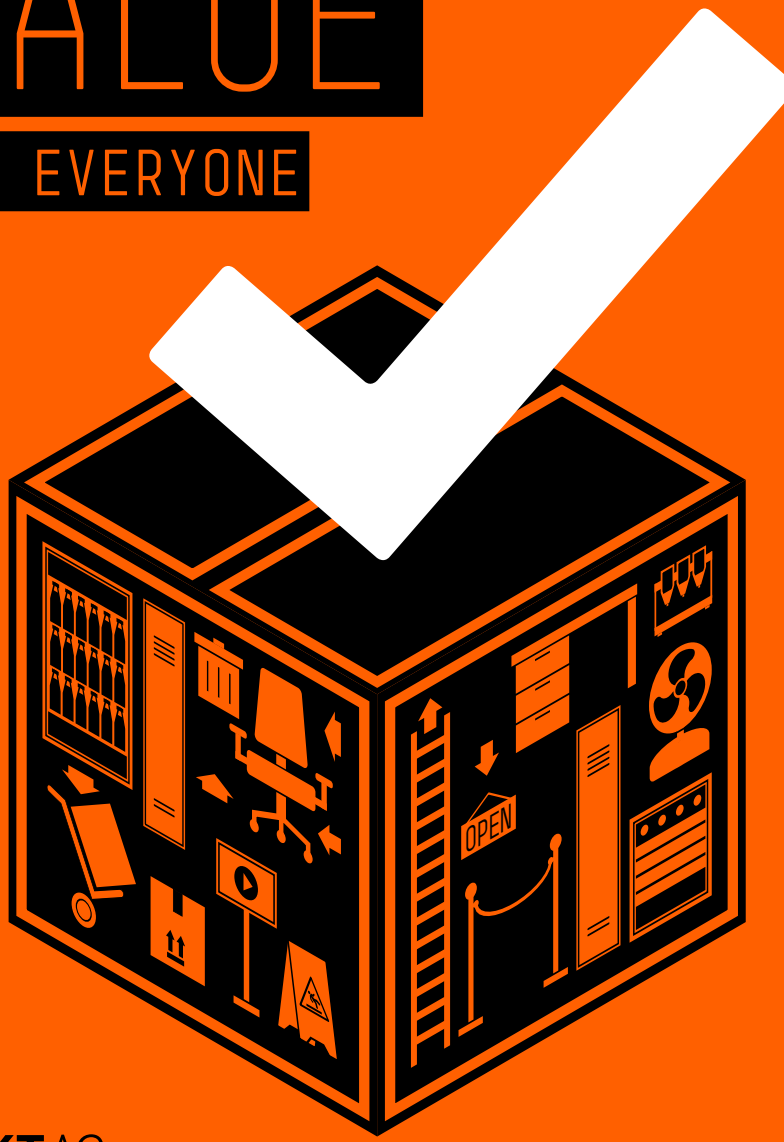
ADDED VALUE

FOR EVERYONE



ONLINE REPORT

TAKKT AG
BUSINESS EQUIPMENT SOLUTIONS

SUSTAINABILITY REPORT 2016

MISSION 2016

FULL SPEED AHEAD

As the leading B2B direct marketing specialist for business equipment, we want to be the role model for sustainability in our industry by the end of 2016.

We are well on our way to reaching this goal.

STATEMENT 2015

TARGETED ACTION

We have set clear objectives for ourselves and introduced appropriate measures to make TAKKT even more sustainable.

In 2015, we were able to make important progress in all focus areas.

MILESTONES OF THE SUSTAINABILITY INITIATIVE

2011

- IMPLEMENTATION OF THE SUSTAINABILITY PROGRAM "SCORE"

2012

- INSTALLATION OF HUBERT USA SOLAR ROOF
- CREATION OF FIRST CERTIFIED CARBON FOOTPRINT (KK-D)

2013

- CARBON-NEUTRAL PARCEL SHIPMENTS IMPLEMENTED IN THE BEG
- EXPANSION OF CARBON-NEUTRAL AND CERTIFIED EUROKRAFT ACTIVE GREEN PRODUCTS

2014

- LAUNCH "GREEN OFFICE" CATEGORY IN NBF WEB-SHOP
- INTRODUCTION OF SUPPLIER SUSTAINABILITY ASSESSMENT PROGRAM WITH THE INTERNATIONALLY ACCEPTED ECOVADIS PLATFORM

2015

- INTRODUCTION OF ENVIRONMENTAL MANAGEMENT SYSTEM AT RATIOFORM-D (EMAS)

2016

100%

- INTRODUCTION OF CARBON-NEUTRAL PARCEL SHIPPING SOLUTIONS IN THE US
- ROLE MODEL OF OUR INDUSTRY

TAKKT BUSINESS MODEL

ORDER INTAKE

Easy and quick order placement from an attractive range of products via all channels

WAREHOUSE

Central warehousing and transport logistics guarantee high product availability

TRANSPORT

Fast delivery including drop shipment directly to the customer

DELIVERY

On-time delivery with a broad range of carbon-neutral delivery solutions

DELIVERED

High product quality, long warranty periods and excellent advice create a clear added value for our customers

TAKKT VALUE CREATION CHAIN

SOURCING

We take responsibility for the product life cycle from the selection of materials and production to waste disposal.

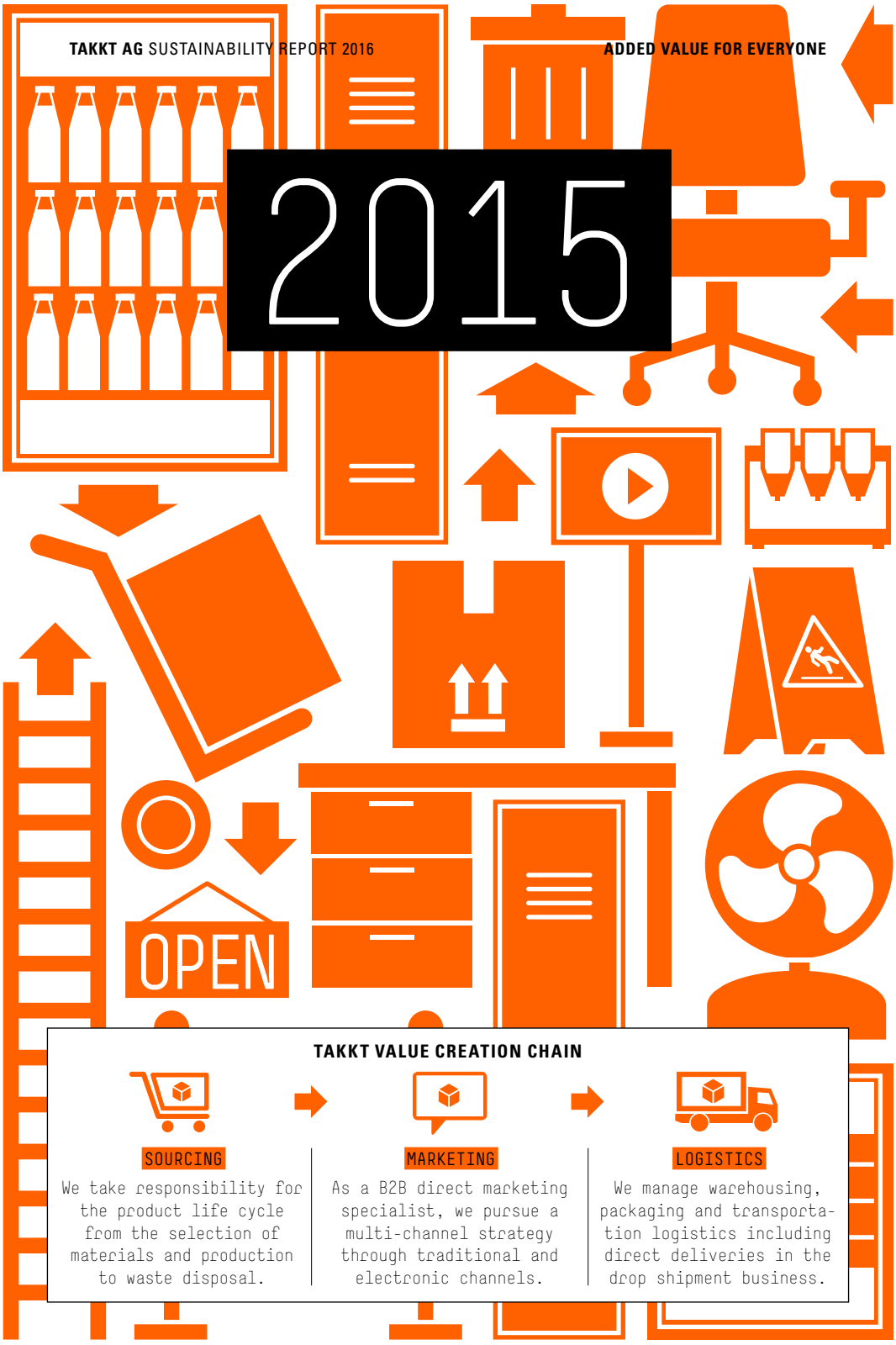
MARKETING

As a B2B direct marketing specialist, we pursue a multi-channel strategy through traditional and electronic channels.

LOGISTICS

We manage warehousing, packaging and transportation logistics including direct deliveries in the drop shipment business.

2015



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10 **CODE OF VALUES**
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SUSTAINABILITY REPORT 2016

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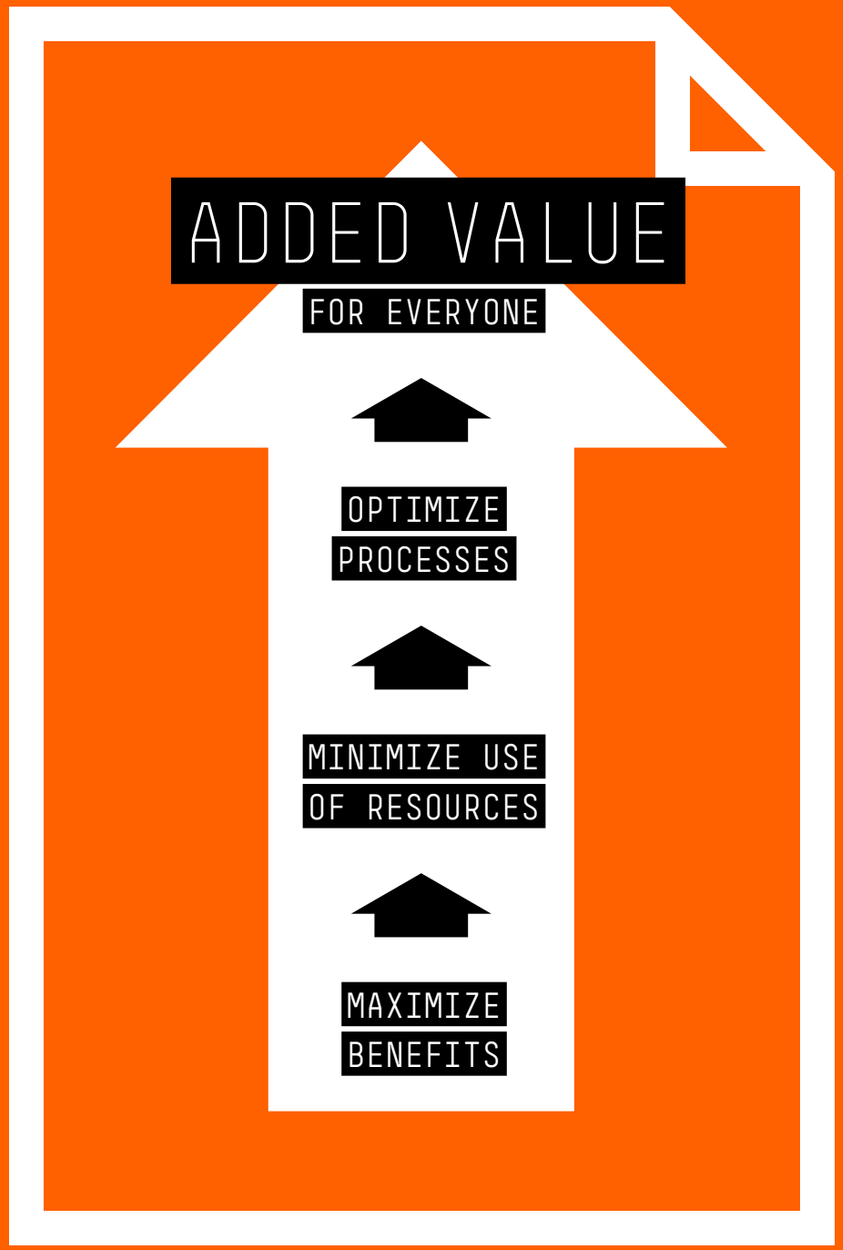
SECTION ONE : POSI-TION

TAKKT AG
BUSINESS EQUIPMENT SOLUTIONS

SUSTAINABILITY REPORT 2016

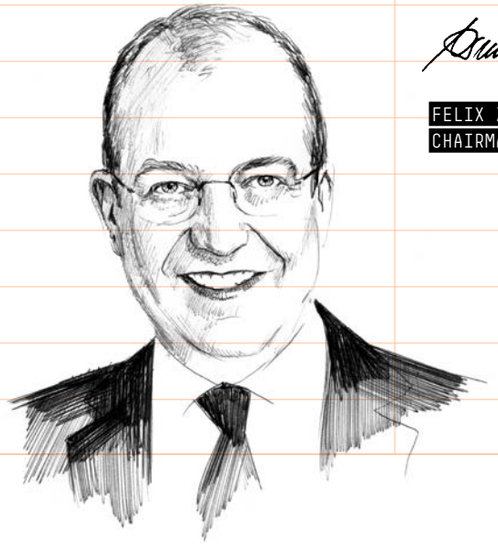


ADDED VALUE FOR EVERYONE

MAXIMIZE BENEFITS

We are of the firm conviction that long-term business success is not possible without sustainable action. In 2011, we began to establish sustainability as an inherent part of our Group-wide corporate strategy. Operational implementation is carried out through our Group-wide SCORE program, which is short for "Sustainable Corporate Responsibility." The three areas that SCORE comprises are core business, environment and commitment, which cover TAKKT's entire value added chain.

Our goal is to create a long-term balance between economic, ecological and social concerns in order to maximize the benefits for all stakeholders. We want to be the role model for sustainability in our industry by the end of 2016.



FELIX ZIMMERMANN
CHAIRMAN OF THE MANAGEMENT BOARD, CEO

ADDED VALUE FOR EVERYONE

MINIMIZE USE OF RESOURCES

TAKKT's single-tier direct marketing model 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, we are continuously working to further reduce the use of resources at all stages of value creation and to be as environmentally friendly as possible. In order to ensure this, we have set clear goals for ourselves and introduced appropriate measures. A Group-wide system of key performance indicators is an important instrument in order to make progress measurable and transparent.

CLAUDE TOMASZEWSKI
MEMBER OF THE MANAGEMENT BOARD, CFO

TAKKT AG SUSTAINABILITY REPORT 2016

ADDED VALUE FOR EVERYONE

OPTIMIZE PROCESSES

In traditional direct marketing, the catalogue was the main sales medium for many decades; this was also the case at TAKKT. With the further development of our business model into a multi-channel PLUS company, we are continuously improving our customer approach. At the same time, we see the growing possibilities that digitalization offers as a clear opportunity. The systematic expansion of the e-commerce business allows us to increase the efficiency of customer-oriented marketing and save on resources at the same time by reducing paper use. However, digitalization also offers great potential internally for speeding up processes and making them more efficient.

DIRK LESSING
MEMBER OF THE MANAGEMENT BOARD

WE THINK AND ACT SUSTAINABLY

ONLINE - SUSTAINABILITY REPORT 2016 AT A GLANCE

TAKKT.DE/SR16

BUSINESS MODEL

TAKKT BUSINESS MODEL

Selection and presentation of a comprehensive and attractive product assortment from a multitude of suppliers.

→ HIGH PRODUCT QUALITY FOR DEMANDING B2B CUSTOMERS

Multi-channel strategy for direct marketing via print, online, tele and field sales.

→ SIMPLE, FAST AND COST-EFFICIENT ORDER TRANSACTIONS IN ALL CHANNELS

Comprehensive and elaborate consulting as well as professional creation of offers. Free sample shipping and long guarantee periods.

→ HIGH CUSTOMER SATISFACTION THROUGH VALUE ADDED SERVICES

Central warehousing and distribution logistics including direct delivery from suppliers.

→ FAST DELIVERY TIMES THROUGH HIGH PRODUCT AVAILABILITY

The TAKKT business model meets customer needs efficiently. In order to do this, we compile a comprehensive, high-quality range of more than 300,000 products from the offerings of hundreds of suppliers. This is complemented by high-quality services and consulting. Our goal is to offer the customer clear added value. Our direct access to a large number of customers in different countries also makes us an attractive partner for our suppliers.

CODE OF VALUES

LIVING VALUES

1 / RESPECTING REALITY

At TAKKT, we ensure that corporate reality is immediately visible and perceptible to staff and management. This means that we communicate transparently and clearly, act in a direct and straightforward manner and managers and employees know how their performance is contributing to the success of the company.

2 / ACTING SYSTEMATICALLY

At TAKKT, we are constantly working on making our actions measurable, scalable and more efficient. The combination of judgement and consistency in the implementation of the TAKKT business model makes it possible to actively manage our profitability and value-creation for the benefit of all stakeholders.

3 / PRACTISING PARTNERSHIP

At TAKKT, we strive to do everything we can to ensure that our customers and suppliers regard us as a partner for our mutual success and that they are highly motivated to work closely together with us. Consistent very high customer satisfaction, outstanding service quality and promoting our mutual benefit are all top priorities for us.We want to be better than the competition.

4 / ENSURING CONTINUITY

At TAKKT, we stand for continuity and reliability, especially in times of change. Our actions are always undertaken with medium- and long-term goals in mind. We are committed to growth with substance, continuous learning and consistent adaptation to changes and new conditions.

5 / TAKING RESPONSIBILITY

At TAKKT, we actively accept our social responsibility and are committed to calling for and promoting ecological and human values. We take care to respect individual and cultural characteristics and consider sustainability an important element of our competitive advantage.

6 / ACTING IN TRUST

At TAKKT, we are true to our word. With that in mind, reliability and transparent behaviour are the benchmark for our actions. Even in case of conflicts, we assume good intentions, provide support and search together for workable solutions. Trust, respect and meeting others on equal terms are essential values for us.

SUSTAINABILITY STRATEGY

HOLISTIC APPROACH

SUSTAINABILITY IS NOT A NEW CONCEPT FOR TAKKT. It has always been an entrepreneurial tradition in the Group 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 the ten universal principles of the Global Compact in the areas of human rights, labor, environment and anti-corruption, and to ensure the principles' propagation.

→ TAKKT.DE/SR16/STAKEHOLDER_DIALOGUE / STAKEHOLDER DIALOGUE AND MATERIALITY ANALYSIS
→ UNGLOBALCOMPACT.ORG/WHAT-IS-GC/PARTICIPANTS/16275 / UN GLOBAL COMPACT: TAKKT PROFILE

SUSTAINABILITY STRATEGY

SCORE

SUSTAINABLE CORPORATE RESPONSIBILITY

SUSTAINABILITY IN DAY-TO-DAY BUSINESS

WITH "SUSTAINABLE CORPORATE RESPONSIBILITY" OR SCORE FOR SHORT, we have established a Group-wide program to integrate sustainability into the structure and nature of the company. This allows us to implement and manage measures across all levels and divisions in 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.

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SUSTAINABILITY REPORT 2016

SUSTAINABILITY STRATEGY

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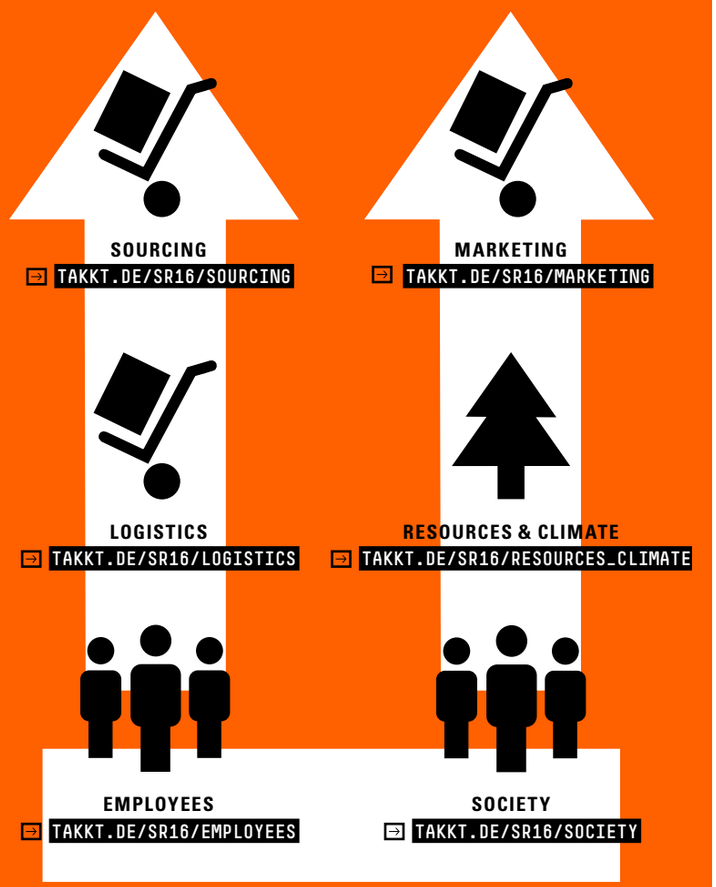
SECTION TWO : ACTION

TAKKTAG
BUSINESS EQUIPMENT SOLUTIONS

SUSTAINABILITY REPORT 2016

Focus areas



FOCUS AREAS

SOURCING

We assume responsibility for the entire life cycle of the products we sell. This includes the sourcing, utilization and disposal of materials and packaging. The excellent quality of our products ensures our customers that the products will have a long useful life.

MARKETING

In line with our multi-channel PLUS strategy, e-commerce is increasingly becoming the most important sales channel. 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.

LOGISTICS

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

RESOURCES & CLIMATE

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

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.

SOCIETY

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

TAKKT AG SUSTAINABILITY REPORT 2016

STATUS 2015

SOURCING

SHARE OF CERTIFIED SUPPLIERS

STATUS 2015	3.1%
STATUS 2014	1.9%
STATUS 2013	pilot project
GOAL 2016	10%

SHARE OF SOURCING VOLUME FROM CERTIFIED SUPPLIERS

STATUS 2015	36.3%
STATUS 2014	23.7%
STATUS 2013	pilot project
GOAL 2016	50%

SALES WITH SUSTAINABLE ("GREEN") PRODUCTS

STATUS 2015	9.6%
STATUS 2014	6.6%
STATUS 2011	1.7%
GOAL 2016	10%

MARKETING

E-COMMERCE SHARE OF ORDER INTAKE

STATUS 2015	36.5%
STATUS 2014	30.1%
STATUS 2011	21.3%
GOAL 2016	40%

PAPER CONSUMPTION PER EUR MILLION TURNOVER

T/EUR MILLION

STATUS 2015	18.2
STATUS 2014	20.8
STATUS 2011	34.9
GOAL 2016	22.7

CARBON EMISSIONS PER KILOGRAM OF PAPER ADVERTISING MATERIALS

KG CO_2/KG PAPER

STATUS 2015	1.59
STATUS 2014	1.80
STATUS 2011	2.35
GOAL 2016	1.41

SHARE OF ADVERTISING MATERIALS MADE FROM FSC/PEFC PAPER

STATUS 2015	98.9%
STATUS 2014	95.3%
STATUS 2011	57.0%
GOAL 2016	100%

LOGISTICS

RANGE OF CARBON-NEUTRAL DELIVERY SOLUTIONS

STATUS 2015

Further expansion of carbon-neutral parcel and general cargo delivery in Europe

GOAL 2016

Range of parcel and general cargo delivery solutions

STATUS 2015

RESOURCES & CLIMATE

CARBON FOOTPRINTS FOR MAJOR COMPANIES

STATUS 2015	10
STATUS 2014	7
STATUS 2011	1
GOAL 2016	10

ENVIRONMENTAL MANAGEMENT SYSTEMS FOR MAJOR COMPANIES

STATUS 2015	3
STATUS 2014	1
STATUS 2011	1
GOAL 2016	7

ENERGY CONSUMPTION AT GER/US LOCATIONS BASED ON LOCATIONS IN 2011

(IN THOUSAND GIGAJOULE)

STATUS 2015	66.4
STATUS 2014	98.9
STATUS 2011	114.9
GOAL 2016	97.7

EMPLOYEES

RECRUITMENT, PROMOTION AND DEVELOPMENT OF TALENTS

STATUS 2015

Setup of systematic human resources development started in all groups

GOAL 2016

Systematic human resources development implemented in all groups

SOCIETY

PERCENTAGE OF EMPLOYEES WHO HAVE THE OPTION OF TAKING PAID LEAVE FOR LOCAL VOLUNTEER INVOLVEMENT

STATUS 2015	37.9%
STATUS 2014	18.4%
STATUS 2011	5.9%
GOAL 2016	30%

SUSTAINABLE REPORTING

TAKKT'S SUSTAINABILITY COMMUNICATION

THE CONDENSED PRINT REPORT

THE ONLINE REPORT

ADDITIONAL DETAILED INFORMATION ON THE TOPIC OF SUSTAINABILITY

WWW.TAKKT.DE/SR16

WE PROMOTE SUSTAINABLE ACTION

ONLINE - GRI-G4 INDICATORS AT A GLANCE

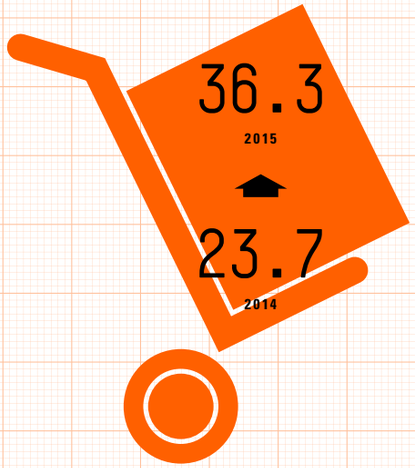
FOCUS AREA SOURCING
TAKKT.DE/SR16/SOURCING

FOCUS AREA LOGISTICS
TAKKT.DE/SR16/LOGISTICS

FOCUS AREA SOURCING

SHARE OF SOURCING VOLUME FROM CERTIFIED SUPPLIERS IN %

GOAL 2016: 50%



SUSTAINABILITY IN THE SUPPLY CHAIN

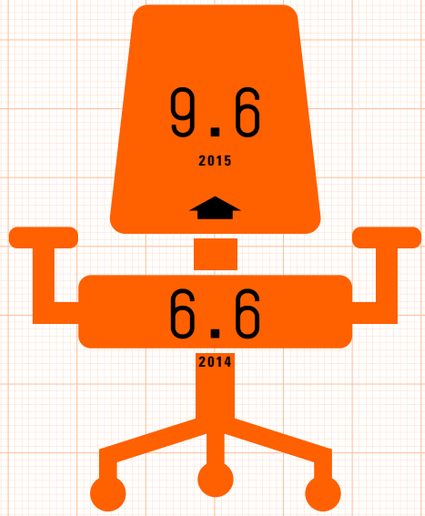
IN 2013, THE TAKKT SUPPLIER EVALUATION PROGRAM for sustainability, based on the internationally recognized EcoVadis platform, was successfully tested in a pilot project with KAISER+KRAFT suppliers. The evaluation is expected to contribute to the systematic analysis, documentation and continuous improvement of sustainability in the supply chain. As of 2014, we have expanded the program to other KAISER+KRAFT suppliers and have started the Group-wide roll-out. Significant purchasing volume has already been evaluated in 2015 in our US companies as well. By the end of 2016, we want to increase the share of certified suppliers to 10%. In 2015 we have already evaluated 3.1% of all suppliers (2014: 1.9%).

- TAKKT.DE/SR16/SUPPLIER_EVALUATION_NBF / INTERVIEW WITH NBF SUPPLIER
- TAKKT.DE/SR16/SUPPLIER_CODE_OF_CONDUCT / TAKKT SUPPLIER CODE OF CONDUCT
- TAKKT.DE/SR16/SUPPLIER_EVALUATION_PROGRAM / SUSTAINABILITY IN THE SUPPLIER EVALUATION PROGRAM

FOCUS AREA SOURCING

SALES WITH SUSTAINABLE ("GREEN") PRODUCTS IN %

GOAL 2016: 10%



GREEN PRODUCTS

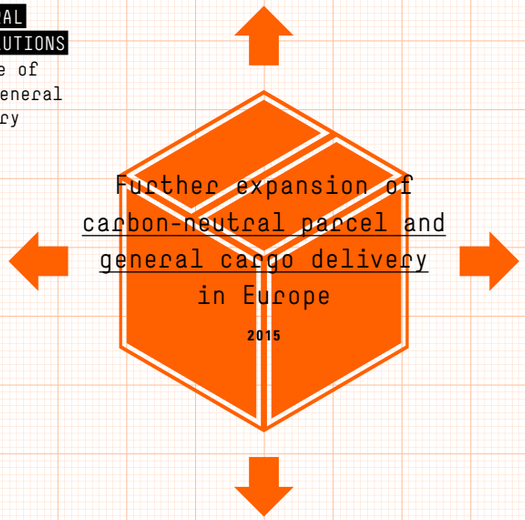
GREEN PRODUCTS MEET THE HIGHEST STANDARDS in terms of environmental impact and sustainability. Together with our partners, we are systematically expanding the range of "green" products further in all Group companies. Wherever possible, we are making use of externally certified products. A successful example is the range of EUROKRAFT Active Green products, for which an environmental performance report certified by the German Association for Technical Inspection (TÜV) was created; the CO_2 emissions generated during production are completely offset. Ratioform offers a broad range of particularly environmentally friendly packaging solutions. In the US, NBF markets a range of sustainably produced office furniture in its web shop.

- KAISERKRAFT.DE/CAMPAIGN/ACTIVEGREEN / EUROKRAFT ACTIVE GREEN PRODUCT RANGE
- NATIONALBUSINESSFURNITURE.COM/GREEN-OFFICE / NBF OFFICE FURNITURE PROGRAM
- RATIOFORM.DE/INFO/RESSOURCEN-SCHONEN / RATIOFORM: ENVIRONMENTALLY FRIENDLY PRODUCTS

FOCUS AREA LOGISTICS

RANGE OF CARBON-NEUTRAL DELIVERY SOLUTIONS

GOAL 2016: Range of parcel and general cargo delivery solutions



CARBON-NEUTRAL SHIPPING ROUTES

IN COMPARISON TO STORE-BASED RETAILING, we avoid emissions with our single-tier direct sales because additional transportation steps are eliminated. At the same time, we want to continuously improve our business model and ship our products in the most environmentally friendly way possible. In addition to parcels, we also deliver general cargo and furniture to our customers. With our logistics partners, we are currently sending carbon-neutral parcels to 15 European countries. This includes all Business Equipment Group (BEG) parcel shipments and the countries Germany, Italy, Spain and Austria for ratioform. KAISER+KRAFT has been providing carbon-neutral delivery of general cargo since the beginning of 2014. By now about 90% of KAISER+KRAFT's shipments within Germany are carbon neutral.

NEWSROOM.HERMESWORLD.COM/CONTENT/HERMES-LIEFERT-CO2-KOMPENSIERT-FÜR-KAISERKRAFT / HERMES CARBON-NEUTRAL DELIVERY
RATIOFORM.DE/INFO/UMWELTBEWUSST-VERPACKEN / CARBON-NEUTRAL DELIVERY AT RATIOFORM

WE MARKET IN A SUSTAINABLE MANNER

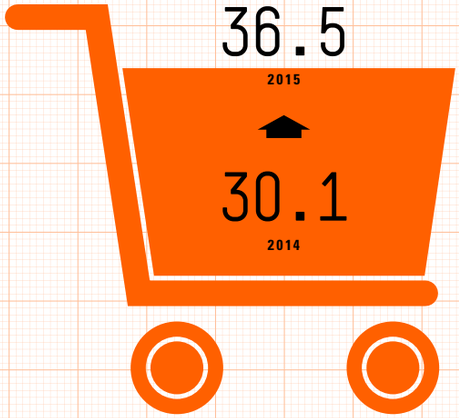
ONLINE - GRI-G4 INDICATORS AT A GLANCE

FOCUS AREA MARKETING
TAKKT.DE/SR16/MARKETING

FOCUS AREA MARKETING

E-COMMERCE SHARE OF ORDER INTAKE IN %

GOAL 2016: 40%



TARGETED CUSTOMER APPROACH

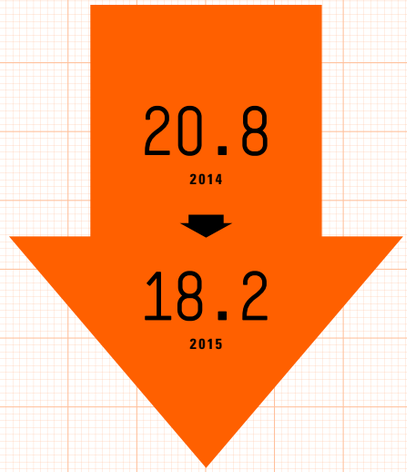
OUR GOAL IN MARKETING is to provide customers with the individually based and needs-oriented information they require for the optimal procurement of their business equipment. We have begun early to expand our e-commerce business in all groups. This way, we offer our customers the possibility to place their orders using different digital channels. The companies acquired in 2015, Post-Up Stand and BiGDUG, also focus heavily on online business.

TAKKT.DE/NB16/BRANDS / OVERVIEW OF TAKKT MULTI-CHANNEL AND WEB-FOCUSED BRANDS

FOCUS AREA MARKETING

PAPER CONSUMPTION PER EUR MILLION TURNOVER IN T/EUR MILLION

GOAL 2016: 22.7



EFFICIENCY MINIMIZES RESOURCE USE

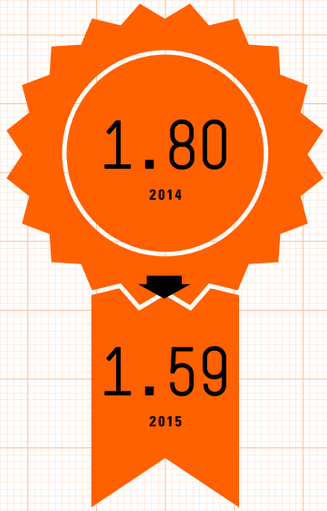
WITHIN THE SCOPE OF THE INTEGRATED MULTI-CHANNEL BUSINESS MODEL, TAKKT pursues a multi-brand strategy that includes multi-channel and web-focused brands. Our multi-channel brands combine traditional catalogue distribution with an online service and – where appropriate – with employees for direct sales calls and field sales to form an integrated offering. With our web-focused brands, we mainly address customers who are focused on price point. Through continuous development of the marketing mix, ongoing maintenance of our address database and expansion of digital channels, we are improving our customer approach, ensuring high advertising efficiency and reducing the amount of printed advertising material at the same time.

TAKKT.DE/SR16/MARKETING_STRATEGY / MARKETING TOOLBOX

FOCUS AREA MARKETING

CARBON EMISSIONS PER KILOGRAM OF PAPER ADVERTISING MATERIALS IN KG CO_2/KG PAPER

GOAL 2016: 1.41



ENVIRONMENTALLY FRIENDLY PRINT ADVERTISING

PRINTED ADVERTISING MATERIAL SUCH AS CATALOGUES are a key medium for customer communication in direct marketing. At the same time, print advertising generates most of the CO_2 emissions in the value added chain at TAKKT. Since 2010, we have been collecting CO_2 emissions data for all printed material in the entire TAKKT Group. This has given us important starting points for continuously reducing emissions through environmentally friendly materials and production processes. We work exclusively with efficient and modern printing houses in order to lower CO_2 emissions further. In future we will only use papers from certified sources (FSC/PEFC) for the production of our print advertising materials. We were able to further increase the high share of 95.3% in 2014 to 98.9% in 2015.

FSC-DEUTSCHLAND.DE / SUSTAINABLE FOREST MANAGEMENT
PEFC.DE / ECOLOGICAL FORESTRY

WE PROMOTE SUSTAINABLE ACTION

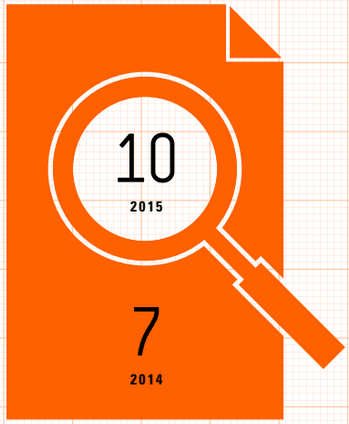
ONLINE - GRI-G4 INDICATORS AT A GLANCE

FOCUS AREA RESOURCES & CLIMATE
TAKKT.DE/SR16/RESOURCES_CLIMATE

FOCUS AREA RESOURCES & CLIMATE

CARBON FOOTPRINTS FOR MAJOR COMPANIES

GOAL 2016: 10



TRANSPARENCY THROUGH CARBON FOOTPRINTS

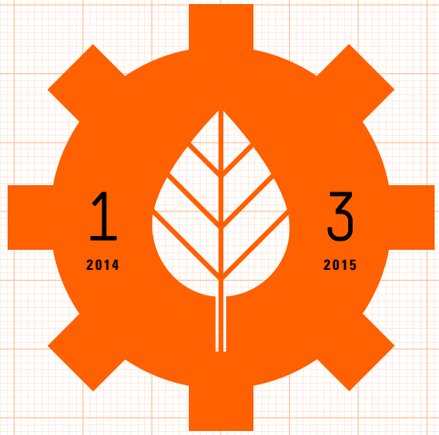
WE ACTIVELY SUPPORT THE CAREFUL HANDLING of natural resources and climate protection. We have successfully participated in the Carbon Disclosure Project (CDP) since 2008 and were named Consumer Discretionary Sector Leader in the DACH region in 2015. This makes TAKKT one of the top seven companies in the industry. We have been collecting the emissions data (CO_2 footprint) on the responsible value added chain for KAISER+KRAFT in Germany since 2011 and in six other European companies since 2013. In 2015 certified carbon footprints were created for Gerdmans in Sweden and for the two US companies HUBERT and Central for the first time. Documentation is carried out in certified carbon footprints according to ISO 14064-1. We introduced a mobility program for all employees at the Stuttgart facility, which rewards CO_2 savings during the daily commute to work.

- CDP.NET / CARBON DISCLOSURE PROJECT
- TAKKT.DE/SR16/CARBON_FOOTPRINT / KAISER+KRAFT GERMANY
- TAKKT.DE/SR16/CO2_SAVERS / MOBILITY PROGRAM

FOCUS AREA RESOURCES & CLIMATE

ENVIRONMENTAL MANAGEMENT SYSTEMS FOR MAJOR COMPANIES

GOAL 2016: 7



MANAGEMENT THROUGH ENVIRONMENTAL MANAGEMENT SYSTEMS

IN MAJOR TAKKT COMPANIES, WE WANT to gradually introduce certified environmental management systems in addition to the existing quality management systems that are in accordance with ISO 9001. An important part of certification is the introduction of a continual improvement process in environmental management. In addition to our Scandinavian company Gerdmans, two other major KAISER+KRAFT companies are already certified according to ISO 14001. Preparations are underway for other companies. At the Stuttgart facility, KAISER+KRAFT successfully participated in the ECOfit project, an initiative for promoting environmental protection through active employee involvement.

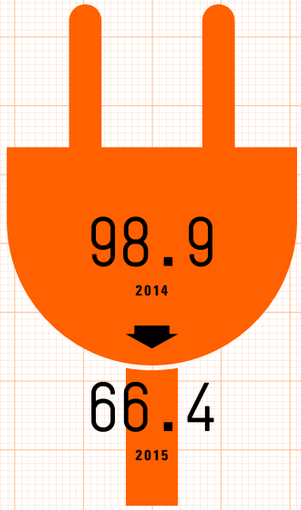
- TUEV-SUED.DE/MANAGEMENT-SYSTEME/UMWELT/ISO-14001 / ISO 14001 CERTIFICATION
- KAISERKRAFT.DE/UEBER-UNS/NACHHALTIGKEIT/ECOFIT/ / ECOFIT PROJECT

FOCUS AREA RESOURCES & CLIMATE

ENERGY CONSUMPTION AT GER/US LOCATIONS BASED ON LOCATIONS IN 2011 IN THOUSAND GIGAJOULE

GOAL 2016: 97.7

Consumption 2015 at all GER/US locations: 102.5



EXPANSION OF ENERGY-SAVING MEASURES

WE WILL CONTINUE TO REDUCE GROUP-WIDE energy consumption and harmful emissions. For example, our American subsidiary HUBERT equipped the roof of its central warehouse with 46,000 square meters of solar panels. Its certification according to the stringent criteria of LEED (Leadership in Energy & Environmental Design) is another confirmation of this facility's powerful focus on sustainability. All our logistics facilities meet high environmental standards. In 2015, the KAISER+KRAFT central warehouse in Kamp-Lintfort was entirely converted to LED lighting.

LIVE.DECKMONITORING.COM/?ID=HUBERT / HUBERT SOLAR PANELS
LEED.NET / LEED-PROGRAM

WE PROMOTE SUSTAINABILITY

ONLINE - GRI-G4 INDICATORS AT A GLANCE

FOCUS AREA EMPLOYEES
TAKKT.DE/SR16/EMPLOYEES

FOCUS AREA SOCIETY
TAKKT.DE/SR16/SOCIETY

FOCUS AREA EMPLOYEES

RECRUITMENT, PROMOTION AND DEVELOPMENT OF TALENTS

GOAL 2016: Systematic human resources development implemented in all groups

TARGETED ADVANCEMENT OF EMPLOYEES

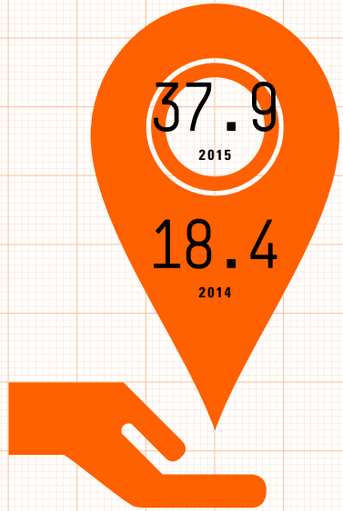
TAKKT VIEWS COMPLIANCE with legal and contractual obligations as well as with ethical principles as being of the highest priority. In order to ensure this and to support our employees in their day-to-day work, we adopted a revised TAKKT Code of Conduct in 2014. The Code of Conduct is derived from our company values and the ten principles of the United Nations Global Compact as well as other international standards. Implementation of the systematic personnel development process has been started in all divisions. In BEG, the talent review and mentoring programs have been developed further and introduced for the first time at the US companies. Ratioform initiated the "Mountain Climber" talent program.

TAKKT.DE/SR16/CODE_OF_CONDUCT / TAKKT CODE OF CONDUCT

FOCUS AREA SOCIETY

PERCENTAGE OF EMPLOYEES WHO HAVE THE OPTION OF TAKING PAID LEAVE FOR LOCAL VOLUNTEER INVOLVEMENT IN %

GOAL 2016: 30%



ASSUMING RESPONSIBILITY LOCALLY

FOR TAKKT, SOCIAL COMMITMENT IS an important part of responsible action. In particular, we actively support the volunteer activities of our employees locally. In addition, we support organizations and institutions that are committed to ecological and social issues. By offering paid leave, we make it possible for our employees to become involved in local projects. Moreover, we introduced the "Engage" program in 2015 at the Stuttgart facility for all employees. At our US companies NBF and Hubert, the Individual Volunteer Time Program (IVT) is a key component of social involvement. In 2015, more than 800 employees throughout the Group had the opportunity to take paid leave to devote their time to social causes on the local level.

BLOG.CERTEO.DE/2015/11/11/CERTEO-SOCIAL-DAY/ / "SOCIAL DAY" AT CERTEO
TAKKT.DE/SR16/VOLUNTEERING / HUBERT VOLUNTEERING PROGRAM

INITIATIVES 2016

WE WANT TO ACCOMPLISH EVEN MORE 2016

Introduction of **environmental management system** at Central certified according to ISO 14001	Expansion of **"Engage" program** in BEG	Introduction of **environmental management system** at ratioform in Germany certified according to EMAS	Range of **carbon-neutral shipping solutions** in the US	Introduction of **energy management system** at KAISER+KRAFT in Germany certified according to ISO 50001

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SUSTAINABILITY REPORT 2016

INITIATIVES 2016

WE WANT TO
ACCOMPLISH EVEN MO
2016

Introduction of **environmental management system** at Central certified according to ISO 14001	Expansion of **"Engage" program** in BEG	Introduction of **environmental management system** at ratioform in Germany certified according to EMAS	Range o **carbon neutra shippi solutio** in the

SECTION THREE : BACK-GROUND

TAKKTAG
BUSINESS EQUIPMENT SOLUTIONS

SUSTAINABILITY REPORT 2016

TAKKT
worldwide

SUSTAINABILITY REPORT 2016

WE ARE TAKKT

ONLINE - SUSTAINABILITY REPORT 2016 AT A GLANCE

TAKKT.DE/SR16

COMPANY PORTRAIT

TAKKT OVERVIEW

THE TAKKT GROUP is a portfolio of B2B direct marketing specialists for business equipment. TAKKT AG as a management holding company is responsible for the strategic management and monitoring of the portfolio companies as well as the control and continuous assessment of the companies according to the same value and growth drivers. The first level of the Group consists of the TAKKT EUROPE and TAKKT AMERICA divisions. At the second level, the TAKKT EUROPE and TAKKT AMERICA divisions are broken down into two and three groups, respectively. In each group, a service company provides centralized services for the individual sales companies, which includes managing the areas of sourcing, marketing, logistics and IT. The multi-channel and web-focused brands act as sales companies that deal with different customer groups in a targeted manner.

LEADING DIRECT MARKETING SPECIALIST FOR BUSINESS EQUIPMENT

1,064
EUR MILLION TURNOVER IN 2015

2,500
EMPLOYEES

300,000
PRODUCTS

3
MILLION B2B CUSTOMERS IN EUROPE, NORTH AMERICA AND ASIA

COMPANY STRUCTURE

VALUE CREATION STATEMENT

CREATING VALUES

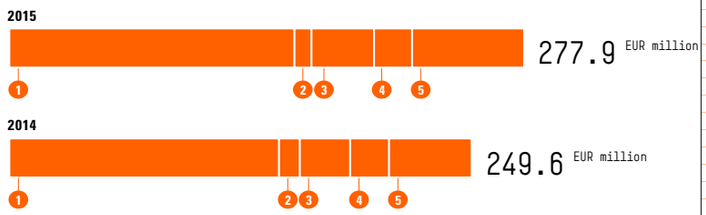
VALUE CREATION

FROM THE CONSOLIDATED INCOME STATEMENT (IN EUR MILLION) → SEE ANNUAL REPORT 2015 - P. 72	2015	2014
Turnover (plus change in inventories and own work capitalized)	**1,064.9**	**981.1**
Other financial result	-0.5	-0.3
Other income	11.2	7.9
Business performance	**1,075.6**	**988.7**
Cost of sales	-611.6	-563.6
Other operating expenses	-152.9	-142.5
Bought-in-costs	**-764.5**	**-706.1**
↓		
Gross value added	311.1	282.6
Depreciation and impairment	-28.0	-26.5
Correction of deferred taxes (according to GRI-G4)	-5.2	-6.5
Net value added	**277.9**	**249.6**

WE INCREASED TURNOVER TO EUR 1,065 MILLION, CORRESPONDING TO A GROWTH OF 8.5% OVER THE PREVIOUS YEAR.

VALUE CREATION STATEMENT

USE OF NET VALUE ADDED ACCORDING TO GRI METHODOLOGY



NET VALUE ADDED → SEE ANNUAL REPORT 2015	2015 (EUR MILLION)	2015 (%)	2014 (EUR MILLION)	2014 (%)
1 Employees (personnel expenses)	154.2	55.5	145.5	58.3
2 Providers of finance (finance expenses)	9.0	3.2	11.3	4.5
3 Government (income tax expenses)	33.7	12.1	27.2	10.9
4 Shareholders (dividends payment during the financial year)	21.0	7.6	21.0	8.4
5 Other uses	60.0	21.6	44.6	17.9

THE BREAKDOWN OF NET VALUE CREATION SHOWS how the amounts generated are returned to the stakeholders who participate in the value creation process, such as employees, creditors, the government, and shareholders. In 2015, the largest portion of net value creation, 55.5%, went to our employees in the form of salaries and social security contributions. 12.1% accounted for tax expenses to the government. 3.2% went to creditors (only financing expenses), 7.6% was paid out to our shareholders. 21.6% remains in the company for investments and acquisitions or is used for loan repayments.

STANDARDS & MEMBERSHIPS

STANDARDS & MEMBERSHIPS

GLOBAL COMPACT

The Global Compact is a program under the auspices of the United Nations. Companies commit to implementing and supporting universal values. These guidelines comprise ten principles in four categories relating to human rights, labor, the environment and anti-corruption.

WWW.UNGLOBALCOMPACT.ORG

TAKKT CODE OF CONDUCT

The TAKKT Code of Conduct serves as the basis for dealing with each other properly as well as for making fair decisions and avoiding violations, thereby safeguarding the reputation and long-term success of the company. The Code is derived from our company values and the ten principles of the United Nations Global Compact.

WWW.TAKKT.DE/SR16/CODE_OF_CONDUCT

GRI

The guidelines of the Global Reporting Initiative (GRI) define uniform, internationally recognized standards for sustainability reporting. The standards are continuously being improved. The fourth generation (G4) of the standards for sustainability reporting has already been introduced.

WWW.GLOBALREPORTING.ORG

CARBON DISCLOSURE PROJECT

The Carbon Disclosure Project (CDP) is a not-for-profit organization that aims to increase transparency for corporate environmental and climate protection worldwide. Greenhouse gas emissions in particular are to be used as a key performance indicator for companies in relation to environmental protection.

WWW.CDP.NET

INDEPENDENT CERTIFICATION

To the management board
of TAKKT AG, Stuttgart

We have reviewed the section "STATUS 2015" of the report "SUSTAINABILITY REPORT 2016" of TAKKT AG, Stuttgart.

The report comprises the period from January 1st to December 31st, 2015. The report was prepared in accordance with the criteria materiality, stakeholder inclusiveness, sustainability context, completeness, balance, comparability, accuracy, timeliness, clarity and reliability speciified in the GRI Guidelines Version 4 of the Global Reporting Initiative (pages 16-18). It is the responsibility of the management board of TAKKT AG to prepare the report. Our task is to provide a confirmation for the section "STATUS 2015" of the report "SUSTAINABILITY REPORT 2016" on the basis of our audit review.

We conducted the audit review on the section "STATUS 2015" of the report "SUSTAINABILITY REPORT 2016" in accordance with the German standards for the audit review of sustainability reports established by the Institute of German Auditors (IDW).

Accordingly, it is required that the audit review is to be planned and performed in such a manner that we can preclude with limited assurance, through critical appraisal, that the report section has not in all material aspects been prepared in accordance with the underlying criteria specified in the GRI Guidelines Version 4 of the Global Reporting Initiative (pages 16-18). An audit review is limited primarily to interviews with personnel of the company and analytical assessments and thus do not provide the assurance that would be obtained on an audit.

Based on our audit review we did not become aware of any facts which lead us to assume that the section "STATUS 2015" of the report "SUSTAINABILITY REPORT 2016" has not been prepared in all material aspects in accordance with the underlying criteria specified in the GRI Guidelines Version 4 of the Global Reporting Initiative (pages 16-18).

Stuttgart, 24 February 2016

Ebner Stolz GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft

Wolfgang Berger
Auditor

Uwe Harr
Auditor

SUSTAINABLE REPORTING

GRI-G4 ONLINE REPORT

Our sustainability reporting implements the guidelines and standards of the Global Reporting Initiative. The current G4 guidelines of the GRI were used in the preparation of the report. The report is in accordance with the requirements of the "G4 Comprehensive" standards. In addition to the condensed contents of the printed report, we also provide detailed information on our sustainability activities on the internet.

TAKKT.DE/SR16

SUSTAINABLE REPORTING

GRI-G4 ONLINE REPORT

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TAKKT.DE/SR16

FACTS & FIGURES

GRI-G4 CONTENT INDEX

Materiality Disclosures
TAKKT AG

Feb 2016
Service

SUSTAINABILITY REPORT 2016

ABOUT THE GRI-G4 CONTENT INDEX

GRI | [Global Reporting Index]

The **2016 TAKKT Sustainability Report** was created in accordance with the guidelines and principles of the Global Reporting Initiative (GRI). The following **GRI-G4 Content Index** documents where disclosures related to each of the GRI requirements can be found within the 2016 TAKKT Sustainability Report. The GRI-G4 Content Index also forms the basis for the **Communication on Progress** (COP) as part of TAKKT's membership in the Global Compact Initiative of the United Nations. The corresponding references are found in the column "Global Compact Advanced Level Criteria" of the GRI-G4 Content Index. An independent audit of the 2016 TAKKT Sustainability Report was completed.

GRI-G4 ONLINE-REPORT
TAKKT.DE/SR2016

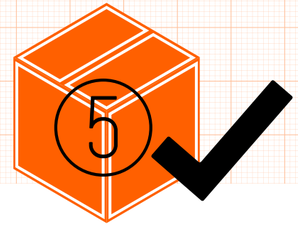
2016

100%

INTRODUCTION OF ENVIRONMENTAL MANAGEMENT SYSTEM AT RATIOFORM-D (EMAS)

INTRODUCTION OF CARBON-NEUTRAL PARCEL SHIPPING SOLUTIONS IN THE US

ROLE MODEL OF OUR INDUSTRY



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TAKKT AG

PO Box 104862
70042 Stuttgart

Presselstrasse 12
70191 Stuttgart
Germany

t +49 711 3465-80
f +49 711 3465-8100

cr@takkt.de
www.takkt.com

DESIGN, EDITORIAL & REALIZATION

Strichpunkt GmbH,
Stuttgart / Berlin
www.strichpunkt-design.de

ILLUSTRATIONS

Elisabeth Moch

PRINTING

Eberl Print GmbH
Immenstadt, Germany
www.eberl.de

VERSIONS

The Sustainability Report is published in German and English. In case of doubt, the content of the German version shall prevail.

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print production

THE GLOBAL COMPACT
WE SUPPORT

The UNITED NATIONS GLOBAL COMPACT promotes the dissemination of ten universally recognized principles from the areas of human rights, working standards, environmental protection and anti-corruption.

CDP

The CARBON DISCLOSURE PROJECT is an international standard for the recording of greenhouse gas emissions.