



DELIVERING ✓ 2016 - BEING A ROLE MODEL
SUSTAINABILITY ✓ NEW GOALS SET

1,125

EUR MILLION
TURNOVER
IN 2016

500,000

PRODUCTS

3

MILLION
B2B CUSTOMERS

2,500

EMPLOYEES

WE ACHIEVED OUR GOAL

OF BECOMING THE ROLE MODEL FOR SUSTAINABILITY IN OUR INDUSTRY



At the end of 2016, we met an important interim objective: TAKKT is the role model for sustainability in the industry. We were able to achieve this by making sustainability an integral part of every area of our company and making progress in all focus areas. TAKKT's single-tier direct marketing model generally offers clear advantages over trading systems with local stores. Shipping routes are optimized and emissions minimized due to the elimination of additional transportation steps. At the same time, since 2011 we have been working continuously to reduce the use of resources at all stages of value creation and be as environmentally friendly as possible. With the further development of our business model into a multi-channel PLUS company, our customer approach was significantly improved.

We see the possibilities of the growing digitalization as a clear opportunity to make processes even faster and more efficient. For example, systematic expansion of the e-commerce business has allowed us to increase the efficiency of customer-oriented marketing and save on resources at the same time by reducing paper use. We are of the firm conviction that long-term business success is not possible without sustainable action. We will continue to maintain the course we have adopted to see sustainability as an integral part of our company strategy. Our goal is to create a long-term balance between economic, environmental and social concerns in order to optimize the benefits for all stakeholders.

HIGHLIGHTS 2016

→ GLOBAL COMPACT

TAKKT has been an active supporter of the Global Compact Initiative of the United Nations since the beginning of 2012 and is thus committed to upholding the universal principles of sustainability. With the comprehensive 2016 sustainability report, TAKKT was one of a few German companies to achieve the Global Compact "Advanced Level" status again.

→ CARBON DISCLOSURE PROJECT

TAKKT has been participating in the ranking of the Carbon Disclosure Project (CDP) international initiative every year since 2008. It aims to make companies' climate strategies more comparable and to sustainably reduce their emissions. In the year under review, TAKKT achieved a CDP climate score of "C." This puts TAKKT among the top of the participating SDAX companies.

→ SUSTAINABILITY REPORT ACCORDING TO GRI-G4

Since 2012, TAKKT has been publishing sustainability reports prepared according to the international standards of the Global Reporting Initiative (GRI). In the 2014 and 2016 reports, the updated GRI-G4 guidelines were applied. TAKKT is therefore one of a few German companies to report at the "G4 Comprehensive" application level.

→ IMPLEMENTING OPERATIONAL MEASURES

All parcel shipments in the US as well as in 16 European countries are delivered carbon-neutral. Furthermore, all KAISER+KRAFT general cargo shipments from Germany to the forwarding agents in 14 European countries are delivered carbon-neutral.

**“WE ARE COMMITTED
TO EXPANDING
OUR POSITION
AS ROLE MODEL FOR
SUSTAINABILITY
IN OUR INDUSTRY BY
2020.”**

STAKEHOLDER-DIALOGUE

CONVERSATIONS WITH STAKEHOLDERS

Openness and credibility are the keys to trusting relationships. That is why we at TAKKT provide comprehensive, transparent reports about our business, and survey our customers, employees and business partners on a regular basis. We are in close contact with them and other selected stakeholders. In this way, we gather valuable suggestions to continuously improve our work. In 2016, TAKKT developed the sustainability strategy for the coming years as part of a comprehensive stakeholder dialogue. The focus areas of sourcing, marketing, logistics, resources and climate, employees and society defined by the end of 2016 were again confirmed

in the dialogue with our employees, customers, suppliers, banks and shareholders.

The main sustainability issues in the focus areas were identified, weighted and the corresponding measures for implementing and achieving the targets developed in a direct dialogue with the stakeholders. The planned steps focus on the areas of resource efficiency, customer satisfaction, climate protection and the relationships with our suppliers.



302

EUR MILLION NET VALUE
ADDED IN 2016

~ **70**

WEB SHOPS

16

SALES BRANDS

> **70**

LOCATIONS

> **4.000**

SUPPLIERS

THE MANAGEMENT BOARD

“CLEAR GOALS BY THE
END OF 2020
ENABLE US TO MAKE
THE PROGRESS
IN SUSTAINABILITY
TRANSPARENT
AND MEASURABLE IN
THE FUTURE.”



FELIX ZIMMERMANN

CHAIRMAN OF THE MANAGEMENT
BOARD, CEO

“THROUGH OUR SCORE
ORGANIZATIONAL
STRUCTURE, WE
ARE ABLE TO INTEGRATE
SUSTAINABILITY
ACROSS ALL LEVELS AND
DIVISIONS IN THE
DAY-TO-DAY BUSINESS.”



CLAUDE TOMASZEWSKI

MEMBER OF THE MANAGEMENT
BOARD, CFO

“WE ARE NOT CONTENT
TO REST ON THE GOALS
ALREADY ACHIEVED,
BUT CONTINUE TO DRIVE
FORWARD OUR SUS-
TAINABILITY ACTIVITIES
ALONG THE
ENTIRE VALUE CHAIN.”



DIRK LESSING

MEMBER OF THE MANAGEMENT
BOARD

SCORE SUSTAINABILITY ORGANIZATION

Sustainability is not a new concept for TAKKT. It has always been an entrepreneurial tradition in the Group of companies to manage all resources as carefully as possible. The TAKKT sustainability strategy is a key element of the overall corporate strategy. A guiding framework for sustainable action is the United Nations Global Compact, which we have actively supported since 2012. TAKKT is committed to complying with and disseminating the ten universal principles of the Global Compact in the areas of human rights, working standards, the environment and anti-corruption. This

has allowed TAKKT to achieve the “Advanced Level” status of the Global Compact with its sustainability report since 2014.

With SCORE (Sustainable Corporate Responsibility), we have established a Group-wide organizational structure to integrate sustainability throughout the entire company. This allows us to implement and manage measures across all levels and divisions in the day-to-day business. Guided by the principles of sustainability, we actively support environmental and climate protection in our core business and take responsibility for our products in the areas of sourcing, marketing and logistics. We are also committed to the concerns of our employees and those in our social environment.

FOCUS AREAS

CORE BUSINESS



SOURCING

We assume responsibility for the entire life cycle of the products we sell – from procurement and utilization to the disposal of materials and packaging. The excellent quality of our products ensures our customers that the products will have a long useful life.

CORE BUSINESS



MARKETING

E-commerce is developing into the most important sales channel as part of our digital agenda. In the traditional catalogue business, we make sure that resources are used efficiently at all steps of the process – from catalogue production to the sending of advertising materials.

CORE BUSINESS



LOGISTICS

Compared to multi-tier distribution systems, our single-tier direct sales to the end customer generate significant environmental advantages. At the same time, it allows high product availability, short delivery times, adherence to delivery dates and optimized shipping utilization.

ENVIRONMENT



RESOURCES & CLIMATE

In all business processes, we focus on those areas with the greatest savings or development potential. Modern environmental and energy management systems and respective certifications are a standard for us and our business partners along the entire value chain.

COMMITMENT



EMPLOYEES

The basis of teamwork at TAKKT is mutual respect. We invest a great deal of time and resources in the targeted advancement and development of our employees. Our strategic personnel management contributes to systematic personnel development in all Group divisions.

COMMITMENT



SOCIETY

As part of society, TAKKT sees itself as a driver of social involvement and supports local activities. Active involvement in social projects comes from our employees, who support local initiatives on site both in material and non-material ways.



PAST

2011

In 2011, TAKKT started the company-wide SCORE sustainability program. Based on our entrepreneurial tradition of managing resources carefully, we have defined the six core focus areas and the operational goals of our sustainability strategy for the first time. 2012 the first sustainability report was published for the year 2011.

2016

The self-imposed goal of becoming the role model for sustainability in our industry was achieved. Measures were gradually introduced and implemented in all focus areas. Over time, we were able to make significant progress in all areas.

2011

2012

2013

2014

2015

2016

		KEY FIGURES 2011		STATUS 2011	STATUS 2016	GOALS FOR 2016
CORE BUSINESS	SOURCING	Share of certified suppliers	%	Pilot project in 2013	3.5	10
		Share of sourcing volume from certified suppliers	%	Pilot project in 2013	40.5	50
		Sales with sustainable ("green") products	%	1.7	9.8	10
	MARKETING	E-commerce share of order intake	%	21.3	39.0	40
		Paper consumption per eur million turnover	t	34.9	13.7	22.7
		Carbon emissions per kilogram of paper advertising materials	kg	2.35	1.44	1.41
	LOGISTICS	Range of carbon-neutral delivery solutions		Pilot project in 2013 for carbon-neutral general cargo delivery	Further expansion of carbon-neutral parcel and general cargo delivery in Europe and the US	Range of parcel and general cargo delivery solutions
ENVIRONMENT	RESOURCES & CLIMATE	Carbon footprints for major companies		1	10	10
		Environmental management systems for major companies		1	3	7
		Energy consumption at GER/US locations based on locations in 2011 (in thousand gigajoule)		114.9*	69.9	97.7
COMMITMENT	EMPLOYEES	Recruitment, promotion and development of talents		Pilot project in 2013	Group-wide rollout largely completed	Systematic human resources development implemented in all groups
	SOCIETY	Percentage of employees who have the option of taking paid leave for local volunteer involvement	%	5.9	41.2	30

*Including PEG, which has been sold in 2015. Adjusted for PEG: 89,5 thousand gigajoule

FUTURE

2017

TAKKT developed the sustainability strategy for 2017 and the coming years as part of a comprehensive stakeholder dialogue. The focus areas of sourcing, marketing, logistics, resources and climate, employees and society defined by the end of 2016 were confirmed. The concrete goals and measures to be achieved by the end of 2020 were then defined for the individual focus areas.

2020

TAKKT has set itself the goal of further expanding its position as role model for sustainability in the industry by the end of 2020. We view sustainability as an integral component of long-term corporate success. Therefore, we are not content to rest on what has been achieved, but instead want to use this as the basis for intensifying our activities further.

2017

2018

2019

2020



		KEY FIGURES 2020		GOALS FOR 2020	
CORE BUSINESS	SOURCING	Share of direct imports sourcing volume from certified suppliers	%	30 – 40	
		Share of sourcing volume from certified suppliers	%	50 – 60	
		Sales with sustainable ("green") products	%	12 – 15	
	MARKETING	Carbon-neutral web shops for major companies			15
		Paper consumption per order	kg		6.0 – 6.5
		Share of carbon-neutral advertising materials per year	%		100
	LOGISTICS	Share of carbon-neutral shipments			
		– thereof parcel delivery	%		100
		– thereof general cargo delivery from distribution center	%		90 – 100
ENVIRONMENT	RESOURCES & CLIMATE	Carbon footprints for major companies		15 – 18	
		Environmental management systems for major companies		10 – 13	
		Energy consumption at GER/US locations per order	MJ		50 – 55
		Energy management systems for major companies		5 – 8	
COMMITMENT	EMPLOYEES	New hires digital agenda: Share of retained "digital talents"	%	> 50	
		Diversity: Share of women in top-executive positions	%	10	
	SOCIETY	Share of employees who have the option of taking paid leave for local volunteer involvement	%		55 – 60
		Share of employees who took part in local volunteer projects	%		8 – 12