

The background of the entire page is a photograph of a man and a young child looking at a large array of solar panels. The man is on the right, pointing towards the panels. The child is in the center, looking at the panels. The solar panels are blue with white grid lines. There are large, semi-transparent orange arrow shapes pointing right, overlaid on the image. One arrow is on the left side, and another is on the right side, both pointing towards the right.

Sustainability Report

OF TAKKT GROUP 2023



Sustainability Report

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INTRODUCTION

The past year was challenging in many respects. The growth rate in developed economies saw a notable decline, and in Germany it was even negative. At the same time, the Hamas attack on Israel added another major global conflict alongside the continuing unabated war in Ukraine. In addition, the ability of governments to invest and shape fiscal policies is becoming increasingly limited. The accompanying uncertainty and difficult conditions were also evident in the business performance of the TAKKT Group.

Given the current environment, TAKKT is focusing on strengthening its resilience. This includes financial aspects such as improving the gross profit margin, cost management and cash flow, as well as continuing the strategic transformation. Therefore, the projects and initiatives in relation to value and growth drivers, as well as sustainability, were deliberately excluded from TAKKT's cost-saving measures. Sustainability is a key element of TAKKT's strategy. The present report explains TAKKT's sustainability strategy and provides insights into the measures and progress made in the areas of product responsibility, supply chain, environmental protection and social aspects in the 2023 fiscal year.

In terms of integrating sustainability into the corporate strategy, TAKKT specifically focuses on the product aspect as an omnichannel retailer for business equipment. TAKKT supports and enables its customers in creating sustainable working environments, such as through the use of the "enkelfähig" rating. TAKKT's approach encompasses ongoing learning and improvement as well as contributing to sustainable transformation in the retail sector.

In the past year, TAKKT made significant strides in its commitment to responsible corporate management. This progress is particularly evident in the areas of products, supply chain, climate and environment, ratings, and communication:

The "enkelfähig" rating product classification system introduced in 2021 to improve transparency and the measurability of product sustainability continues to be very well-received by customers. In 2023, TAKKT increased its sales share of particularly sustainable products to 24 percent. This is a continuation of the

positive development seen with the expansion of the sustainable product range. Contributing to this success was the targeted marketing of "enkelfähig" products in the new web shop of kaiserkraft, TAKKT's largest brand. In the future, TAKKT aims to provide customers with the maximum range of environmentally friendly and sustainable products, and have a positive impact on their purchasing decisions. By successfully marketing and expanding the offering of "enkelfähig" products, TAKKT aims to further increase their share. Not only does TAKKT pursue this aim out conviction and responsibility, but also because it makes economic sense. Based on the current data, TAKKT has observed that "enkelfähig" products achieve above-average growth. Consequently, TAKKT can increase customer loyalty and generate better margins.

In the process of expanding the sustainable product segment, increased communication with suppliers plays a significant role. Collaboration with manufacturers and suppliers is not limited to the selection of sustainable and high-quality products. Instead, TAKKT actively participates in discussions and dialogue at events like supplier days regarding changing customer requirements, innovative product ideas, and the growing need for documentation and certification in the supply chain. As a major provider and buyer, TAKKT is especially well-positioned to advise and support smaller suppliers in meeting the necessary requirements, thereby facilitating the transition to a more sustainable supply chain.

In the area of climate and environment, TAKKT was able to decrease the emissions resulting from its business activities (Scope 1 and Scope 2) even further last year, building upon the significant reduction in 2022. Despite the challenging environment, TAKKT has decided to invest in photovoltaic projects. The aim is to achieve a substantial reduction in Scope 2 emissions and decrease reliance on fossil fuels. Installation of the first system in Germany has been successfully completed and another project is already under construction.

Just as important as improving the sustainability indicators is the internal and external communication. The aim is to increase awareness regarding the importance of the issue among employees, customers and partners. In order to improve its internal sustainability communication, TAKKT has been providing

regular updates on the sustainability strategy, goals and progress through newsletters, community calls and internal training programs since 2023. This approach has already yielded tangible results as more employees feel encouraged to actively offer suggestions and participate in implementing sustainability initiatives at TAKKT.

Given the vital importance of traceability and transparency with regard to sustainability indicators, TAKKT has increased its focus on external ratings in the past year. As a result, the Group was able to improve its CDP (carbon disclosure project) rating. In addition, kaiserkraft once again received the EcoVadis Gold Seal. Notable progress was made in the areas of environmental protection, social responsibility and ethical business practices. The positive rating further highlights the ongoing sustainability efforts of the suppliers.

The strong positioning with regard to sustainability is being increasingly used to attract new employees. In 2023, TAKKT was successfully introduced as an employer brand across the entire Group, with Caring and Impactful established as internal values. In addition, the Group continues to work on improving equal opportunity and diversity, and has set specific targets for the share of women in executive positions. A newly established network promotes exchange and provides support for female executives.

TAKKT's management is very pleased that their endeavors in this area are gaining external recognition. At the end of last year, TAKKT AG was awarded first place at the 16th German Sustainability Awards in the category of "Investment Goods – Distribution," making it one of the pioneers in the area of sustainability initiatives. With a strategy that prioritizes sustainability along with financial goals, continuous efforts to improve sustainability key figures and comprehensive reporting practices, TAKKT was able to prevail against the other nominees and impress the panel of highly regarded experts. The award is the most comprehensive of its kind in Europe.

This success would not have been possible without the outstanding commitment of the employees, suppliers and customers. TAKKT's management wishes to express their gratitude to all involved for their

commitment, passion for sustainability and diligent efforts. Receiving the sustainability award is confirmation that we are on the right track with our transformation to becoming a more sustainable company and see it as an incentive for further improvements.



SUSTAINABILITY STRATEGY

The TAKKT sustainability approach

Thanks to the resilience of the business model and unwavering dedication of its employees, TAKKT is well-equipped to withstand crises and successfully navigate the current economic challenges. Amid this volatile and uncertain environment, it is all the more important to look beyond immediate operational concerns and focus on the future. Positioning the Group in a future-oriented and sustainable manner is crucial for TAKKT's long-term success. Therefore, the Group has been pursuing a new strategy since the end of 2021 based on the three pillars of Growth, OneTAKKT and Caring. In addition to higher growth and a more integrated structure, sustainability is an integral component of the company's strategy.

Responsible corporate action, a collaborative partnership with customers and employees, and protection of the climate and natural resources are the core elements of TAKKT's sustainability strategy. The Group is guided by the Sustainable Development Goals (SDGs) of the United Nations and has been a longstanding member of the UN Global Compact Network Germany. As such, TAKKT is committed to promoting sustainable corporate practices with regard to the company, employees and throughout the entire value chain. The goal is to make a positive contribution to finding solutions to 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 corporate strategy. TAKKT's aim is to shape the working worlds of tomorrow together with key stakeholders such as customers and suppliers. One thing is certain: In response to the challenges posed by climate change and the finite availability of natural resources, it is imperative that they adhere to stringent sustainability standards. Meeting the needs of customers and anticipating future requirements with sustainable products and services not only reflects TAKKT's commitment to responsible entrepreneurship, but also represents a significant growth opportunity. Sustainability will continue to transform the worlds of work in the future. Therefore, TAKKT wants to embrace new developments and innovations at an early stage and capitalize on the opportunities they present. Sustainability already plays a significant role in the purchasing decisions of more than half of customers. This is also reflected in customers' willingness to pay more for products that have ecological and social added value.

The outcomes of the 26th UN Climate Change Conference in Glasgow, where 196 countries agreed to implement the Paris Climate Agreement, are a clear indication of the increasing significance of sustainability in business. These changes are already having an impact on the activities of companies in many areas. 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 Corporate Sustainability Reporting Directive (CSRD), EU Taxonomy and the German Act on Corporate Due Diligence Obligations in the Supply Chain (Lieferkettensorgfaltspflichtengesetz [LkSG]) are a reflection of the increased societal expectations regarding ecologically and socially acceptable entrepreneurship. TAKKT sees these changes as an opportunity. Actively participating in the transformation to a low-carbon economy ensures that the Group will remain successful 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.

As an omnichannel retailer for business equipment, it is TAKKT’s responsibility to assist customers in selecting the right products or solutions. TAKKT’s aim is to help customers be optimally equipped so that they can meet their day-to-day challenges and achieve success in their markets. This includes providing information about products and solutions, including sustainability aspects such as the carbon footprint or origin of the materials used, to enable customers to consider all factors in their decision-making process. The goal is to make this information very easy to find in order to facilitate 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 logistics of delivering these products and services sustainable.

TAKKT’s mission statement takes into account the needs of all stakeholders, including employees, customers, shareholders and society as a whole. It is firmly anchored in the materiality assessment and reflects the aim to make TAKKT a sustainable and future-ready company. With the “enkelfähig” approach, TAKKT provides customers with the necessary information to choose products that fulfill their purpose, while also offering ecological and social added value. TAKKT continuously evaluates its product portfolio and sets standards for new products and suppliers in order to provide a comprehensive range of “enkelfähig” products and solutions.

Specifically with regard to Scope 3 emissions caused by logistics, there is an urgent need for action. Together with its partners, TAKKT strives for climate, environmentally and socially compatible transport solutions in order to reduce its carbon footprint in logistics in the future. TAKKT also aims to become more sustainable as a company. This includes reducing its Scope 1 and 2 emissions as

well as promoting social sustainability through various initiatives (see Social section). In light of the increasing legal requirements, internal processes and structures are being adapted early on to ensure the future viability of TAKKT’s business activities.

Stakeholders and materiality

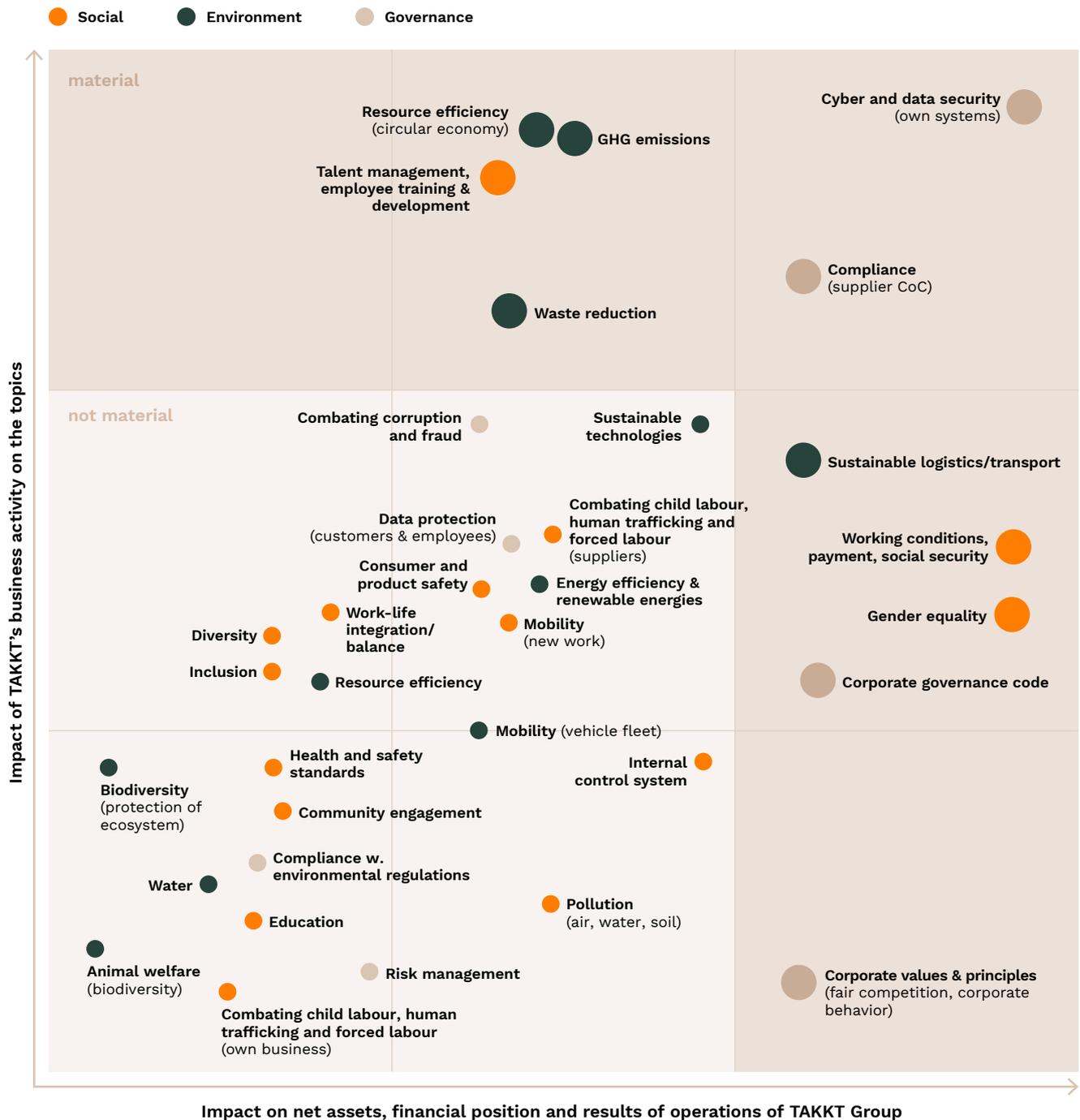
TAKKT’s sustainability activities are reviewed on a regular basis in a dialogue with stakeholders. The material aspects are determined on the basis of the non-financial statement, the sustainable development goals (SDGs) of the United Nations and the standards for sustainability reporting of the Global 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 the TAKKT Group’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 requirements and expectations. Based on this stakeholder survey, TAKKT once again conducted a qualitative materiality analysis in 2022. It was created using the principle of double materiality with the help of external consultants. The principle of double materiality requires conducting 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 in light of the upcoming Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) developed in this context. The review carried out together with an external team of experts confirmed the areas of focus set by TAKKT. The results were discussed with the Management Board and key issues were identified.

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 starting on page 216.

TAKKT is currently conducting a quantitative materiality analysis to prepare for the upcoming reporting period under CSRD. Quantification of the various issues could lead to changes in the material topics as of the next reporting year.



Our Sustainability Roadmap

TAKKT sustainability roadmap focuses on the key fields of action derived from the findings of the materiality analysis. These areas of focus are at the product level, in logistics and the social area. At the product level, TAKKT's aim is to make the product portfolio more transparent by means of the "enkelfähig" rating. The effects of the individual products on the environment and society can be recorded, analyzed and documented through a comprehensive sustainability assessment (SDG 12). In the area of logistics, TAKKT plans to implement more robust measures to reduce emissions over the long term (SDGs 7 & 13). In the social area, TAKKT aims to increase its commitment to the community. In addition to focusing on the product, logistics and social areas, TAKKT has defined the topic of "must-haves" as relevant. This includes the expansion of reporting structures in order to meet legal requirements and regulations. In addition, this also entails internal and external communication to keep employees, customers, partners and other stakeholders up to date on TAKKT's projects, goals and successes. Furthermore, continuous climate accounting, regular EcoVadis assessments and participation in the Carbon Disclosure Project (CDP) are additional "must-haves" for TAKKT.

The CDP is an internationally recognized organization that provides support to companies and governments in disclosing their environmental data, especially with respect to climate change, water resources and forests. The goal of the CDP is to promote transparency and encourage companies to measure, manage and report their environmental impacts. In the latest CDP report, TAKKT received a positive rating for its commitment and disclosure of environmental data. This reflects TAKKT's dedication to addressing environmental issues in a responsible manner and minimizing its ecological footprint. Through the disclosure of data, TAKKT allows various stakeholders such as investors, customers and the public to gain a better understanding of and assess the company's environmental impacts.

Despite the higher criteria and standards that need to be met, TAKKT achieved a score of "C." This underscores the company's progress in terms of environmental management and sustainability. It also confirms TAKKT's commitment to transparency in reporting its environmental impacts and

continuously seeking opportunities for improvement. TAKKT will continue this positive trend and strive for sustainable business practices in order to make a positive contribution to the environment and ensure long-term success.

TAKKT venture capital

For TAKKT, corporate venture capital activities are an innovative form of investment to generate higher returns and seize strategic growth opportunities. Due to the rapid pace of technological change and heightened global competition, it is crucial to embrace new approaches in order to remain innovative and gain strategic advantages. TAKKT is committed to investing in sustainable and circular business models, both now and in the future. By supporting startups that pursue sustainable and circular business models, TAKKT contributes to making the economy of tomorrow more sustainable. TAKKT invests in founders who are building strong and diverse leadership teams and seeking active support with "smart money," which goes beyond mere funding. These investments are made through the TAKKT investment company, a wholly-owned subsidiary of TAKKT AG.

The portfolio currently consists of five companies and an investment in a venture capital fund. At the beginning of 2023, the investment focus was on sustainable or circular business models in the B2B distribution sector or areas related to products or customers.

An example of a company in which TAKKT invested in 2023 is nuwo GmbH. The nuwo office furniture-as-a-service platform is a circular business model in the office equipment sector. The company offers a full-service digital solution that simplifies the process of furnishing, financing and managing inspiring and high-quality workspaces in the office and employees' homes.

Goals

In 2023, TAKKT and its subsidiaries saw a positive development with regard to the sustainability key figures. There was an increase in sales from sustainable products as well as in the share of women in executive positions. In addition, further measures to reduce emissions were introduced,

which have proven to be effective. The purchasing volume from suppliers rated as sustainable also saw a marked increase in the previous year.

Achieving the goals for 2025 across all sustainability key figures is an ambitious endeavor. As in the past, TAKKT will continue to work diligently towards realizing these goals.

TAKKT'S 2025 SUSTAINABILITY GOALS

Impact Areas	SDGs	Sustainability KPI	Goals 2025	Results 2023
Product Impact	<p>12 NACHHALTIGE/R KONSUM UND PRODUKTION</p> 	Share of enkelfähig products of order intake (in %)	40 %	23.5 %
Distribution Impact	<p>13 MASSNAHMEN ZUM KLIMASCHUTZ</p> 	Scope 1 & 2 emissions (in t CO ₂ e)	7,471 t CO₂e (20 % reduction in comparison to base year 2021)	8,348 t CO₂e (11 % reduction in comparison to base year 2021)
	<p>7 AFFORDABLE AND CLEAN ENERGY</p> 			
Social Impact	<p>10 REDUCED INEQUALITIES</p> 	Purchasing volume from sustainability-assessed suppliers (in %)	Ever assessed: 80 %	Ever assessed: 46.4 %
	<p>5 GESCHLECHTER-GLEICHHEIT</p> 		Assessment obtained in 2025: 40 %	Assessment obtained in 2023: 16.4 %
		Share of women in management positions (in %)	45 %	33.8 %

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 ensuring compliance with laws and regulations, managing risks and enhancing the company's reputation.

Governance in sustainability refers to the process of decision-making, resource management and distribution of responsibilities within the organization in order to achieve long-term environmental, social and economic goals. The Group-wide SCORE (Sustainable Corporate Responsibility) governance system was rolled out throughout the company in 2022 and has been in full effect since then.

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

Group Sustainability

The area of Group Sustainability at TAKKT is led by the Head of 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 area of Group Sustainability supports the individual TAKKT companies in transferring the

Group-wide goals to company-specific projects and concrete implementation plans. The team monitors the implementation, coordinates the exchange of knowledge and is responsible for consolidating the sustainability key figures gathered 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. TAKKT 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 companies 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 transfer of data. They work closely with the function-specific contact persons on the individual sustainability topics in their company.

In addition to clear responsibilities and reporting lines, an important component of the governance structure is ensuring that sustainability goals and key figures are effectively tracked and transparently communicated. In 2023, TAKKT began integrating key sustainability indicators across its goal and management systems: Since the beginning of the year, sales with "enkelfähig" products have been recorded and reported monthly. This integration of key sustainability indicators into TAKKT's management system supports progress monitoring and ensures that the set goals are achieved.

Another key aspect of sustainability governance is the identification and management of ESG (environmental, social and governance) risks because ESG factors

can have a significant impact on TAKKT's long-term value. In 2023, TAKKT conducted a comprehensive risk assessment, which incorporated a sustainability risk in the company's risk management. This ensures compliance with the applicable regulations while also minimizing potential legal consequences. In addition, the changing requirements of key TAKKT stakeholders are now continuously analyzed, thereby allowing the company to take them into greater consideration with regard to corporate decisions and strategies.

CLIMATE

Our climate strategy

The urgency of climate change is evident and poses an enormously significant challenge for companies like TAKKT: The need to make business practices sustainable. TAKKT has therefore committed to effective climate protection measures to meet its responsibilities to employees, customers and partners and reduce its ecological footprint.

In line with the goals of the Paris Climate Agreement, TAKKT aims to achieve the ambitious goal of complete greenhouse gas neutrality by 2045 and thereby contribute to limiting global warming to 1.5 degrees Celsius. In order to realize this goal, TAKKT has committed to reducing its greenhouse gas emissions at its sites by 50 percent by 2030 compared to the base year 2021, with a target reduction of 20 percent by 2025. TAKKT is implementing various measures to reduce emissions, including innovative projects to improve operations. Emission offsetting through external partners remains optional and therefore not an integral part of TAKKT's climate strategy. Along with commitment, implementing these goals also requires a readiness to invest. TAKKT sees this as an opportunity to boost competitiveness and create long-term value for stakeholders – economically, socially and environmentally.

In 2021, TAKKT started accounting for all emissions produced by its companies in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. By 2023, data quality had been further improved, and a thorough review was carried out in close collaboration with those in charge at the 59 TAKKT locations. Guidelines were developed to effectively support TAKKT's climate strategy, including one for the reduction of emissions, which was created in 2022 and introduced throughout the Group in the following year. The guideline outlines how and by when TAKKT plans to reduce its emissions and is primarily targeted at the SCORE officers and management teams at the TAKKT companies responsible for implementation.

Calculation of Scope 1 and 2 emissions

The For 2023, TAKKT once again calculated and documented emissions using the internal data

model and its location-based approach. Data quality was improved by means of a detailed analysis and review, with the close collaboration of the individual TAKKT locations playing a crucial role. As a result, inconsistencies were identified and eliminated, leading to increased accuracy of the carbon footprint. However, there will always be some inaccuracies since final annual statements for each location are often not available at the time of emission calculation, thereby making it necessary to use estimates. In order to ensure an accurate overview of emissions, TAKKT conducts an annual recalculation of the previous year's emissions based on actual consumption. The recalculation for 2022 showed that actual Scope 1 and 2 emissions were 8,638 t CO₂e instead of 8,339 t CO₂e, indicating an increase of 3.6 percent compared to the original estimate. The recalculated result of the previous year's emissions can be found in the diagram "TAKKT carbon footprint (in t CO₂e)."

Working closely with the companies to improve data quality also made it possible to achieve a significant share of activity-based data. Only 7 percent of the emissions were calculated using spend-based data. Due to factors such as inflation effects, this type of data tends to be less accurate. Therefore, TAKKT's goal is to limit its use to a minimum. During the predominantly primary data-based work, secondary data was used only in exceptional cases. As a result, the quality of the carbon footprint was increased further. In addition, further software and reporting processes are also planned in all companies in order to optimize data acquisition efficiency in the future.

Calculation of Scope 3 emissions

Based on the data collections from 2022 and 2023, emissions from the supply chain were calculated in selected categories: Data for both the waste (Scope 3.5) and business travel (Scope 3.6) categories were collected for each location, while the commuting category (Scope 3.7) was extrapolated based on a sample survey. Also calculated was category 3.3 for fuel- and energy-related activities not included in Scope 1 or Scope 2 (Scope 3.5).

This serves to create transparency and enables an initial representation of emissions for the calculation of emissions across the entire supply chain in the subsequent reporting year.

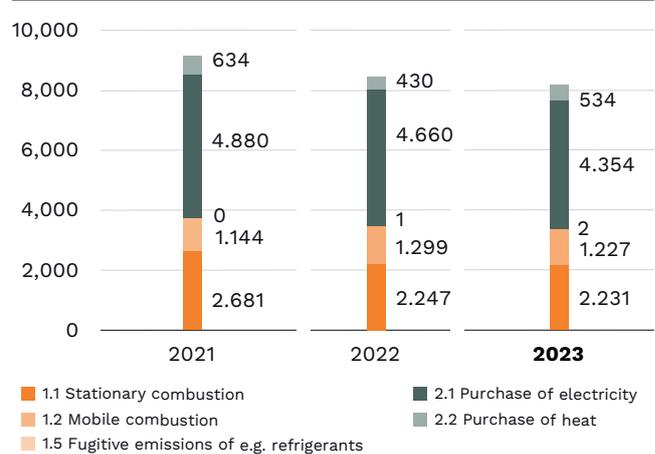
Results

In 2023, 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) and along the value chain of the company (Scope 3). Software was used to retrieve data on consumption and associated emissions in a structured manner and allocated into nine GHG categories by means of sound emission factors:

Scope 1: Direct emissions from stationary combustion (Scope 1.1) were reduced by 17 t CO₂e compared to the previous year, representing a reduction of 1 percent. This was mainly a result of energy-saving measures as well as site closures following company mergers and relocations to more energy-efficient and smaller office premises. In the area of mobile combustion (Scope 1.2), a reduction of 72 t CO₂e was observed, representing a 6 percent decrease from the previous year and attributable to conversion of the fleet to electric vehicles. In category 3.3 (extraction, production, and transport of purchased or acquired fuels and energy), there may be a double counting of electricity-related emissions if electric vehicles are charged at TAKKT locations. The reason for this is that emissions from the transmission and distribution of purchased electricity are recorded and the emissions based on the electricity consumption of the electric vehicles are also recorded.

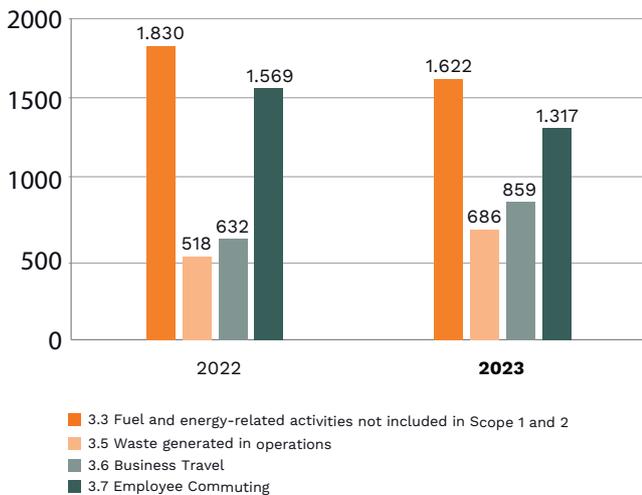
Scope 2: Indirect emissions from the purchase of electricity (Scope 2.1) were reduced by 306 t CO₂e, representing a 7 percent reduction compared to the previous year. Here as well, energy-saving measures, site closures and relocations were key factors. Indirect emissions from the purchase of heat (Scope 2.2) increased by 104 t CO₂e, representing a 24 percent increase over the previous year. This is attributable to the colder winters in many of the regions where TAKKT operates. In addition, infrared heaters were installed in some warehouses to improve the working and temperature conditions for employees.

TAKKT carbon footprint in t CO₂e



Scope 3: For 2023, the results for Scope 3 show an increase in emissions compared to 2022. Emissions associated with waste from operational processes increased from 518 t to 686t CO₂e, while emissions from business travel increased from 632 t to 859 t CO₂e, indicating higher operational activity. Commuter emissions amounted to 1,317 t CO₂e compared to 1,569 t CO₂e in 2022. This decrease indicates reduced employee mobility. There was also a decrease in emissions in the area of fuel- and energy-related activities not included in Scope 1 and 2. Emissions decreased from 1,855 t to 1,622 t CO₂e in 2023, which may be attributable to efficiency improvements in operational practices and the associated reduction in fuel and energy consumption. A breakdown of Scope 3 emissions can be seen in the diagram TAKKT Scope 3 emissions.

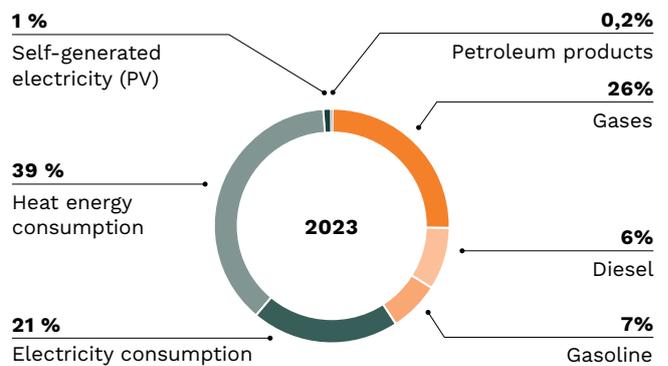
Scope-3-Emissionen der TAKKT in t CO₂e



Energy Mix

Based on the results, a detailed overview was created to provide a comprehensive representation of TAKKT’s energy mix. This overview is shown in the “TAKKT energy mix 2023” chart and provides insights into the various energy sources used by TAKKT. It enables in-depth analysis and planning with regard to the company’s energy supply and sustainability strategies. The primary source of energy consumption results from thermal energy and gas combustion, which together account for more than half of the total energy consumption of 211,237,580 MJ.

TAKKT energy mix 2023



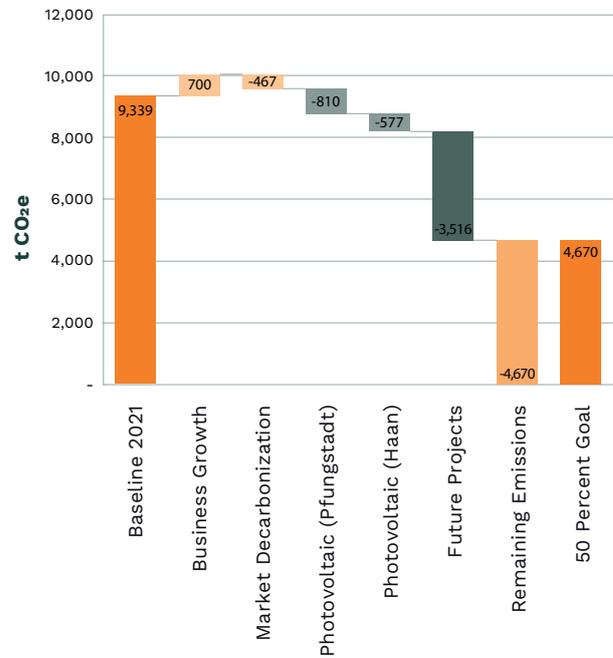
Reduction strategy & measures

In 2023, the Group-wide emissions reduction strategy and corresponding investment planning was 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 CO₂e 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.

In 2023, TAKKT invested in two significant PV projects based on the MACC with the aim of reducing emissions and lowering costs. These initiatives involved the installation of photovoltaic systems at TAKKT’s Pfungstadt and Haan locations in Germany. These systems were planned in order to utilize available roof areas for green electricity production. Following the planned commissioning in 2024, TAKKT expects to realize annual savings of more than 1,300 t CO₂e. Through these efforts, TAKKT is contributing to the promotion of the energy transition and the creation of a more environmentally friendly energy mix in the region. The use of self-produced energy has a positive impact on both emissions reduction and earnings due to the additional cost savings achieved through efficient production. The impact of the two projects on achievement of the 50 percent goal is visualized in the “Plan for achievement of the 50 percent goal” chart.

In addition, TAKKT is continuing its focus on switching its vehicle fleet to low carbon options and increasing the use of renewable energy sources such as wind, solar, and biomass, as well as combined heat and power generation systems. Efforts are also underway to enhance energy efficiency in office buildings and warehouses as well as to explore the possibility of converting heating furnaces to hybrid models that run on electricity and gas. A further goal is to have as many TAKKT companies as possible certified for sustainability using recognized methods in the respective markets like ISO 50001 and EMAS.

Plan for achievement of the 50 percent goal



Outlook for 2024

For 2024, TAKKT plans to conduct a comprehensive calculation of Scope 3 emissions. The focus is on accurate recording and reporting in order to meet the CSRD requirements for the 2024 reporting year. Given the complex structure of the supply chain and broad product portfolio, TAKKT is aiming for a comprehensive automation of the process. The main priority is the accurate capture of large volumes of data of varying quality. This approach is specifically aimed at creating comprehensive transparency of emissions throughout the supply chain and developing corresponding goals and reduction strategies.

TAKKT is working on developing a comprehensive calculation model for capturing the greenhouse gas-related emissions from its products. This model enables accurate quantification and an understanding of the climate impacts of the products. In turn, TAKKT can develop and implement targeted measures for reducing emissions. Calculating the product carbon footprint (PCF) for its in-house manufacturing portfolio also enables TAKKT to assume a leadership role for its suppliers by helping them calculate their emissions and implement measures to reduce them. This strengthens TAKKT’s business relationships with suppliers and underscores its commitment to offering sustainable products that have a minimal impact on the environment.

TAKKT actively seeks partnerships with leading logistics companies that are committed to climate protection, particularly in Europe. One example is Rhenus, which has received the EcoVadis Gold Rating and focuses on renewable energies and alternative propulsion technologies, including testing fuel cell trucks. Another partner is Gebrüder Weiss, which is pursuing the ambitious goal of becoming carbon neutral by 2030 and is already testing e-cargo bikes as well as an e-truck in everyday logistics operations in Vorarlberg. These partnerships underscore TAKKT’s commitment to sustainable logistics solutions. In order to further reduce the ecological footprint, environmental requirements will be integrated into future contracts, with the Euro 6 standard set as a selection criterion. Therefore, TAKKT requires its logistics partners to adhere to sustainable practices in order to reduce carbon emissions throughout the entire supply chain. Furthermore, TAKKT is planning to launch a pilot project for testing an electric truck route to Duisburg, along with conducting trials involving alternative fuels and offering CO₂-optimized transport. There are also plans to optimize the warehouse network on the US West Coast.

Photovoltaic system in Haan, Germany



PRODUCTS

"Enkelfähig"

As a retail company, TAKKT places great emphasis on working together with suppliers to steer the product portfolio towards sustainability. In 2021, the innovative "enkelfähig" rating was introduced for this purpose. This product classification system enables the measurement of product sustainability while increasing transparency across the entire product range.

TAKKT keeps the goal of achieving a sales share of 40 percent by 2025 and 50 percent by 2028 through "enkelfähig" products firmly in its sights. The evaluation of products is individually tailored to the specific characteristics of each business area through close collaboration with the TAKKT companies. This differentiated approach to product evaluation is necessary due to the diverse markets, products and customer requirements.

The fundamental must-have criteria are based on the ten principles of the UN Global Compact. If the requirements are not fulfilled, TAKKT will not proceed with the sale. In addition, the products are evaluated in the categories of circular economy, climate change, economic efficiency, biodiversity and innovation. In order to ensure that these aspects are adequately taken into account, subcategories have been introduced. The main emphasis is on objective master data and the evaluation of supplier questionnaires in order to ensure an unbiased assessment.

Particular importance is given to the supplier evaluation by EcoVadis: The EcoVadis rating system provides

an objective and external evaluation of companies' sustainability performance based on environmental, social and economic criteria, and helps them improve their sustainability practices. The EcoVadis score achieved indicates a supplier's sustainability performance. Within the "enkelfähig" evaluation, 10 percent of the EcoVadis score achieved is allocated to the categories of circular economy and climate change. Since these two categories have a high weighting, they can have a positive impact on the overall result.

The sum of the individual evaluations together with the EcoVadis score determines the final "enkelfähig" score of the product.

The rating scale ranges from 1.0 to 5.0. Products with a rating of 3.0 or higher qualify as "enkelfähig."

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

Market launch of “enkelfähig” evaluation in I&P division

In 2023, TAKKT achieved a significant milestone: The subsidiary kaiserkraft successfully implemented

the integration and display of the “enkelfähig” rating across its entire product portfolio in the web shops of different countries. The visible “enkelfähig” score for more than 100,000 products provides clear guidance for customers and helps them make sustainable

PRODUCT RATING

Example: eurokraft pro shelf truck (Kaiserkraft)



1

2

3.7

4

5

Enkelfähig Score

Enkelfähig criteria	Weighting	Score
Must-have-criteria	–	✔
Circular economy	30%	3.401
Climate protection	30%	3.94
Biodiversity	25%	1
Economic efficiency	10%	5.9
Innovation	5%	3.94
+ EcoVadis score		76
Overall score		3.7

Circular economy

The shelf truck achieves a score of 3.4 due to its material recyclability, durability and reduced packaging.

Climate protection

The product is manufactured in Germany. The compensated CO2 footprint and reduced energy consumption result in a score of 3.9.

Biodiversity

The shelf truck only receives one point for this criterion, as it does not fulfil any of the influencing factors. This result is a starting point for optimising the product or improving the supplier's sustainability strategy. Kaiserkraft actively supports the supplier with possible improvements to individual product properties or the value chain.

Economic efficiency

The positive economic contribution of the shelf truck results in a score of 5.9 for the “economic efficiency” criterion.

Innovation

Due to the materials used and their recyclability, the shelf truck receives a score of 3.94 for the “Innovation” criterion.

purchasing decisions, both for packaging materials and warehouse equipment.

Using the eurokraft pro shelf truck as an example, customers can see which criteria was used in calculating the overall score and the factors contributing to it. The individual ratings together with the supplier's EcoVadis rating result in a total "enkelfähig" score of 3.7 for the product. Through close collaboration between suppliers and product managers, this transparency can be used to make the product more sustainable.

The monthly analyses of defined key figures indicate that the "enkelfähig" portfolio is contributing to a growing share of sales. Customers who are interested in the "enkelfähig" rating and sustainable product content are much more inclined to make a purchase compared to those whose needs are not influenced by sustainability considerations. This shows that strong marketing campaigns and sustainable communication are important drivers for the success of the "enkelfähig" portfolio.

Marketing of sustainable products

In 2024, kaiserkraft will continue to focus on sustainable products, with an emphasis on increasing transparency and measurability for customers. One of the key priorities is to provide customers with at least one sustainable alternative within each product category. In 2024, kaiserkraft plans to systematically incorporate its range of sustainable products into marketing campaigns. Products with a sustainability focus with regard to their "enkelfähig" score are presented to customers transparently. By offering detailed product descriptions, customers obtain in-depth insight into the sustainability aspects of the products, which enables them to make purchasing decisions.

In order to gain a better understanding of the customers' needs and optimize the purchasing process, kaiserkraft analyzes the performance of products in its web shop. Fixed key figures are measured and evaluated on a monthly basis. The purpose of this analysis is to improve how the products are presented and increase

awareness of the "enkelfähig" score. The overarching goal is to achieve an above-average conversion rate and increase the share of sustainable products in the shopping cart.

In addition to transactional campaigns, kaiserkraft also emphasizes providing informative content about sustainability. For example, the company plans to host "enkelfähig" talks. Customers are provided with information about sustainability through webinars, customer interviews and case studies in order to help them meet their needs for sustainable product solutions and processes..

TAKKT earnings

In the 2023 fiscal year, the share of "enkelfähig" products in TAKKT's total sales amounted to 23.54 percent, once again significantly exceeding the target value for the year. This development underscores the success of the strategy and indicates that TAKKT is getting closer to its long-term goal of achieving a 40 percent sales share with sustainable products by 2025. To achieve this goal, TAKKT relies on crucial levers, including the comprehensive product evaluation of all portfolios in the divisions as well as strong and effective marketing activities to raise customer awareness of the sustainable offering. Furthermore, the process for defining sustainable suppliers is being optimized and implemented in the divisions to ensure that the entire value chain is underpinned by sustainable practices.

Outlook for 2024

In 2024, the share of "enkelfähig" products is expected to increase by a few percentage points. TAKKT is building on the momentum from 2023 by focusing on robust and effective marketing of "enkelfähig" products and consistent harmonization of the portfolio in the I&P division. In the FS and OF&D divisions, significant work is being put into the rating process in order to ensure expansion of the sustainable product portfolio. TAKKT remains committed to the "enkelfähig" initiative, which is firmly integrated in the company's strategy and managed by top management.

SUPPLY CHAIN

A sustainable supply chain

As part of the extensive value chain of an international retail company, the procurement of goods plays a central role at TAKKT. Supply chain sustainability is gaining recognition as a crucial factor for the long-term development of companies. In this context, TAKKT continues to rely on the close partnership with EcoVadis, an internationally renowned CSR platform. The EcoVadis analysis covers the areas of environment, labor & human rights, ethics and sustainable procurement. The results of these analyses can be accessed via the EcoVadis portal. This allows TAKKT and its affiliated companies to work together with suppliers to identify potential areas of improvement. This transparent and collaborative approach not only strengthens TAKKT's sustainability efforts, but also promotes responsible supply chain management.

In 2023, kaiserkraft presented EcoVadis to all suppliers during the supplier days event. The event presented an opportunity to highlight the importance of an EcoVadis rating and increase awareness among suppliers of their shared responsibility for sustainability.

In 2023, particular attention was also given to engaging closely with suppliers of the US companies in order to ensure effective implementation of the sustainability standards on a global level.

As a result of this collaboration and transparent communication, TAKKT was able to raise the purchasing volume from suppliers with a valid EcoVadis rating to 16.4 percent. Work is already underway on further measures to achieve the ambitious goal of 40 percent by 2025. Implementation of the German Act on Corporate Due Diligence Obligations in the Supply Chain (Lieferkettensorgfaltspflichtengesetz [LkSG]) and collaboration with suppliers in relation to the "enkelfähig" rating as well as the general product portfolio and supplier management are key drivers in this regard.

German Act on Corporate Due Diligence Obligations in the Supply Chain (Lieferkettensorgfaltspflichtengesetz [LkSG])

Ensuring compliance with supply chain due diligence is an integral part of TAKKT's efforts. The company actively works with its suppliers to ensure they meet the legal requirements and uphold the same high standards regarding human rights and environmental protection. By taking this collaborative approach, TAKKT aims to ensure a sustainable and ethically responsible supply chain.

The results of a risk analysis showed that TAKKT does not currently have any critical suppliers that could jeopardize compliance with supply chain due diligence. This underscores the effectiveness of the implemented processes. TAKKT remains committed to transparency and social responsibility to ensure a sustainable future for all stakeholders.

Gold Medal in EcoVadis Rating for Kaiser+Kraft

The Kaiser+Kraft Group has once again garnered recognition for its outstanding sustainability efforts and secured the Gold Medal in the EcoVadis Rating for the third time. This places Kaiser+Kraft among the top five percent of companies evaluated by EcoVadis in the last 12 months.



Ecovadis assessment of the Kaiser+Kraft Group

SOCIAL

Our values

The establishment of the core values “Caring” and “Impactful” in 2023 not only creates a solid foundation but also provides specific goals and a clear roadmap for all stakeholders.

“Caring” is a long-term differentiator because our team members work together in a supportive manner, create a familial atmosphere based on mutual respect and forge lasting alliances. This commitment extends beyond interpersonal relationships to include sustainability and the well-being of our workforce. This shared mindset sets us apart, drives our performance and creates a future where “Caring” is not just a principle but an inherent characteristic of our brand.

“Impactful” is more than just an abstract concept; it embodies a call to action that is deeply ingrained in our company’s ethos. We empower every team member to drive positive change and recognize that tangible results are the outcome of individual efforts. Our commitment to continuous improvement and development is not a passive endeavor, but a dynamic mindset embraced by everyone in our organization. Our team takes responsibility for driving substantial change, ensuring that our actions speak louder than words and that our commitment to positive change permeates every facet of our activities.

In 2023, TAKKT underwent an extensive overhaul of its employer brand. The aim is to increase the company’s visibility, position TAKKT as an attractive employer and foster a unified corporate culture. The rebranding highlights the shared vision of “Bringing new worlds of work to life,” which is now prominently featured in internal communications and recruitment initiatives throughout the entire TAKKT Group. It also underscores the significance of “Caring” and “Impactful” as core values and guiding principles for all employees. By revitalizing the employer brand, TAKKT aims to strengthen employee commitment as well as cultivate a positive and authentic work atmosphere.

As an employer, TAKKT promotes collaboration and encourages each employee to regularly contribute to the success of the company. In today’s ever-changing work environment, internal development and resource

allocation play a crucial role. Transparent feedback discussions and a clear assessment process ensure efficient resource allocation. TAKKT places great importance on significant factors such as remote work, high-quality equipment and employee benefit plans, which are common practice today. The goal of the integration efforts is to ensure that all employees have access to and understand the available services and benefits, which is facilitated by the new intranet. Employees will act as important ambassadors and use their networks to attract new talent through employee referrals as long as the work environment continues to foster success.

At TAKKT, there is a strong emphasis on recognizing impactful work, adapting processes, improving the state of nature and ensuring customer satisfaction. The goal is to offer products that improve efficiency, durability and environmental sustainability, while also encouraging everyone to play a role in this endeavor and make a meaningful contribution.

Training and qualification

TAKKT’s journey towards becoming an integrated international company is driven by its employees. Times of change and transformation create numerous opportunities for employee development throughout the entire organization. In 2023, TAKKT introduced short- and long-term assignments abroad, workshops on leadership and change management, mentorship programs for individual departments and digital language courses. In addition to investing in talent development, TAKKT improved the annual employee appraisal process by streamlining schedules, procedures and assessments throughout the company. This represents a significant milestone for TAKKT in shaping the future and aligning global talent programs and processes to create a rewarding experience for all employees, empowering them to realize their potential and harmonize their goals with TAKKT’s vision of “Bringing new worlds of work to life.”

Equal opportunity

The organizational integration within the divisions and Group functions goes hand in hand with the development of a common corporate culture. Even though TAKKT operates in various companies and locations across Europe and North America, the company encourages an environment of open, respectful

and inclusive collaboration. The contribution of each individual is valued regardless of race, gender, religion, ethnic background, sexual orientation, disability or age. TAKKT also upholds a leadership culture that promotes diversity, condemns all forms of discrimination, and ensures equal opportunities in both internal and external hiring processes by making decisions based solely on merit.

TAKKT places great importance on increasing the share of women in executive positions through diversity management. To achieve this, female talent is supported in preparing for the next step in their careers through flexible solutions and networking opportunities. In order to promote a better balance between family and leadership roles, TAKKT offers the possibility for two executives to share a leadership position along with the respective tasks and responsibilities. TAKKT has set specific targets for the percentage of women at various management levels of the holding company:

- › Supervisory Board: The goal of achieving a female representation of 33.3 percent on the Supervisory Board of TAKKT AG by the end of 2026 has already been achieved. At present, two women are represented on the six-member Board with Alyssa Jade McDonald-Bärtl and Aliz Tepfenhart, which means the target has been met.
- › Management Board: The target for the share of women on the Management Board of TAKKT AG is 50.0 percent by the end of 2026. However, this target was already met at the end of 2022.
- › The share of female executives in 2023 was 33.8 percent. In the coming years, the value is expected to increase by more than 5 percent each year in order to achieve the target value of 50 percent by 2026.
- › In 2023, women made up 43.7 percent of all employees, and was thus slightly above the previous year's figure of 43.2 percent.

Management level	Share of female employees
Management Board	50%
Executives	33,8%
All employees	43,7% of 2.569 TAKKT employees

In 2023, TAKKT expanded its Female Network, which includes all female executives. This initiative serves as a dynamic platform for the exchange of valuable insights, experiences, and mutual support among women in key positions within the company.

Good working conditions and social security

At TAKKT, fairness, equality and workplace safety are top priorities, with a focus on aspects such as working conditions, compensation and social security. TAKKT is committed to fair compensation, equal opportunities and comprehensive social security for all employees.

The aim is a workplace where fair compensation is a fundamental aspect for fostering long-term relationships. TAKKT addresses wage disparities that are not based on factors such as experience, performance and position through regular evaluations. The aim is to work towards gender equality by eliminating gender-based wage disparities in order to ensure fair remuneration for all team members.

The commitment to employee well-being entails not only fair compensation but also comprehensive social security coverage. The company understands the importance of financial stability during various life events and offers additional forms of remuneration, such as bonus schemes to reward exceptional performance. TAKKT has transparent bonus systems in place, which are linked to individual and collective performance and engages in collective bargaining to establish fair employment conditions. TAKKT offers personalized support to all its employees during times of need:

- › Illness: The health insurance coverage tailored to meet country-specific needs provides individual support and financial assistance in the event of illness.
- › Parental leave: TAKKT offers supportive parental leave policies to help employees maintain financial stability during this period.
- › Work-related accidents: In the unfortunate event of a workplace accident, insurance covers the medical costs and provides financial support during recovery.
- › Inclusion: In the case of a disability, TAKKT offers assistance and suitable equipment to ensure continued employment and success in the workplace.

Employee Voice

The year 2023 marked a significant milestone with regard to streamlining and improving the employee feedback process across the entire TAKKT Group with the Employee Voice Survey. In order to better analyze data and manage engagement, a transition was made to a unified global system, which simplifies the survey process and provides a comprehensive overview of employee engagement. This initiative is in line with TAKKT’s “OneTAKKT” and “Caring” strategies.

In addition to the question regarding the employee net promoter score (eNPS), the survey now includes 15 additional factors for employee engagement, including topics such as remuneration, recognition, management support, workload and career development. Managers have access to personalized dashboards with survey results for their teams, which they can then use to develop actionable plans together. The Employee Voice tool also ensures visibility and transparency with regard to tracking the progress of implementation plans and their impact on subsequent survey results.

Social responsibility

TAKKT sees itself as an integral part of society and actively promotes local initiatives in line with responsible business practices. As part of the ENGAGE program, employees are encouraged to participate in volunteer work in their communities and take paid time off for these activities. This not only promotes support for environmental and social causes but also fosters a culture of active involvement in volunteer work.

The ENGAGE program offers various activities such as zero-waste cooking classes and clean walks, with the goal of motivating employees to make a meaningful contribution, particularly in the area of sustainability.

TAKKT also promotes participation in fundraising campaigns. One example of this was the swift response in supporting the employee-driven fundraising initiatives following last year’s earthquakes in Turkey. TAKKT not only matched the employee donations but also increased them, highlighting its commitment to making a difference in times of crisis. This initiative reflects TAKKT’s commitment to social responsibility and support for charitable causes. In addition, TAKKT

matches all employee donations and forwards the funds to non-profit aid organizations.

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

The TAKKT Code of Ethics is a guiding policy for the TAKKT Group that emphasizes ethical conduct and compliance with laws and values. Maria Zesch, CEO of the TAKKT Group, highlights the importance of the code for responsible decision-making and integrity. The code applies to all employees regardless of their position and has been adopted by all TAKKT companies. It establishes principles such as compliance with laws, avoidance of corruption, protection of assets and environmental responsibility. The code also clearly defines how to deal with conflicts of interest.

The code is guided by eight principles:

- › Respect for the law: Compliance with laws and regulations
- › Fair employment practices, diversity & inclusion: Creating safe and fair workplaces without discrimination
- › Dealing with conflicts of interest: Business decisions are made solely in the interest of TAKKT
- › No corruption: Rejection of bribery and inappropriate gifts
- › Antitrust & competition law: Commitment to fair competition
- › Protection of assets & information: Responsible handling of company assets and confidentiality
- › IT & data security, digital media: Secure handling of IT systems and data
- › Responsibility towards the environment & society: Commitment to sustainability and social engagement.

The code’s “ethics check” provides a quick guide to ethical decision-making. The employees ask three

questions: Is it legal, fair and balanced, and how does it make you feel?

In addition, clear steps for addressing ethical concerns are also outlined, including the option to contact designated staff members confidentially without fear of retaliation.

The code emphasizes the collective responsibility of all employees to ensure compliance with the guidelines and report violations in order to ensure the integrity and success of the TAKKT Group.

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. TAKKT AG attaches the highest priority to its compliance with all

statutory and contractual obligations associated with responsible corporate governance. TAKKT is subject to different compliance requirements such as in connection with antitrust law, capital markets and data protection.

Non-observance of 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, 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 GROUP REPORT, EU TAXONOMY, GRI CONTENT INDEX

Non-financial statement

Parts of this sustainability report serve to fulfill the non-financial statement resulting from the legal requirements for TAKKT AG as a listed company (§§ 315b HGB bzw. 289b HGB i.V.m. §264d, 290 HGB.). An overview of the components and their detailed coverage within the sustainability report can be found in the following table:

NFS components	Section and page(s) Sustainability report
Environmental issues	„Climate“ pp. 199-203 „Environment & Energy“ p. 210
Employee issues	„Our Values“ p. 208 „Good working conditions and social security“ p. 209 „Employee Voice“ p. 210
Social issues	„Social responsibility“ p. 210
Respect for human rights	„Respect for human rights“ pp. 210-211
Combating corruption and bribery	„Combating corruption and bribery“ p. 211

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

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 also obligated to report

on sustainable economic activities based on the classification system of the EU Taxonomy.

For the 2023 fiscal year, the shares of relevant taxonomy-eligible economic activities must be reported with respect to all six environmental objectives. The environmental objectives are:

1. Climate protection
2. Adapting to climate change
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy
5. The prevention and reduction of environmental pollution, and
6. protection and restoration of biodiversity and ecosystems

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) has also been reported for environmental issues 1 and 2 since 2022.

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 from 2021 as well as Annexes 1 to 4 from the delegated act 2023/2486 ("Environmental Delegated Act") 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 objectives 2 to 6, 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 2023 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 retail company 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 214 and 215. TAKKT does not report any taxonomy-aligned economic activities for the 2023 year under review.

GRI Index

The overview starting on page 216 is based on 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	
	in TEUR	in TEUR	in %	in TEUR	in %	in TEUR	in %	
Revenue	–	–	0%	–	0%	–	0%	
Capital expenditures	30,681	17,807	58%	12,874	42%	–	0%	
Operational expenses	9,126	898	9.8%	8,228	90.2%	–	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					
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activities (taxonomy-aligned)																				
Electricity generation using solar photovoltaic technology	4.1	-	0%	0%	0%	0%	0%	0%	0%	0%	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	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	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%	0%	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	0%	0%	-	-
Data processing, hosting and related activities	8.1	-	0%	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	0%	0%	-	-
CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		-	0%	0%	0%	0%	0%	0%	0%	0%							0%	0%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																				
Electricity generation using solar photovoltaic technology	4.1	1,409	4.6%																	
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	1,845	6.0%																	
Installation, maintenance and repair of energy efficiency equipment	7.3	124	0.4%																	
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	7.4	86	0.3%																	
Acquisition and ownership of buildings	7.7	14,191	46.3%																	
Data processing, hosting and related activities	8.1	152	0.5%																	
CapEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		17,807	58%															-	-	
Total (A.1 + A.2)		17,807	58%															0%	0%	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
CapEx of taxonomy-non-eligible activities (B)		12,874	42%																	
TOTAL (A + B)		30,681	100%																	

Economic activities (1)	Code(s) (2)	Absolute OpEx (3) in EUR thousand	Proportion of OpEx (4) in %	Substantial contribution criteria						DNSH criteria (Do no significant harm*)						Minimum safeguards (17) Y/N	Taxonomy-aligned proportion of OpEx, 2023 (18) in %	Taxonomy-aligned proportion of OpEx, 2022 (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					
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activities (taxonomy-aligned)																				
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	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	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	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%	0%	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	0%	0%	-	-
Acquisition and ownership of buildings	7.7	-	0%	0%	0%	0%	0%	0%	0%	0%	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	0%	0%	-	-
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		-	0%	0%	0%	0%	0%	0%	0%	0%							0%	0%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																				
Collection and transport of non-hazardous waste in source segregated fractions	5.5	121	1.3%																	
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	61	0.7%																	
Installation, maintenance and repair of energy efficiency equipment	7.3	35	0.4%																	
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	7.4	2	0.0%																	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.5	4	0.0%																	
Acquisition and ownership of buildings	7.7	575	6.3%																	
Data processing, hosting and related activities	8.1	101	1.1%																	
OpEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		898	9.8%															-	-	
Total (A.1 + A.2)		898	9.8%															0%	0%	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
OpEx of taxonomy-non-eligible activities (B)		8,228	90.2%																	
TOTAL (A + B)		9,126	100%																	

GRI-section	Disclosures 2023
GRI 1 Foundation	For the third year in a row, TAKKT AG reports with reference to the guidelines of the GRI standard. TAKKT AG is preparing the reporting according to ESRS and will report in the following year in accordance with the guidelines applicable to TAKKT.
GRI 2-1-a Legal name	TAKKT AG
GRI 2-1-b Nature of ownership and legal form	TAKKT AG is a stock corporation under German law. The company has been listed in the SDAX since 2024 again and in the Prime Standard of the German Stock Exchange since January 1, 2003. Ownership structure as of December 31, 2023: - Franz Haniel & Cie. GmbH (FHC) 65% - Free float: 34% - Own shares held by TAKKT AG: 1%
GRI 2-1-c Location of headquarters	Stuttgart, Germany
GRI 2-1-d Countries of operations	TAKKT AG is a global company with offices in over 20 countries in Europe and the United States of America.
GRI 2-2-a Entities included in the sustainability reporting	To review the list of companies in the consolidated annual financial statements, see p. 159. The organizational reporting boundaries for the non-financial or sustainability matters reported in 2023 include all TAKKT companies worldwide.
GRI 2-2-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.
GRI 2-2-c 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.
GRI 2-3-a Reporting period and frequency	The reporting period corresponds to TAKKT's financial year and is the calendar year 2023. Relevant information is included up to the editorial deadline of March 28, 2024. 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.
GRI 2-3-b Reporting period for financial reporting	The reporting period for the financial reporting corresponds to TAKKT's financial year and is the calendar year 2023.
GRI 2-3-c Publication date of the sustainability report	March 28, 2024
GRI 2-3-d Contact point for questions regarding the report	Stefanie Meyer, Executive Vice President Strategy & Transformation

GRI-section	Disclosures 2023
GRI 2-4-a Restatements of information from previous reporting periods	To ensure an accurate overview of emissions, TAKKT conducts a reassessment of the previous year's emissions based on actual consumption annually. This is necessary because, at the time of emission calculation, final annual statements for each location are often not available, necessitating reliance on estimates. The reassessment conducted for the year 2022 reveals that the actual Scope 1 and Scope 2 emissions were 8,638 t CO ₂ e instead of the originally assumed 8,339 t CO ₂ e. By applying the definition of management levels more consistently, the proportion of female leaders was corrected to 34.7% for 2022. The originally assumed value was 28.9%.
GRI 2-5-a Policy and practice for seeking external assurance	At the request of TAKKT AG's Management Board, the Sustainability Report 2023 was subjected to an independent review by the auditing company RSM Ebner Stolz GmbH & Co. KG (see certification p. 223). The results were presented to and approved by the Supervisory Board at its meeting on March 27, 2024.
GRI 2-5-b Information about the audit	On behalf of TAKKT AG's Management Board, the Sustainability Report 2023 was subjected to an independent review by the auditing company RSM Ebner Stolz GmbH & Co. KG. The auditing company has been continuously working as the auditor of TAKKT AG, Stuttgart, since the financial year 1999.
GRI 2-6-a Industry	See pp. 31 ff.
GRI 2-6-b Value chain	See pp. 31 ff.
GRI 2-7-a Employees by gender and region	Total number of employees by gender: Employees as of 12/31/2023 (headcount): 2,569 Asia: female 1; male: 1 Europe: female 733; male: 1,051 North America: female 389; male: 394
GRI 2-7-c Methodology used to compile the data	The data was compiled on head count basis for the entire TAKKT AG and applies to December 31, 2023.
GRI 2-9 Governance structure and composition	See Corporate Governance Statement 2023 https://www.takkt.de/en/investors/corporate-governance/declaration-on-corporate-governance/
GRI 2-10 Nominating and selecting the highest governance body	See Corporate Governance Statement 2023 https://www.takkt.de/en/investors/corporate-governance/declaration-on-corporate-governance/
GRI 2-11-a Chairman of the highest governance body	See pp. 26 ff.
GRI 2-12 Role of the highest governance body in overseeing the management of impacts	See p. 197
GRI 2-14 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.
GRI 2-16-a 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.

GRI-section	Disclosures 2023
GRI 2-16-b Number of critical concerns	No incident was reported during the reporting period.
GRI 2-17 Collective knowledge of the highest control body	See Corporate Governance Statement 2023 https://www.takkt.de/en/investors/corporate-governance/declaration-on-corporate-governance/
GRI 2-19-a Remuneration policies	See remuneration report pp. 175 ff.
GRI 2-20 Process for determining remuneration	See remuneration report pp. 175 ff.
GRI 2-22 Statement on sustainable development strategy	See pp. 192 – 195
GRI 2-26-a Mechanisms for seeking advice and raising concerns	TAKKT has introduced various ways to find out about compliance issues and submit reports. In addition to the TAKKT Compliance Regulation, there will also be a TAKKT Whistleblower Regulation from 2024, which not only lists the various reporting channels, but also describes the entire investigation process. At TAKKT, enquiries and reports can be made in person to the members of the Compliance Team or sent to the Compliance Team by email. Reports can also be submitted anonymously via the Compliance Helpline. The Compliance Helpline is a Group-wide whistleblower hotline that is also available for anonymous reports and is accessible to both internal and external whistleblowers. The compliance team and the respective managers are available to answer employees' questions via a wide variety of communication channels. There is also an intranet site of the Legal & Compliance team, which provides information on compliance issues, contains key documents and links to all important reporting channels. In addition, a new Code of Ethics has been adopted in 2023 for which there will be mandatory (online) training for all employees in 2024.
GRI 2-27 Compliance with laws and regulations	There was no known non-compliance with environmental protection laws and regulations during the reporting period. No penalties were imposed.
GRI 2-28 Membership associations	<ul style="list-style-type: none"> – UN Global Compact – bevh Bundesverband E-Commerce und Versandhandel – CDP – Stiftung Allianz für Entwicklung und Klima – Charta der Vielfalt – B.A.U.M. e.V.
GRI 2-29 Approach to stakeholder engagement	See pp. 193 – 194, 197 – 198
GRI 2-30 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.
GRI 3-1 Process to determine material topics	See pp. 193 – 194

GRI-section	Disclosures 2023
<p>GRI 3 – 2 List of material topics</p>	<p>Material topics for TAKKT were identified through a thorough materiality assessment. The chart on page 194 illustrates the materiality of topics according to the double materiality assessment:</p> <ul style="list-style-type: none"> - Resource efficiency (circular economy) - Waste reduction - Sustainable logistics / transport - GHG emissions - Gender equality - Talent management, employee training & development - Working conditions, payment, social security - Compliance (supplier Code of Conduct) - Cyber and data security (own systems) - Corporate governance code - Corporate values and principles (fair competition, corporate behavior)
<p>GRI 305 – 1-a Direct (Scope 1) GHG emissions</p>	<p>3,460 t CO₂e</p>
<p>GRI 305 – 1-b Gases included in the calculation</p>	<p>In the calculation of Scope 1 emissions, all gases used in TAKKT's operations were converted into CO₂ equivalents.</p>
<p>GRI 305 – 1-d Base year for calculation</p>	<p>The base year is the year 2021, in which the carbon footprint for all TAKKT companies was systematically collected for the first time. Compared to the base year 2021 (3,825t CO₂e), the scope 1 emissions were reduced by 10%.</p>
<p>GRI 305 – 1-e Source of emission factors</p>	<p>For the subsequent calculation, the emission factors of the following offices, authorities and organizations were used, among others: BEIS, UBA, EEA, EPA.</p>
<p>GRI 305 – 1-f Consolidation approach</p>	<p>TAKKT reports emissions according to the consolidation approach of operational control and exclusively according to the location-based accounting approach of the GHG Protocol.</p>
<p>GRI 305 – 1-g Standards, methodologies, assumptions and / or calculation tools used</p>	<p>Since 2021, emissions have been calculated in accordance to the GHG Protocol Corporate Standard. Data collection has been done using a software since 2022. The calculation was conducted using data models in Microsoft Excel.</p>
<p>GRI 305 – 2-a Energy indirect (Scope 2) GHG emissions</p>	<p>4,888 t CO₂e</p>
<p>GRI 305 – 2-b Gases included in calculation</p>	<p>In the calculation of Scope 2 emissions, all gases used in TAKKT's operations were converted into CO₂ equivalents.</p>
<p>GRI 305 – 2-d Base year for calculation</p>	<p>The base year is the year 2021, in which the carbon footprint for all TAKKT companies was systematically collected for the first time. Compared to the base year 2021 (5,514t CO₂e), scope 2 emissions were reduced by 11%.</p>
<p>GRI 305 – 2-e Source of emission factors</p>	<p>For the subsequent calculation, the emission factors of the following offices, authorities and organizations were used, among others: BEIS, UBA, EEA, EPA.</p>
<p>GRI 305 – 2-f Consolidation approach</p>	<p>TAKKT reports emissions according to the consolidation approach of operational control and exclusively according to the location-based accounting approach of the GHG Protocol.</p>
<p>GRI 305 – 2-g Standards, methodologies, assumptions and / or calculation tools used</p>	<p>Since 2021, emissions have been calculated in accordance to the GHG Protocol Corporate Standard. Data collection has been done using a software since 2022. The calculation was conducted using data models in Microsoft Excel.</p>

GRI-section	Disclosures 2023
GRI 305 – 3 Other indirect (Scope 3) GHG emissions	TAKKT has been collecting and calculating individual Scope 3 categories since 2022 and is working intensively to calculate all Scope 3 emissions from 2025 onwards. 3.5 Waste 3.6 Business Travel 3.7 Commuting
GRI 305 – 5 Reduction of GHG emissions	See p. 202 "Reduction Strategy & Reduction Measures"
GRI 307 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. Some of our companies operate with certified environmental management systems. There were no incidents of non-compliance with environmental protection laws and regulations in 2023.
GRI 308 Supplier environmental assessment	See p. 207
GRI 402 – 1 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.
GRI 403 – 1 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, 11 incidents occurred in 2023. 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.
GRI 403 – 2 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.
GRI 403 – 3 Occupational health services	The appointed occupational safety specialists, the company medical officers and the safety officers have been announced and communicated.
GRI 403 – 4 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).
GRI 403 – 5 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.

GRI-section	Disclosures 2023
<p>GRI 403 – 6 Promotion of worker health</p>	<p>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. Those employees also have access to an annual subsidy of 100 euros for fitness products and services.</p>
<p>GRI 403 – 7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships</p>	<p>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.</p>
<p>GRI 403 – 9 Work-related injuries</p>	<p>In 2023, there were 11 accidents with a loss in time of more than one day.</p>
<p>GRI 404 – 1 Average hours of training per year per employee</p>	<p>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.</p>
<p>GRI 404 – 2 Programs for upgrading employee skills and transition assistance programs</p>	<p>TAKKT offers an extensive range of internal training and development courses as well as the opportunity to attend external seminars or courses. The need for personal development is determined personally with each employee at least once a year and based on this measures are agreed.</p>
<p>GRI 404 – 3 Percentage of employees receiving regular performance and career development reviews</p>	<p>All professional roles receive frequent feedback and have the opportunity to discuss career interests.</p>
<p>GRI 405 – 1 Diversity of governance bodies and employees</p>	<p>See Corporate Governance Statement 2023 https://www.takkt.de/en/investors/corporate-governance/declaration-on-corporate-governance/ and page 209.</p>
<p>GRI 406 – 1 Incidents of discrimination and corrective actions taken</p>	<p>A centralised reporting system has been set up for all TAKKT locations. External parties can also submit reports. In 2023, three incidents were reported and investigated by the Compliance Team, but only one incident was confirmed. The perpetrator was sanctioned under labour law and an intervention was commanded. A new Code of Ethics was adopted at the end of 2023, for which a TAKKT-wide (online) training will become mandatory for all employees from 2024 onwards.</p>
<p>GRI 407 – 1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk</p>	<p>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.</p>
<p>GRI 408 Child labor</p>	<p>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.</p>

GRI-section	Disclosures 2023
<p>GRI 408 – 1 Operations and suppliers at significant risk for incidents of child labor</p>	<p>In 2023, the purchasing volume of sustainably assessed suppliers amounted to 46.4%. The purchasing volume of suppliers that received an assessment in 2023 was 16.4%.</p>
<p>GRI 413 – 1 Operations with local community engagement, impact assessments and development programs</p>	<p>An option of paid leave is offered in order to implement charitable projects. 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.</p>
<p>GRI 414 Supplier social assessment</p>	<p>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 mainly the service provider EcoVadis and has set itself the target of 40% purchasing volume from sustainably assessed suppliers by 2025.</p>
<p>GRI 414 – 1 New suppliers that were screened using social criteria</p>	<p>11.4% of all TAKKT suppliers were evaluated by EcoVadis.</p>
<p>GRI 414 – 2 Negative social impacts in the supply chain and actions taken</p>	<p>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.</p>
<p>GRI 417 Marketing and labeling</p>	<p>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.</p>
<p>GRI 417 – 1 Requirements for product and service information and labeling</p>	<p>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.</p>

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

To the Management Board of TAKKT AG, Stuttgart

We have audited the selected information in the column "Results 2023" in the table "The TAKKT Sustainability Targets 2025" 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, 2023, 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: "Reporting 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.

Independence and quality assurance of the auditing company

We have complied with the German professional regulations on independence and other requirements of professional conduct.

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 business 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, 2023, 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 business audit, the audit procedures performed are less extensive than in a reasonable assurance business 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 QMS 1 (09.2022)).

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, 2023, 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 15, 2024

RSM Ebner Stolz GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft



Sonja Kolb
Wirtschaftsprüferin
(German Public Auditor)



Stefan Fauß
Wirtschaftsprüfer
(German Public Auditor)