT's climate initiatives, guidelines serve the purpose of helping to implement the climate strategy in the business processes successfully. In 2022, a policy for the reduction of emissions was introduced, which will be rolled out company-wide in 2023. The policy is meant to help employees understand how and when the company wants to reduce emissions within the scope of its business activities. While the new policy is aimed at all employees, it is especially addressed to the SCORE officers and management within the individual TAKKT business units. According to the governance structure, these persons are responsible for implementation of the policy. In addition, the policy will become part of TAKKT's new onboarding process and regular training will be provided over time. Another policy for business travel and company cars is also planned.

### Calculation of Scope 1 and 2 emissions

The first steps in the reduction process include the continuous, comprehensive tracking of emission sources and establishing a robust data model for calculating emissions. As in the previous year, emissions of the reporting year were calculated and documented in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. TAKKT reports exclusively according to the location-based allocation method of the GHG Protocol. In the reporting year, emissions were calculated internally for the first time. As a result, data quality was significantly improved.

In-depth and face-to-face conversations with the individual business units revealed a misinterpretation of data from certain consumption points at some of the TAKKT sites in the carbon footprint from the base year 2021. In particular, incorrect energy sources (e.g., gas instead of district heating or electricity) were used for calculating heat at eight locations. This resulted in a higher representation of emissions at the locations concerned. Subsequent recalculation of the emissions for 2021 showed that the actual Scope 1 and 2 emissions in 2021 were 4 percent lower than originally calculated. The recalculated result of the base year emissions can be found in the diagram "TAKKT carbon footprint (in t CO<sub>2</sub>e)."

Working closely with the companies to improve data quality also made it possible to achieve a high share of activity-based data. Only 5.5 percent of the emissions were calculated using spend-based data. Spend-based



data always involves a certain degree of inaccuracy, for example due to inflation effects. Therefore, the goal is to lower this risk to a minimum. Most of the work was done with primary data, and secondary data was only used in exceptional cases. As a result, the quality of the carbon footprint was further improved in this area as well. Additional software and reporting processes are also planned in all companies in order to make data collection even more efficient in the future.

**Results**

The emissions shown include the direct emissions caused by TAKKT’s activities at the locations (Scope 1) as well as the indirect emissions that arise during the production of externally sourced energy (Scope 2).

Software was used to retrieve data on consumption and associated emissions in a structured manner and allocated into five GHG categories by means of sound emission factors:

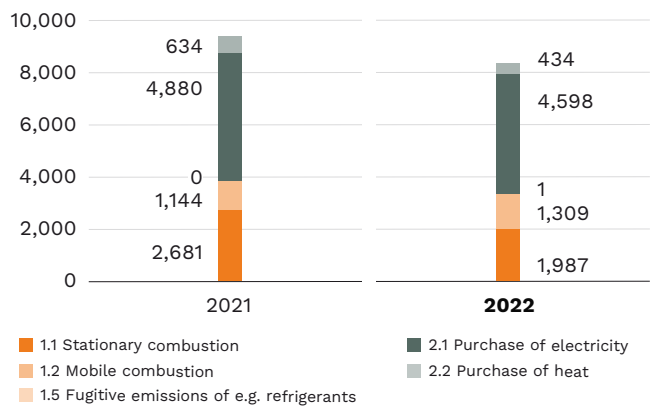
Scope 1: Our direct emissions in the area of stationary combustion (Scope 1.1) were reduced by 694t CO<sub>2</sub>e compared to the base year. This can be attributed to energy-saving measures as well as site closures due to company mergers and relocations to more energy-efficient and smaller office premises.

In the area of mobile combustion (Scope 1.2), an increase over the base year was observed. This was attributable to the increasing return of business travel due to the improved pandemic situation.

Scope 2: Indirect emissions from the purchase of heat (2.2) as well as electricity (2.1) were reduced compared to the base year. Here as well, energy-saving measures, site closures and relocations were key factors.

Overall, TAKKT was able to reduce Scope 1 and 2 emissions by 11 percent compared to the base year 2021. In working towards the goal of reducing Scope 1 and 2 emissions by 20 percent by 2025, an in-depth analysis of the potential for reduction is being carried out and project teams being put together. In 2023, the Group-wide emission reduction strategy and corresponding investment planning will be professionalized based on marginal abatement cost curves (MACCs). MACCs are a valuable tool for assessing decarbonization projects. The use of MACCs allows TAKKT to weigh, visualize and evaluate the potential CO<sub>2</sub>e savings and associated costs. As a result, informed decisions can be made about which projects offer the most cost-effective method for achieving maximum decarbonization.

**TAKKT carbon footprint in t CO<sub>2</sub>e**



## Outlook

In 2023, TAKKT wants to expand the calculation to Scope 3 emissions. To do this, the basis for calculating the following GHG categories first needs to be defined:

- › 3.1 Purchased Goods and Services
- › 3.2 Capital Goods
- › 3.4 Upstream Transportation and Distribution

As a B2B omnichannel distributor, TAKKT wants to take responsibility for the emissions generated during the production and transport of the products sold. In order to achieve this, TAKKT is also planning to calculate a product carbon footprint (PCF) for the most important products from its in-house production in 2023. This is intended to create more transparency at the customer level and also support our suppliers in terms of incorporating more sustainability aspects into their business activities.

TAKKT wants to work together with its logistics partners on lower-emission transport solutions and optimizing delivery routes in the future. In this regard, the use of renewable energy sources is no longer demanded solely by TAKKT, but increasingly becoming a part of the requirements of its partners as well. This makes collaboration and achieving optimal results considerably easier and also motivates TAKKT to take this step together.

By extending the calculation to Scope 3 emissions, TAKKT will be able to determine where the greatest consumption of energy, materials and resources occurs within its supply chain. In addition, it allows TAKKT to encourage its suppliers to calculate their own carbon footprint and to develop corresponding reduction measures.

## ENVIRONMENT & ENERGY

### ISO certification and EMAS

Environmental and energy certifications are a fundamental element of sustainability assessment in companies. TAKKT also uses various standards to assess and improve product portfolios, supply chains and production processes. In addition, they serve as the basis for future certifications within the company. In particular, the ISO 9001 (quality management systems), 14001 (environmental management systems) and 50001 (energy management systems) standards are widely used throughout TAKKT. 17 TAKKT locations are already certified in accordance with ISO 9001, 12 in accordance with ISO 14001 and 8 in accordance with ISO 50001.

In addition, ratioform has an EMAS certification in Germany, Austria and Switzerland. EMAS is a performance-based system at the operational level that can be used for climate protection, sustainability and resource conservation. In addition, it serves for evaluating, reporting and improving the environmental performance of TAKKT and its companies.

TAKKT and its subsidiaries obtain the external environmental and energy certifications annually and this confirms that the approach chosen to achieve sustainability is also a reality and continuously driven at their locations. Another significant step is the work being carried out to certify TAKKT's Stuttgart location according to ISO 14001.

In addition, various TAKKT subsidiaries are members of other initiatives and business networks such as the Charta der Vielfalt (Diversity Charta) and B.A.U.M., are part of the EcoVadis sustainability ranking or received a FSC certification.

## PRODUCTS

### "Enkelfähig"

As a B2B omnichannel distributor, TAKKT has the greatest influence in making the product portfolio as sustainable as possible together with its suppliers. For this reason, a new product classification system, called the "enkelfähig" rating, was introduced in 2021 to measure the sustainability of products and improve transparency regarding the product range.

TAKKT keeps a close eye on its target of generating 40 percent of its sales with "enkelfähig" products by 2025 and together with the business units is working on an evaluation of the products adapted to their business area. Different markets, products and customer needs require a coordinated analysis of the product evaluations.

In addition to the must-have criteria, whose non-fulfillment prohibits a sale by a TAKKT business unit and which are based on the ten principles of the UN Global Compact, the products are also evaluated in the categories of circular economy, climate change, economic efficiency, biodiversity and innovation. In order to sufficiently evaluate these categories, subcategories based primarily on objective master data and supplier questionnaires were created in order to ensure an unbiased evaluation. In the course of the rating preparation, the evaluation according to BIFMA (Business and Institutional Furniture Manufacturer's

Association) also proved to be "enkelfähig." A particular influencing factor is the evaluation of suppliers by EcoVadis because sustainability performance is measured objectively and the positive performance also has an impact on the product and its manufacture. The rating scale starts at 1.0 for "non-enkelfähig" products and products with very low "enkelfähig" potential, while products with a value of 3.0 or higher qualify as "enkelfähig."

„An 'enkelfähig' product or service has fewer negative social and environmental impacts than comparable products and services.

'Enkelfähig' solutions therefore do not generally have a negative impact on society, the environment, human or labor rights, and is compliant to all rules and regulations that apply in the entire value chain of its lifecycle.“

### What TAKKT achieved in 2022

Overall, TAKKT reports an "enkelfähig" sales share of 19.8 percent in 2022. This figure is well above the target value defined for this year. One of the reasons for this was the higher than anticipated generation of "enkelfähig" sales of the individual subsidiaries. In addition, TAKKT is ahead of schedule at the American companies and was able to report better earnings by including CO<sub>2</sub>e-offset transport services in the "enkelfähig" evaluation. Due to varying market requirements and the internal transformation, the evaluation processes of the

Must have criteria	Enkelfähig criteria	Enkelfähig rating
<ul style="list-style-type: none"> <li>› No child labor</li> <li>› No corruption or bribery</li> <li>› No infringement of labor rights and minimum wages</li> <li>› No discrimination</li> <li>› No personal or environmental harm</li> </ul>	<ul style="list-style-type: none"> <li>› Circularity</li> <li>› Climate change</li> <li>› Biodiversity</li> <li>› Profitability</li> <li>› Innovation</li> </ul>	<div style="background-color: #1a3d3d; color: white; padding: 5px;"> <b>5 ENKELFÄHIG IMPACT SOLUTION</b> best solution                 </div> <div style="background-color: #1a3d3d; color: white; padding: 5px;"> <b>4 ENKELFÄHIG CONTRIBUTOR SOLUTION</b> extraordinary product                 </div> <div style="background-color: #1a3d3d; color: white; padding: 5px;"> <b>3 ENKELFÄHIG SOLUTION</b> absolutely enkelfähig product                 </div> <div style="background-color: #d9d9d9; padding: 5px;"> <b>2 NOT ENKELFÄHIG</b> solution with possibilities to improve                 </div> <div style="background-color: #d9d9d9; padding: 5px;"> <b>1 NOT ENKELFÄHIG</b> low enkelfähig potential                 </div>

individual companies are still differing in the degree of maturity. The goal is to first establish uniform evaluation processes within the divisions as part of the transformation and then continuously adapt and improve them. Due to the different market requirements and levels of process maturity, the progress of TAKKT's "enkelfähig" product portfolio in the individual divisions requires a differentiated approach. The following information describes the current status of the rating processes within the TAKKT divisions:

**I&P:** Evaluation of the product portfolio has been nearly completed and the next major step will be implementing the score in the ERP system.

**FS:** For the American market, the supplier surveys required for scoring have been sent out and a European pilot project was launched with a large catering equipment supplier.

**OF&D:** The products from the entire range with the highest probability of exceeding the "enkelfähig" score of 3 have already been rated.

#### **Outlook for 2023**

The aim is to expand the already strong performance of TAKKT's sustainable product portfolio (19.8 percent) in the future. An interim target of 21.7 percent will be set for 2023 in order to achieve the long-term goal of 40 percent "enkelfähig" sales by 2025. Due to the very good implementation of the rating ("enkelfähig" rating) of the existing product portfolio of the companies, TAKKT has started 2023 with a lot of tailwind. Despite this positive development in 2022, TAKKT expects a relatively moderate increase in 2023. The harmonization of the rating processes between the companies is

initially expected to result in a slight temporary decline in "enkelfähig" products. However, this will be more than offset by the progress of the product portfolio evaluation of our FS and OF&D divisions as well as by the expansion of marketing activities (including online and offline campaigns) for "enkelfähig" products and new product launches. Within the scope of the implementation of TAKKT's Caring strategy, these activities represent an important initiative and are managed by the top management.

#### **Sustainable products at D2G**

D2G has already made a sustainable start in its product portfolio with its Greenprint products. The aim of the Greenprint product range is to improve the environmental impact of the products in order to meet the growing customer requirements. The Greenprint product range includes various approaches for making the future more sustainable. Therefore, it is already paving the way for a comprehensive "enkelfähig" portfolio. Environmentally friendly product features, innovative solutions and transparency are at the core of the concept. Even though the initiative is just getting underway, various approaches will help make D2G's offerings more sustainable in the future:

The sustainability characteristics of the products will be reviewed on a regular basis by means of a sustainability rating. In line with our "enkelfähig" rating, the emphasis is on recyclability, climate impact and environmental compatibility as well as the innovative characteristics of the products. FSC-certified materials are increasingly being used in Greenprint products. In addition, D2G is already producing some of the products in-house in Fall River. Besides recycled materials, this also involves the reuse of raw material waste.

## SUPPLY CHAIN

### EcoVadis in the supply chain

For TAKKT as an international B2B omnichannel distributor, the procurement of goods is an important aspect of the value chain. Supply chains therefore play an extremely important role and are a key factor for the long-term development of the company. The sustainability of supply chains is gaining significance, which is why TAKKT works closely with the internationally recognized CSR platform EcoVadis. The collaboration with EcoVadis enables TAKKT to put greater focus on supply chain sustainability. The screening process can be used to identify development potential and improve transparency with regard to sustainable action in the business models of suppliers.

The EcoVadis analysis covers four areas: Environment, labor and human rights, ethics, and sustainable procurement. Companies connected via the portal can view the results and use them to make suggestions for improvement to the suppliers. The program has been gradually expanded since its first use in 2013. In addition, relevant environmental and social risks across the entire supply chain will be systematically recorded and evaluated for the first time in 2023 as part of the reporting on the German Act on Corporate Due Diligence Obligations in the Supply Chain (Lieferkettensorgfaltspflichtengesetz [LkSG]) and made available to the public starting in 2024.

### Realignment of the key figure

Since CSR standards, international regulations and customer expectations are constantly changing, it is imperative that companies demonstrate continuous improvement by participating in regular CSR assessments. When gathering the KPI “purchasing volume from sustainably certified suppliers,” TAKKT exclusively targeted all suppliers certified in the past (38.3 percent) until 2022.

In order to operate more closely in line with global best practices in the future – and thereby in accordance with the validity of EcoVadis ratings (12 months) – TAKKT has defined an additional narrower KPI with “Purchasing volume of EcoVadis sustainability-certified suppliers.” In this key figure, purchasing volumes are only included if the respective supplier was certified or re-certified within the reporting period and had a current valid certification in place as of the effective date of December 31, 2022. This more narrowly defined KPI results in a baseline of 10.9 percent purchasing volume from EcoVadis-certified suppliers. The target value for this KPI is 40 percent by 2025. TAKKT is already working on several measures to achieve this ambitious goal, including the implementation of the German Act on Corporate Due Diligence Obligations in the Supply Chain (Lieferkettensorgfaltspflichtengesetz [LkSG]), cooperation with suppliers in an “enkelfähig” rating and general product portfolio and supplier management.

### EcoVadis at TAKKT

This year, the Kaiser+Kraft Group (including Gerdman's and Runelandhs) also received the EcoVadis Gold Seal for its sustainability activities. This puts it at the top 3 percent of all EcoVadis-certified companies and among the top 1 percent in the industry.



Ecovadis assessment of the Kaiser+Kraft Group

## SOCIAL

### Our values

TAKKT's core behaviors serve as the basis for value-based leadership and collaboration. TAKKT's company-wide code of conduct encompasses the following values:

**„Think Customer First“:** We make it easy to do business with us. 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.

The five core behaviors define what is expected of every employee. Not only do they apply in everyday working life within TAKKT, but also in the collaboration with customers and partners.

During the annual performance reviews and in the day-to-day management activities, TAKKT executives and employees are regularly made aware of the applicable code of conduct. The aim is to ensure that all of TAKKT's activities are aligned with its values. In particular, executives are measured and evaluated on the basis of the annual performance review with regard to their compliance with the value-based standards of conduct.

### Employee interests

The working conditions of TAKKT's employees are based on the respective legal framework and local market conditions. In addition to fairness, the overall experience of employees and the corporate culture are also paramount. Guided by the core behaviors, TAKKT strives for a culture of open feedback, autonomy, empowerment, collaboration and transparency. TAKKT

has set itself the goal of promoting “new worlds of work” within the company for customers as well as employees by supporting the integration of work and family through various types of working models. Whether in the office, at home, on the train or in a café – a hybrid working model benefits employees as well as the company and environment. Many of our employees greatly appreciate the hybrid workplace design.

Dedicated employees are the reason for TAKKT's corporate success. Employees play a decisive role in the overall success of the company. That is why it is important for TAKKT to obtain regular feedback from employees to gain insight into what is working well and what should be improved. One of the feedback surveys that TAKKT conducts is the Employee Net Promoter Score (eNPS), which evolved from the Customer Net Promoter Score (cNPS) and its evaluation methodology. The evaluation is based on how likely employees are to recommend the company as a workplace. Despite the current stage of the transformation, TAKKT was able to achieve an eNPS of 11 in the reporting year. TAKKT wants to achieve an eNPS of 50 by 2025. The company is optimistic that this can be achieved through regular employee feedback and by implementing measures to improve the employee experience. Even if the eNPS is tracked and measured company-wide, it is important to know that it is only one source of employee feedback. TAKKT encourages employees and executive staff to maintain a continuous flow of communication and make suggestions for improvement, such as through pulse surveys, town halls and Q&A formats.

### Training and qualification

TAKKT's goal is to fill executive and key positions internally to the greatest extent possible. By doing this, TAKKT enables career paths for employees and provides development opportunities. Talent management at TAKKT strives to identify, promote and further the potential and areas of development of employees in a targeted manner. This is done as part of a structured process that includes annual talent conferences, dialogues between employees and executives, as well as measures for professional and individual training in many areas of the company.

TAKKT offers internal and external job-specific as well as leadership training opportunities to develop professional, methodical and managerial skills. The offerings of the Enkelfähig Academy of Haniel with a focus on management development and job-specific training complete the portfolio of continuing education opportunities. Furthermore, employees have the opportunity to work on international, interdisciplinary, divisional and transnational projects. Work shadowing and job rotation opportunities in order to build individual skills complement the range of development measures.

In addition, as part of the current transformation processes within TAKKT, many executives participated in change management training courses and workshops. These offerings help them to support and successfully implement the transformation of the organization and achieve the defined target state with their teams.

### Equal opportunity

TAKKT employs a wide variety of people. Employees from varied cultural backgrounds and different generations enrich the daily work life of all divisions. Employees are encouraged to bring their perspectives, skills and experiences into everyday work life. TAKKT sees this diversity as a great strength.

TAKKT therefore promotes an understanding of leadership that values diversity and does not tolerate any form of discrimination. The principle of equal opportunity applies to both internal and external job placements: Recruitment decisions are made solely on the basis of skills and qualifications. The employees who work in human resources are trained to avoid unconscious or implicit biases. This helps to ensure equal opportunity in all of the department's processes.

TAKKT also supports the annual Girls' Day and Boys' Day. The event is part of a federal project aimed at improving the career opportunities of girls in particular. At the same time, boys have the chance to learn about professions in which they are still underrepresented. In this way, TAKKT takes responsibility for the future of diversity within the company as well as in society. In addition, anti-harassment training for staff is carried out on a regular basis at TAKKT's US companies.

At present, the focus of TAKKT's diversity management is on increasing the share of women in executive positions. In addition to corresponding recruitment activities, this also involves specifically empowering female junior staff for the next step in their career. Since 2022, TAKKT has been promoting networking among female executives through a "Female Leadership Network" exchange event held regularly.

As of the end of the reporting year 2022, women made up 43.2 percent of all employees at TAKKT. In the previous year, it was 43 percent. The share of executive positions was 28.9 percent compared to 27.3 percent in the previous year. The aim is to increase the share of women in executive positions to 45 percent by 2025 and 50 percent by 2026.

A variety of work time models within TAKKT enable a high level of flexibility and offer development opportunities at all phases of life. In addition, TAKKT has established a concept of shared leadership which also enables part-time employees to hold leadership positions. This development will be complemented by shared positions.

Furthermore, TAKKT has established structured processes for assessing employee performance. During annual performance reviews, personal development goals are agreed upon in order to promote individual skills. This way, TAKKT ensures that all employees have equal opportunities and possibilities for professional and personal development.

### Social responsibility

TAKKT sees itself as part of society and therefore as a driver of local projects. For TAKKT, social commitment is an important part of responsible action. The ENGAGE program supports employees who would like to contribute to society through volunteer work. By taking paid leave of absence, they have the option to pursue self-initiated activities on site or to take advantage of programs offered by non-profit organizations. In addition to supporting organizations and institutions that engage in environmental and social issues, this also promotes volunteer commitments by the employees.

Activities such as zero-waste cooking courses and clean walks are also regularly offered as part of the ENGAGE program. The aim of these initiatives is to inspire and encourage employees to make a valuable contribution to society in the area of sustainability.

In addition, TAKKT regularly calls on its employees to participate in fundraising campaigns. TAKKT matches all the donations contributed by employees and gives the money to non-profit emergency relief organizations.

### Respect for human rights

Compliance with legal and contractual obligations as well as with ethical principles are highest priority at TAKKT. In order to ensure this and to support employees in their day-to-day work, the company adopted a revised TAKKT Code of Conduct in 2014. It is derived from the company values and the principles of the United Nations Global Compact as well as other international standards. The code of conduct is currently being updated and adapted to the new legal and ethical standards. The new code of conduct will be published within 2023.

As a large B2B omnichannel distributor, TAKKT bears responsibility in particular for its highly complex supply chains. After all, the working conditions and the impacts on the environment of how raw materials are extracted, products are manufactured and sales are concluded are highly relevant for TAKKT. In preparation for the German Supply Chain Due Diligence Act, TAKKT has formed an interdisciplinary team comprising employees from Compliance, Purchasing and Sustainability, whose goal it is to make sustainability and risks in TAKKT's supply chain transparent across functions and to manage them. TAKKT will anchor the comprehensive responsibility for the topic of human rights at the level of the holding company as well as the division level.

At the end of 2022, a project was launched together with majority shareholder Haniel to ensure compliance with the German Act on Corporate Due Diligence Obligations in the Supply Chain (LkSG) and a human rights officer was appointed. This ensures full compliance and implementation of the human rights charter to be published for all TAKKT shareholdings. Within this

context, a transition will be made to determined risk management on the basis of the comprehensive risk analysis. In this way, measures specifically adapted to each supplier's risk profile will be developed to eliminate or reduce any risks identified, and their implementation status will be regularly monitored. This is how TAKKT ensures and takes responsibility for a continuously improving supply chain.

In addition to all the precautionary measures, there is the possibility of reporting transgressions in the supply chain via a complaint mechanism, which can be reached at any time. This ensures that incidents can be addressed promptly.

### Combating corruption and bribery

TAKKT's corporate values provide a touchstone and form the basis for internal collaboration as well as cooperation with business partners. Responsible corporate management (Corporate Governance) is one of TAKKT's fundamental principles. For this reason, TAKKT explicitly supports the objectives of the German Corporate Governance Code. Taking a responsible approach to business-related risks is one of the requirements of good corporate governance. The Management Board and management have extensive Group-wide and company-specific reporting and control systems available to them, which make it possible to record, assess and manage these risks. Compliance with all statutory and contractual obligations associated with responsible corporate governance is a company-wide priority matter. TAKKT is subject to various compliance requirements from e.g., the areas of antitrust law, the capital markets and data protection. Failure to comply with the Group-wide compliance principles (e.g., in the area of antitrust law or capital markets) may lead to significant legal consequences (e.g., legal proceedings, exclusion from public procurement processes) and resulting financial effects (e.g., fines, loss of revenue due to reputational damage) and ultimately have a negative effect on earnings. To counter this risk, TAKKT has a centralized compliance management function that is audited by the departments and the compliance officer. These measures allow possible breaches to be identified quickly. In addition to the existing TAKKT values, the TAKKT Code of Conduct and the TAKKT



compliance management guideline (e.g., for anti-corruption and anti-discrimination matters), TAKKT also has a compliance helpline set up, where employees can report compliance violations anonymously. In addition, TAKKT has expanded the existing system

where employees are trained in compliance-related issues both in person and via an online platform and receive a certificate after successful completion of a test. Additional training on core issues in compliance is offered as needed.

## NON-FINANCIAL DECLARATION, EU TAXONOMY, GRI CONTENT INDEX

### Non-financial declaration

Parts of this sustainability report serve to fulfill the non-financial declaration resulting from the legal requirements for TAKKT AG as a listed company. An overview of the components and their detailed coverage within the sustainability report can be found in the following table:

NFD components	Section and page(s) Sustainability report
Environmental issues	„Climate“ pp. 8-9 „Environment & Energy“ p. 10
Employee issues	„Employee interests“ p. 14
Social issues	„Social responsibility“ p. 16
Respect for human rights	„Respect for human rights“ p. 16
Combating corruption and bribery	„Combating corruption and bribery“ pp. 16-17

The remaining parts of the sustainability report contain additional information which is not part of the non-financial declaration.

### EU taxonomy

#### Introduction

As part of the European Green Deal, the EU Taxonomy Regulation creates an EU-wide framework that aims to support financial market actors in assessing to which extent certain economic activities can be classified as sustainable. This should, on the one hand, promote investments in more sustainable technologies and industries and, on the other, further increase the transparency and comparability of sustainability reporting. For this purpose, the EU has defined six goals that capital market-oriented companies should use to report their contribution based on three key performance indicators: sales, capital expenditure (CapEx) and operating expenses (OpEx). Pursuant to Article 8 of the Regulation (EU) 2020/852 dated June 18, 2020 and the delegated acts dated June 4, 2021, and July 6, 2021, TAKKT is obligated to report on sustainable economic activities based on the classification system of the EU Taxonomy.

For the 2022 fiscal year, only the relevant economic activities that are eligible for the taxonomy in relation to the environmental objectives 1 “Climate change mitigation” and 2 “Climate change adaptation” are initially to be reported on. A list of activities in various sectors that have the potential to make a significant contribution to the respective environmental objective was determined for each environmental objective. If an economic activity in this list is mentioned, it may be taxonomy-eligible. For this purpose, a review is carried out to determine whether the legislative description provided corresponds to the actual economic activity. The extent to which taxonomy-eligible activities are actually aligned to the taxonomy (in their compliance with certain technical screening criteria targets) will also be reported on from this year.

#### Methodology of the impact analysis

A cross-functional team was set up at TAKKT to determine the taxonomy-eligible activities, with its core team comprising the Group Sustainability and Group Accounting departments. In the first step, all the economic activities relating to Annexes 1 and 2 of the delegated act of Regulation (EU) 2020/852 were analyzed to determine whether they are at all relevant for an examination to determine taxonomy eligibility. In the second step, these taxonomy-relevant activities were examined to determine their potential taxonomy eligibility. For the activities identified as taxonomy-eligible, corresponding key performance indicators were gathered via the accounting systems and supplementary information was obtained from function-specific contacts in the business units. Double counting was avoided by taking into account either clearly attributable postings to the respective accounts or data collections from the respective functions of the business units. The two data collection methods were not combined per activity and business unit to avoid overlaps.

Capital expenditure and operating expenses can be taxonomy-eligible if either the capital expenditure is incurred in direct connection with actual or future expected income from taxonomy-eligible revenue (Options A and B of the definition in Annex 1 of the delegated act of EU Regulation 2020/852) or if they are incurred in connection with “enabling activities” through the purchase of taxonomy-eligible third-party

goods or services (Option C). Since TAKKT itself does not generate any taxonomy-eligible revenue, only the latter definition is relevant for TAKKT. The taxonomy-relevant capital expenditures correspond to all additions to non-current assets. Operating expenses relevant to the taxonomy relate to direct, non-capitalized costs, which relate in particular to building renovation measures, short-term rental, maintenance and repair of property, plant and equipment.

### Results

With respect to environmental objective 2 “Climate change adaptation,” no taxonomy-eligible revenue, operating expenses or capital expenditure was identified at TAKKT. With respect to environmental objective 1 “Climate change mitigation,” no taxonomy-eligible revenue was identified at TAKKT for the 2022 fiscal year. The reason for this is not that TAKKT’s business activities are less sustainable than the activities defined

in the EU taxonomy. Rather, the EU taxonomy has so far mainly focused on the economic activities of the sectors with the highest emissions (energy, industry, transport and agriculture) because their reduction has the greatest impact on the environmental objectives. Since TAKKT as a B2B omnichannel distributor does not belong to any of these sectors, TAKKT’s revenue is not covered by the economic activities defined in the EU taxonomy. The taxonomy-eligible capital expenditure and operating expenses can be found in the compressed table and in the detailed tables on pages 20 and 21. TAKKT does not report any taxonomy-aligned economic activities for the 2022 reporting year.

### GRI Index

The overview on pp. 22 ff. was prepared in reference to the 2021 GRI Sustainability Reporting Standards.

### Figures under the terms of the EU taxonomy in EUR thousand

	Taxonomy-relevant		Taxonomy-eligible		Not taxonomy-eligible		Taxonomy-aligned	
Revenue	–	–	–	0%	–	0%	–	0%
Capital expenditures	16,569	5,396	33%	–	11,173	67%	–	0%
Operational expenses	9,767	1,375	14%	–	8,392	86%	–	0%

Economic activities (1)	Code(s) (2)	Absolute CapEx (3) in TEUR	Proportion of CapEx (4) in %	Substantial contribution criteria						DNSH criteria („Does Not Significantly Harm“)						Minimum safeguards (17) Y/N	Taxonomy-aligned proportion of CapEx, 2022 (18) in %	Taxonomy-aligned proportion of CapEx, 2021 (19) in %	Category (enabling activity) (20) E	Category '(transitional activity)' (21) T
				Climate change mitigation (5) in %	Climate change adaptation (6) in %	Water & marine resources (7) in %	Circular economy (8) in %	Pollution (9) in %	Biodiversity & ecosystems (10) in %	Climate change mitigation (11) Y/N	Climate change adaptation (12) Y/N	Water & marine resources (13) Y/N	Circular economy (14) Y/N	Pollution (15) Y/N	Biodiversity & ecosystems (16) Y/N					
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																				
<b>A.1 Environmentally sustainable activities (Taxonomy-aligned)</b>																				
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	-	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	0%	-	-
Installation, maintenance and repair of energy efficiency equipment	7.3	-	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	0%	-	-
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	7.4	-	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	0%	-	-
Acquisition and ownership of buildings	7.7	-	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	0%	-	-
Data processing, hosting and related activities	8.1	-	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	0%	-	-
<b>CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)</b>		-	0%	0%	0%	0%	0%	0%	0%								0%	0%		
<b>A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																				
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	1,607	9.7%																	
Installation, maintenance and repair of energy efficiency equipment	7.3	114	0.7%																	
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	7.4	97	0.6%																	
Acquisition and ownership of buildings	7.7	1,882	11.4%																	
Data processing, hosting and related activities	8.1	1,696	10.2%																	
<b>CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)</b>		5,396	32.6%														-	-		
<b>Total (A.1 + A.2)</b>		5,396	32.6%														0%	0%		
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																				
<b>CapEx of Taxonomy-non-eligible activities (B)</b>		11,173	67.4%																	
<b>TOTAL (A + B)</b>		16,569	100.0%																	

Economic activities (1)	Code(s) (2)	Absolute OpEx (3) in TEUR	Proportion of OpEx (4) in %	Substantial contribution criteria						DNSH criteria („Does Not Significantly Harm“)						Minimum safeguards (17) Y/N	Taxonomy-aligned proportion of OpEx, 2022 (18) in %	Taxonomy-aligned proportion of OpEx, 2021 (19) in %	Category (enabling activity) (20) E	Category („transitional activity“) (21) T	
				Climate change mitigation (5) in %	Climate change adaptation (6) in %	Water & marine resources (7) in %	Circular economy (8) in %	Pollution (9) in %	Biodiversity & ecosystems (10) in %	Climate change mitigation (11) Y/N	Climate change adaptation (12) Y/N	Water & marine resources (13) Y/N	Circular economy (14) Y/N	Pollution (15) Y/N	Biodiversity & ecosystems (16) Y/N						
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																					
<b>A.1 Environmentally sustainable activities (Taxonomy-aligned)</b>																					
Collection and transport of non-hazardous waste in source segregated fractions	5.5	-	0%	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	0%	-	-
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	-	0%	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	0%	-	-
Installation, maintenance and repair of energy efficiency equipment	7.3	-	0%	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	0%	-	-
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.5	-	0%	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	0%	-	-
Acquisition and ownership of buildings	7.7	-	0%	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	0%	-	-
Data processing, hosting and related activities	8.1	-	0%	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	0%	-	-
Professional services related to energy performance of buildings	9.3	-	0%	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	0%	-	-
<b>OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)</b>		<b>-</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>								<b>0%</b>	<b>0%</b>		
<b>A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																					
Collection and transport of non-hazardous waste in source segregated fractions	5.5	366	3.8%																		
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	89	0.9%																		
Installation, maintenance and repair of energy efficiency equipment	7.3	57	0.6%																		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.5	64	0.7%																		
Acquisition and ownership of buildings	7.7	662	6.8%																		
Data processing, hosting and related activities	8.1	133	1.4%																		
Professional services related to energy performance of buildings	9.3	5	0.0%																		
<b>OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)</b>		<b>1,375</b>	<b>14.1%</b>																		
<b>Total (A.1 + A.2)</b>		<b>1,375</b>	<b>14.1%</b>															<b>0%</b>	<b>0%</b>		
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																					
<b>OpEx of Taxonomy-non-eligible activities (B)</b>		<b>8,392</b>	<b>85.9%</b>																		
<b>TOTAL (A + B)</b>		<b>9,767</b>	<b>100.0%</b>																		

<b>GRI-section</b>	<b>Disclosures 2022</b>
<b>GRI 1</b> Foundation	For the second year in a row, TAKKT AG reports with reference to the guidelines of the GRI standard. TAKKT AG is in the process of introducing standardised key data collection with the aim of being able to report in accordance to the GRI standards in the following year.
<b>GRI 2 – 1-a</b> Legal name	TAKKT AG
<b>GRI 2 – 1-b</b> Nature of ownership and legal form	TAKKT AG is a stock corporation under German law. The company has been listed in the Prime Standard of the German Stock Exchange since January 01, 2003. Ownership structure as of 12/31/2022: – Franz Haniel & Cie. GmbH (FHC) 65% – Free float: 35%
<b>GRI 2 – 1-c</b> Location of headquarters	Stuttgart, Germany
<b>GRI 2 – 1-d</b> Countries of operations	TAKKT AG is a global company with locations in Europe and the United States of America. TAKKT AG is represented by a total of 54 companies in over 25 countries.
<b>GRI 2 – 2-a</b> Entities included in the sustainability reporting	To review the list of companies in the consolidated annual financial statements, see annual report p. 149. The organizational reporting boundaries for the non-financial or sustainability matters reported in 2022 include all TAKKT companies worldwide.
<b>GRI 2 – 2-b</b> Differences between those entities included in financial reporting and those included in sustainability reporting	The non-financial reporting covers all entities included in TAKKT's financial reporting.
<b>GRI 2 – 2-c</b> Approach for the consolidation of the information of all entities incl. minority interests	The scope of consolidation in the non-financial reporting corresponds to that in the financial reporting. Companies in which TAKKT holds a minority interest are not controlled by TAKKT and are not part of the non-financial reporting.
<b>GRI 2 – 3-a</b> Reporting period and frequency	The reporting period corresponds to TAKKT's financial year and is the calendar year 2022. Relevant information is included up to the editorial deadline of March 10, 2023. The sustainability report is prepared with reference to the GRI standard and will be published annually as part of the annual report since the reporting year 2022.
<b>GRI 2 – 3-b</b> Reporting period for financial reporting	The reporting period for the financial reporting corresponds to TAKKT's financial year and is the calendar year 2022.
<b>GRI 2 – 3-c</b> Publication date of the sustainability report	March 28, 2023
<b>GRI 2 – 3-d</b> Contact point for questions regarding the report	Philipp Petry, Vice President Group Sustainability
<b>GRI 2 – 4-a</b> Restatements of information from previous reporting periods	By internalizing the entire emission calculation for 2022, a misinterpretation of data from certain consumption points at individual TAKKT sites were detected. Essentially, the wrong energy sources (e.g. gas instead of district heating or electricity) were used for the calculation at eight sites for heating. As a result, the emissions at these sites were overstated. A subsequent recalculation of emissions for 2021 showed that Scope 1 and Scope 2 emissions are 4% lower than originally calculated. The recalculated result for the base year 2021 can be found on page 9.

GRI-section	Disclosures 2022
<b>GRI 2 – 5-a</b> Policy and practice for seeking external assurance	At the request of TAKKT AG's Management Board, the Sustainability Report 2022 was subjected to an independent review by the auditing company Ebner Stolz GmbH & Co. KG (see certification p. 29-30). The results were presented to and approved by the Supervisory Board at its meeting on March 24, 2023.
<b>GRI 2 – 5-b</b> Information about the audit	On behalf of TAKKT AG's Management Board, the Sustainability Report 2022 was subjected to an independent review by the auditing company Ebner Stolz GmbH & Co. KG. The auditing company has been continuously working as the auditor of TAKKT AG, Stuttgart, since the financial year 1999.
<b>GRI 2 – 6-a</b> Industry	See annual report 2022 pp. 30 ff.
<b>GRI 2 – 6-b</b> Value chain	See annual report 2022 pp. 30 ff.
<b>GRI 2 – 7-a</b> Employees by gender and region	Total number of employees by gender: Employees as of 12/31/2022 (headcount): 2.645 Asia: female 1; male: 1 Europe: female 743; male: 1070 North America: female 398; male: 432
<b>GRI 2 – 7-c</b> Methodology used to compile the data	The data was compiled on head count basis for the entire TAKKT AG and applies to December 31, 2022.
<b>GRI 2 – 9</b> Governance structure and composition	See Corporate Governance Statement 2022 <a href="https://www.takkt.de/en/investors/corporate-governance/declaration-on-corporate-governance/">https://www.takkt.de/en/investors/corporate-governance/declaration-on-corporate-governance/</a>
<b>GRI 2 – 10</b> Nominating and selecting the highest governance body	See Corporate Governance Statement 2022 <a href="https://www.takkt.de/en/investors/corporate-governance/declaration-on-corporate-governance/">https://www.takkt.de/en/investors/corporate-governance/declaration-on-corporate-governance/</a>
<b>GRI 2 – 11-a</b> Chairman of the highest governance body	See annual report pp. 25 ff.
<b>GRI 2 – 12</b> Role of the highest governance body in overseeing the management of impacts	See p. 7
<b>GRI 2 – 14</b> Role of the highest governance body in sustainability reporting	The sustainability report, including the material topics, is reviewed and approved by the Management Board of TAKKT AG. In addition, the Management Board of TAKKT AG prepares the non-financial disclosure, which is reviewed by the Supervisory Board of TAKKT AG.
<b>GRI 2 – 16-a</b> Communication of critical concerns to the highest governance body	The Chief Compliance Officer submits a summarized compliance report to the Supervisory Board once a year. Furthermore, in case of critical compliance incidents, an ad hoc report is submitted by the Chief Compliance Officer to the Executive Board. Generally, the management, among others, is also part of the sanctioning body, which is gathered together after the completion of the main proceedings in case of confirmation of the suspicion. Exceptions are made if the hierarchy levels are differing a lot.
<b>GRI 2 – 16-b</b> Number of critical concerns	No incident was reported during the reporting period.
<b>GRI 2 – 17</b> Collective knowledge of the highest control body	See Corporate Governance Statement 2022 <a href="https://www.takkt.de/en/investors/corporate-governance/declaration-on-corporate-governance/">https://www.takkt.de/en/investors/corporate-governance/declaration-on-corporate-governance/</a>

<b>GRI-section</b>	<b>Disclosures 2022</b>
<b>GRI 2 – 19-a</b> Remuneration policies	See annual report pp. 174 ff.
<b>GRI 2 – 20</b> Process for determining remuneration	See annual report pp. 174 ff.
<b>GRI 2 – 22</b> Statement on sustainable development strategy	See pp. 3 – 7
<b>GRI 2 – 23</b> Policy commitments	See p. 16
<b>GRI 2 – 26-a</b> Mechanisms for seeking advice and raising concerns	All internal and external reporting channels are explained in internal compliance training courses and in the corporate compliance policy. In addition to the compliance helpline, a corporate whistleblower hotline, which is also available for anonymous indications and is accessible to both internal and external whistleblowers, the compliance team, the compliance officer or the works council can be contacted. After a plausibility check, each indication is followed up on. An internal code of conduct has been established which states guidelines for appropriate behavior.
<b>GRI 2 – 27</b> Compliance with laws and regulations	There was no known non-compliance with environmental protection laws and regulations during the reporting period.
<b>GRI 2 – 28</b> Membership associations	<ul style="list-style-type: none"> <li>– bevh Bundesverband E-Commerce und Versandhandel</li> <li>– CDP</li> <li>– Stiftung Allianz für Entwicklung und Klima</li> </ul>
<b>GRI 2 – 29</b> Approach to stakeholder engagement	See pp. 4 – 5
<b>GRI 2 – 30</b> Collective bargaining agreements	TAKKT's German companies are guided by the applicable collective bargaining agreements. Thus, no TAKKT employees are covered by collective bargaining agreements. In the United States, there are no employees covered by collective bargaining agreements due to the fundamentally different employer-employee relationship.
<b>GRI 3 – 1</b> Process to determine material topics	See pp. 4 – 5
<b>GRI 3 – 2</b> List of material topics	Material topics for TAKKT were identified through a thorough materiality assessment. The chart on page 5 illustrates the materiality of topics according to the double materiality assessment: <ul style="list-style-type: none"> <li>– Resource efficiency (circular economy)</li> <li>– Waste reduction</li> <li>– Sustainable logistics / transport</li> <li>– GHG emissions</li> <li>– Gender equality</li> <li>– Talent management, employee training &amp; development</li> <li>– Working conditions, payment, social security</li> <li>– Compliance (supplier Code of Conduct)</li> <li>– Cyber and data security (own systems)</li> <li>– Corporate governance code</li> <li>– Corporate values and principles (fair competition, corporate behavior)</li> </ul>
<b>GRI 305 – 1-a</b> Direct (Scope 1) GHG emissions	3,298t CO <sub>2</sub> e



GRI-section	Disclosures 2022
<b>GRI 305 – 1-b</b> Gases included in the calculation	In the calculation of Scope 1 emissions, all gases used in TAKKT's operations were converted into CO <sub>2</sub> equivalents.
<b>GRI 305 – 1-d</b> Base year for calculation	The base year is the year 2021, in which the carbon footprint for all TAKKT companies was systematically collected for the first time. As can be read in the "Climate" section of the sustainability report on pages 8 ff., the scope 1 emissions of the base year 2021 were recalculated. Compared to the base year 2021 (3,825t CO <sub>2</sub> e), the scope 1 emissions were reduced by 14%.
<b>GRI 305 – 1-e</b> Source of emission factors	For the subsequent calculation, the emission factors of the following offices, authorities and organizations were used, among others: BEIS, UBA, EEA, EPA.
<b>GRI 305 – 1-f</b> Consolidation approach	TAKKT reports emissions according to the consolidation approach of operational control and exclusively according to the location-based accounting approach of the GHG Protocol.
<b>GRI 305 – 1-g</b> Standards, methodologies, assumptions and / or calculation tools used	Like for 2021, emissions for 2022 were determined according to the GHG Protocol Corporate Standard. The data was collected with the help of a software. The calculation was conducted using data models in Microsoft Excel.
<b>GRI 305 – 2-a</b> Energy indirect (Scope 2) GHG emissions	5,041t CO <sub>2</sub> e
<b>GRI 305 – 2-b</b> Gases included in calculation	In the calculation of Scope 2 emissions, all gases used in TAKKT's operations were converted into CO <sub>2</sub> equivalents.
<b>GRI 305 – 2-d</b> Base year for calculation	The base year is the year 2021, in which the carbon footprint for all TAKKT companies was systematically collected for the first time. As can be read in the "Climate" section of the sustainability report on page 8 ff., the scope 2 emissions of the base year 2021 were recalculated. Compared to the base year 2021 (5,514t CO <sub>2</sub> e), scope 2 emissions were reduced by 9%.
<b>GRI 305 – 2-e</b> Source of emission factors	For the subsequent calculation, the emission factors of the following offices, authorities and organizations were used, among others: BEIS, UBA, EEA, EPA.
<b>GRI 305 – 2-f</b> Consolidation approach	TAKKT reports emissions according to the consolidation approach of operational control and exclusively according to the location-based accounting approach of the GHG Protocol.
<b>GRI 305 – 2-g</b> Standards, methodologies, assumptions and / or calculation tools used	Like for 2021, emissions for 2022 were determined in accordance with the GHG Protocol Corporate Standard. The data was collected with the aid of a software program. The calculation was conducted using data models in Microsoft Excel.
<b>GRI 305 – 3</b> Other indirect (Scope 3) GHG emissions	TAKKT is working intensively on calculating all Scope 3 emissions. The goal is to implement the first data models in 2023, which will enable the collection of the necessary data for a calculation of most of the scope 3 emissions.
<b>GRI 305 – 5</b> Reduction of GHG emissions	See pp. 8 ff.
<b>GRI 307</b> Non-compliance with environmental laws and regulations	TAKKT and all subsidiaries operate within the locally applicable environmental laws. In addition, TAKKT systematically monitors all environmental requirements at all locations with environmental management systems and adjusts operational processes and overall actions as necessary. 10 of our companies operate with certified environmental management systems. In the reporting period, no non-compliance with environmental laws and regulations is known.
<b>GRI 308</b> Supplier environmental assessment	See p. 13

GRI-section	Disclosures 2022
<b>GRI 402 – 1</b> Minimum notice periods regarding operational changes	TAKKT complies with the respective legal standards and observes the corresponding deadlines and procedures with regard to consultations and information obligations.
<b>GRI 403 – 1</b> Occupational health and safety management system	All TAKKT business units record work-related accidents at all locations in accordance with applicable national law. Serious accidents are reported to the relevant authorities or organizations. So far, only lost time incidents, i.e. accidents resulting in sick leave or loss of productive work, have been recorded centrally for all business units. In this context, 32 incidents occurred in 2022. An occupational illness rate is not determined at TAKKT, because there are no workers with work-related health risks. TAKKT strives to continuously improve in the area of work-related health and safety and regularly prepares required risk assessments in order to derive improvement measures.
<b>GRI 403 – 2</b> Hazard identification, risk assessment and incident investigation	All employees must comply with the internal safety regulations. Employees are trained / instructed on the basis of the existing risk assessments depending on the activity in order to prevent hazards. Safety officers assist in the identification of new hazards. Injuries or damage to health are reported by the organization. After an incident occurs, existing hazard assessments are reviewed and revised if necessary. Where indicated, additional instruction or refresher trainings are provided.
<b>GRI 403 – 3</b> Occupational health services	The appointed occupational safety specialists, the company medical officers and the safety officers have been announced and communicated.
<b>GRI 403 – 4</b> Worker participation, consultation and communication on occupational safety and health	The safety officers and employees in the company are involved in the preparation of the risk assessments and operating instructions. The risk assessments are communicated to employees in the form of a training session at least once per year. ASA meetings are held four times a year at the German sites. All interest groups are represented in the ASA meetings (employer, safety officer, company medical officer, representative of the severely disabled).
<b>GRI 403 – 5</b> Worker training on occupational safety and health	Employees receive a general safety briefing to educate them about the hazards at their site. In addition, employees receive instruction on mental threats and maternity leave. Employees receive specific instruction depending on the work tasks and work equipment they handle to ensure safety within the work tasks. External employees are briefed on the hazards present on site before they start working.
<b>GRI 403 – 6</b> Promotion of worker health	Employees at the German sites are offered a free flu vaccination every year during working hours by the medical officer. A consultation appointment can be arranged with the medical officer at any time. Employees in Germany have access to an annual subsidy of 100 euros for fitness products and services.
<b>GRI 403 – 7</b> Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	The existing risk assessments are regularly updated and communicated to employees. This is supported by external and internal occupational safety specialists, external medical officers and the safety officers. In the event of accidents, the cause is analyzed and consequences are following.
<b>GRI 403 – 9</b> Work-related injuries	In 2022, there were 32 accidents with a loss in time of > 1 day in the TAKKT Group.
<b>GRI 404 – 1</b> Average hours of training per year per employee	The data for training and continuing education are currently not tracked centrally. Since continuing education in particular also includes self-study by employees, it is currently not possible to collect this data.

GRI-section	Disclosures 2022
<b>GRI 404 – 2</b> Programs for upgrading employee skills and transition assistance programs	There is an extensive range of internal training and development courses as well as the opportunity to attend external seminars or courses. The need for personal further training is determined personally at least once a year with each employee and measures to implement the need are discussed.
<b>GRI 404 – 3</b> Percentage of employees receiving regular performance and career development reviews	100% worldwide.
<b>GRI 405 – 1</b> Diversity of governance bodies and employees	See Corporate Governance Statement 2022 <a href="https://www.takkt.de/en/investors/corporate-governance/declaration-on-corporate-governance/">https://www.takkt.de/en/investors/corporate-governance/declaration-on-corporate-governance/</a> and page 15.
<b>GRI 406 – 1</b> Incidents of discrimination and corrective actions taken	A reporting system is set up at all TAKKT locations. In 2022 there was one incident.
<b>GRI 407 – 1</b> Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	All employees of TAKKT as well as its subsidiaries have the right to freedom of association. Neither TAKKT nor its subsidiaries stand in the way of this. Where a works council already exists, we work together constructively and in partnership. For TAKKT as a trading company, the procurement of goods is already an important part of the value chain. Due to this, TAKKT pays close attention to sustainability in the supply chain. Thus TAKKT cooperates with the internationally recognized EcoVadis platform. The auditing process makes it possible to transparently map the relevant details of sustainable action in the suppliers' business models and at the same time identify potential for development. By regularly repeating the audits, TAKKT aims to measure suppliers' progress and improvements. The four areas that EcoVadis analyzes are "environment", "social conditions", "ethics" and "supply chain". TAKKT's product managers can check the results in the online portal, make suggestions for improvement to suppliers as a result and develop development plans. The assessment program was successfully tested in 2013. Since then, it has been expanded step by step.
<b>GRI 408</b> Child labor	TAKKT and all its subsidiaries work actively against child labor, forced or compulsory labor. Depending on the assignment of suppliers to our subsidiaries, this is again demonstrated, where applicable, in the Code of Conduct, which suppliers must sign.
<b>GRI 408 – 1</b> Operations and suppliers at significant risk for incidents of child labor	In 2022, the purchasing volume of suppliers certified by EcoVadis according to the old definition amounted to 38.3%. Due to the realignment of the KPI to only suppliers certified as of the reporting date 12/31/2022, the new value is 10.9%.
<b>GRI 413 – 1</b> Operations with local community engagement, impact assessments and development programs	An option of paid leave is offered in order to implement charitable projects. 15% of the total workforce made use of this option in 2022. Committees and procedures for consulting local communities or impact assessments do not occur beyond the legal requirements, as there are no significantly negative impacts on local societies at TAKKT locations.
<b>GRI 414</b> Supplier social assessment	In addition to the environmental assessment of suppliers, social assessment and compliance with human rights is also an important issue. TAKKT conducts this assessment by using the service provider EcoVadis and has set itself the target of 40% certified purchasing volume by 2025. This is the target value of the newly defined KPI (old target value: 80%).
<b>GRI 414 – 1</b> New suppliers that were screened using social criteria	10.9% of all TAKKT suppliers were evaluated by EcoVadis.
<b>GRI 414 – 2</b> Negative social impacts in the supply chain and actions taken	By signing the Code of Conduct, TAKKT's suppliers commit themselves to comply with the highest labor, safety and health standards as well as all applicable and valid national and international regulations.

GRI-section	Disclosures 2022
<b>GRI 417</b> Marketing and labeling	As part of its sustainability communication, TAKKT as well as its subsidiaries, implements various measures to enable informed purchasing decisions and to inspire consumers to adopt more sustainable products and services. Credibility, transparency and a target-group-specific approach are important principles of communication.
<b>GRI 417 – 1</b> Requirements for product and service information and labeling	TAKKT business units implement the applicable national and international standards for products labeling. This can involve both the origin of components and the composition of products. In addition, TAKKT companies use recognized external labels and e.g. have products with the FSC® (Forest Stewardship Council) or PEFC™ (Programme for the Endorsement of Forest Certification Schemes) labels in their product range.

## REPORT OF THE INDEPENDENT AUDITOR CONCERNING A LIMITED ASSURANCE AUDIT ON SELECTED SUSTAINABILITY INFORMATION

### To the Management Board of TAKKT AG, Stuttgart

We have audited the selected information of the “Results 2022” table in the “Targets” section in the “Sustainability strategy” chapter of the sustainability report (hereinafter referred to as “Report”) of TAKKT AG, Stuttgart, (hereinafter referred to as “Company”) for the period from January 1 to December 31, 2022, based on a limited assurance audit.

### Responsibility of the management

The management of TAKKT AG, Stuttgart, is responsible for the preparation of the report and the ascertainment and presentation of the selected information in reference to the principles of the Sustainability Reporting Standards of the Global Reporting Initiative (GRI) 2021, in accordance with the Greenhouse Gas Protocols (GHG) (hereinafter: “Report Criteria”) and for the selection of the details to be assessed.

This responsibility of the Company’s management includes the selection and application of appropriate methods for sustainability reporting and making assumptions and estimates about individual sustainability disclosures which are appropriate under the given circumstances. Furthermore, the management is responsible for the internal controls that they have deemed to be necessary, to enable the preparation of a report that is free of material – intentional or unintentional – misstatements.

### Auditor's responsibility

Our responsibility is to issue a limited assurance opinion on the selected sustainability information based on the audit that we have conducted. We have conducted our audit in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): “Assurance Engagements other than Audits or Reviews of Historical Financial Information,” published by the IAASB.

Those standards require that we plan and conduct the audit in such a way that we can state with limited assurance that we have not become aware of any facts that lead us to believe that the disclosures described

above for the period from January 1 to December 31, 2022, have not been prepared in all material respects in accordance with the relevant reporting criteria. This does not mean that a separate audit opinion will be issued for every identified disclosure. In the case of a limited assurance audit, the audit procedures performed are less extensive than in a reasonable assurance audit and therefore a significantly lower assurance is obtained. The selection of the audit procedures is at the auditor’s discretion.

### As part of our audit, we conducted the following audit procedures and other activities, among others:

- › Gaining an understanding of the structure of the sustainability organization and the involvement of relevant stakeholders
- › Surveying the relevant employees involved in the compilation of the selected information concerning sustainability on the setup process, on the internal control systems related to this process and on information concerning sustainability
- › Identification of likely risks of material misstatements regarding the selected sustainability information and a risk assessment of relevant information on sustainability performance in the reporting period
- › Surveys and assessment of the design and implementation of systems and processes for the identification, processing and monitoring of information and results in the scope of the audit, including consolidation of data
- › Inspection of selected internal and external documents
- › Analytical assessment of selected data and trends in quantitative disclosures reported by reporting units for consolidation at Group level
- › Comparison of selected disclosures with the corresponding data in the consolidated financial statements and Group management report

### Assuring the independence and quality of the auditor

In performing the engagement, we have complied with the independence and quality assurance requirements set out in the national legal regulations and professional pronouncements, particularly the Professional Code of Conduct for Public Accountants and Certified Public Accountants and the IDW Quality Assurance Standard: Requirements for Quality Assurance in the Practice of Public Accountants (IDW QS 1).

### Audit opinion

On the basis of the audit procedures conducted and the audit evidence obtained, we have not become aware of any facts that lead us to the conclusion that the selected information described above in the report of TAKKT AG, Stuttgart, for the period from January 1 to December 31, 2022, was not prepared in accordance with the reporting criteria in all material respects.

### Purpose of the report

We point out that the audit was conducted for the purposes of the Company and that the report is only intended to inform the Company of the result of the audit. Consequently, it may not be suitable for a purpose other than that mentioned above. Therefore, the report is not intended for third parties to make (asset) decisions on the basis of it. Our responsibility is solely to the Company. However, we assume no responsibility towards third parties.

### Terms of engagement and liability

The General Terms and Conditions for Auditors and Auditing Firms dated January 1, 2017, apply to this engagement, also in relation to third parties. In addition, we refer to the liability provisions contained therein in Section 9 and to the exclusion of liability vis-à-vis third parties. We assume no responsibility, liability or other obligations towards third parties.

Stuttgart, March 13, 2023

Ebner Stolz GmbH & Co. KG  
Wirtschaftsprüfungsgesellschaft  
Steuerberatungsgesellschaft



Sonja Kolb  
Wirtschaftsprüferin  
(German Public Auditor)



Stefan Fauß  
Wirtschaftsprüfer  
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