ANNEX 1:
REMUNERATION SYSTEM FOR BOARD MEMBERS PURSUANT TO SECTION 87A(1) OF THE GERMAN STOCK CORPORATION ACT (AKTG) (AGENDA ITEM 6)

I. PRINCIPLES OF THE REMUNERATION SYSTEM FOR BOARD MEMBERS

The Management Board remuneration system is closely linked to TAKKT's sustainable corporate strategy and makes a key contribution to achieving the corporate goals. The remuneration paid is based on the company's size, its financial position, and the structure and amount of the remuneration paid to Board Members at comparable companies. The remuneration paid to Board Members is made up of non-performance-related and performance-related components. The performance-related components are designed to provide both short-term and long-term incentives. Focusing more on the long-term incentive effect, which is based on the total return of the TAKKT share including paid dividends, brings the Management Board's objectives even closer into line with the interests of the company's shareholders.

The remuneration system set out below applies to all Management Board contracts to be concluded for the first time or extended from January 1, 2020, onwards. With the exception of the contractual safeguard clause that applies in the event of a change of control, the current Management Board contracts of those Board Members that are active at the present time have already been amended to reflect the remuneration system set out below by concluding corresponding amendment agreements, which are also effective as of January 1, 2020.

II. ESTABLISHMENT, REVIEW AND IMPLEMENTATION OF THE REMUNERATION SYSTEM

The Management Board remuneration system was adopted by the Supervisory Board after being prepared by the Personnel Committee in accordance with sections 87(1), 87a(1) AktG. Among other things, the remuneration system was developed by the Personnel Committee based on an expert opinion on the system. The expert opinion on the system formed part of an appropriateness opinion prepared by independent remuneration experts. The Personnel Committee is responsible for preparing the resolutions to be passed by the Supervisory Board on the remuneration system and for reviewing the system on a regular basis. The Personnel Committee and the Supervisory Board take the requirements set out in the German Stock Corporation Act (AktG) into account in all of their remuneration decisions and are guided by the recommendations made in the German Corporate Governance Code and by the following guidelines:

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

The Personnel Committee reviews whether the Management Board remuneration and the individual components are in line with market standards, competitive and appropriate at regular intervals on the basis of appropriateness opinions, and makes proposals for adjustments to the Supervisory Board as and when required. The assessment as to whether the remuneration is in line with market standards, competitive and appropriate is based on a comparison with similar companies (peer group), on the company's economic position and its future prospects, and on the remit and performance of the

Board Member in question. The Supervisory Board conducts regular horizontal and vertical comparisons for this purpose. The horizontal comparison looks at peer group companies, while the vertical comparison assesses the remuneration paid to the Management Board in relation to the remuneration paid to senior executives (level n-1) within the company and the company's workforce as a whole.

The Supervisory Board presents the remuneration system it has adopted to the Shareholders' Meeting for approval after every material change, but at least every four years, and for the first time at the 2021 Shareholders' Meeting. If the Shareholders' Meeting does not approve the system that is presented, the Supervisory Board presents a revised remuneration system to the Shareholders' Meeting for approval at the following ordinary Shareholders' Meeting at the latest.

The Supervisory Board and its Personnel Committee take appropriate measures to ensure that conflicts of interest involving the members of the Supervisory Board involved in the discussions and decisions on the remuneration system are avoided, and that any existing conflicts of interest are resolved. Each member of the Supervisory Board is obliged to report conflicts of interest to the Chairman of the Supervisory Board. The Chairman of the Supervisory Board has to disclose conflicts of interest to his deputy. The Supervisory Board makes decisions on how to deal with a conflict of interest on a case-by-case basis. Possible measures include, in particular, prohibiting a Supervisory Board member who is affected by a conflict of interest from participating in a meeting or from participating in individual discussions or decisions of the Supervisory Board/the Personnel Committee.

III. STRUCTURE OF THE REMUNERATION SYSTEM

1. Remuneration system at a glance

The Management Board remuneration system at TAKKT comprises non-performance-related and performance-related remuneration components, as well as occupational pension benefits. Non-performance-related remuneration comprises a fixed basic salary that is paid monthly, the occupational pension scheme and fringe benefits. Fringe benefits include, for example, the use of a company car and a cellphone. The performance-related (variable) remuneration is based on two components. It comprises a one-year Short Term Incentive Plan (STI), which is based primarily on EBITA as a performance criterion, and a four-year Long Term Incentive Plan (LTI). From 2020 onwards, the LTI will be based exclusively on the development of TAKKT's total shareholder return (TSR), i.e. on the performance of TAKKT shares. The performance-related remuneration component is subject to an overall cap with regard to both the STI and the LTI.

2. Remuneration components and structure

The target total remuneration is defined as the total of non-performance-related remuneration (fixed basic salary, occupational pension and fringe benefits) and variable (performance-related) remuneration (STI and LTI if the target achievement level is 100 %). The annual basic salary makes up between 33 % and 39 % of the target total remuneration for the Board Members. Fringe benefits account for between 1 % and 2 % and the occupational pension scheme makes up 7 % of the target total remuneration. The STI (excluding deferral) corresponds to between 24 % and 29 % of the target total remuneration, while the LTI (including STI deferral) corresponds to between 28 % and 30 %. In line with the focus on performance, this means that the share of variable remuneration exceeds the share of fixed remuneration. The STI (excluding deferral) and LTI (including STI deferral) are split more or less 50/50.

The relevant share of the individual remuneration components can differ slightly for new employee hires and also depending on how individual Board Members make use of the fringe benefits and the individual occupational retirement costs. In addition, the shares set out above can differ in the event that payments are made to new employee hires when they take up their positions. In such cases, the Supervisory Board decides on the amount of such payments at its due discretion.

IV. STRUCTURE OF THE REMUNERATION SYSTEM IN DETAIL

1. Non-performance-related remuneration

a) Fixed basic salary

All Board Members receive an agreed annual basic salary. This is paid out in twelve equal monthly installments.

The amount of the annual basic salary is based on the Board Member's experience and the relevant standard market remuneration paid, based on the horizontal comparison, for the function / responsibility concerned.

b) Occupational pension scheme

aa) Contribution plan

The Board Members receive entitlements for pensions and survivors' benefits in the form of a direct defined contribution commitment to which an annual contribution corresponding to 10 % of the total basic salary plus the contractually agreed STI target amount (100 % target achievement) is made. Contributions are only granted as long as the individual is appointed to the Management Board. Interest rates of 5 % per year are granted for the annual contributions until pension payments begin, and 6 % per year for older contributions. All of the commitments made from 2020 onwards mean that Board Members are entitled to pension payments when they leave the company but not earlier than the member's 62nd birthday. In the case of disability or death, the amount from the pension plan paid out or annuitized is equivalent to what would have been paid if contributions had been made up to the age of 63. The part of this commitment that exceeds the protection ceiling of the statutory agency providing insolvency protection for occupational pension schemes is hedged against insolvency with commercially available products based on a contractual trust agreement.

bb) Deferred compensation

Management Board members may convert parts of their STI payments into additional pension components, graded by age band. The maximum deferred compensation is EUR 75,000 a year in the 61 to 65 age band. By opting to do without gross STI payment amounts, the Board Members acquire benefit component entitlements vis-à-vis the company. The pension benefits are granted as entitlements for pensions and survivors' benefits and in the event of disability. Amounts converted from 2021 onwards bear interest at a rate of 4 % per year until pension payments begin; amounts converted since 2014 bear interest at a rate of 5 % per year.

c) Fringe benefits

The fringe benefits mainly comprise the use of company cars and cellphones. Board Members are also reimbursed for expenses incurred in the interests of the company (travel, representation and hospitality expenses) that they can substantiate by submitting receipts up to the maximum limits permitted under tax law. In addition, accident, luggage and D&O insurance is taken out for the Management Board members, the latter with a deductible of 10 % to be borne by the Board Member.

d) Other fixed remuneration components

The Supervisory Board can grant further payments to new employee hires on a case-by-case basis at its own discretion. These payments can be one-time payments (e.g. to compensate for other remuneration the individual would have been entitled to) or the assumption of costs associated with the move to the company (relocation costs, etc.). Due to the nature of the system for granting LTI tranches, the maximum remuneration is not exceeded for new employee hires in the year they join the company in relation to the payout.

2. Variable (performance-related) remuneration

a) Short Term Incentive Plan (STI)

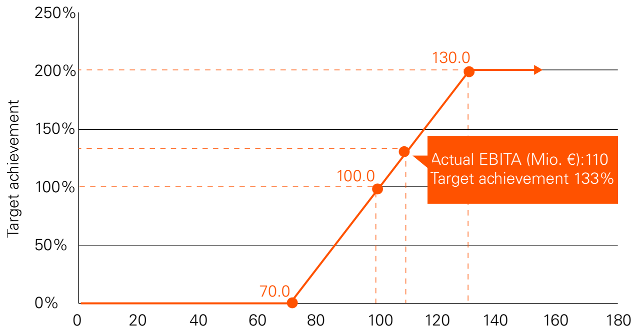
aa) Performance criterion

The operating result of the respective fiscal year before interest, taxes, depreciation and amortization or impairments from purchase price allocations (EBITA) serves as the basis of valuation for the STI. The EBITA is taken directly from TAKKT's audited consolidated financial statements. These financial statements are prepared in accordance with the IFRS regulations that apply at the time, taking into account the latest version of the accounting guidelines.

bb) Target achievement

The target achievement is determined by means of linear interpolation based on a target value within a corridor of minus 30 % (0 % of the target value) to plus 30 % (200 % of the target value).

The target value used to calculate the STI corresponds to the EBITA agreed between the Management Board and the Supervisory Board for the calendar year concerned. The EBITA target value is defined by the Supervisory Board by December 31 before the beginning of the fiscal year to which it applies.



In the example, the EBITA target is EUR 100 million, while the actual EBITA is EUR 110 million. This produces a target achievement of 133 %.

Payments are generally made if the target achievement level lies between 1 % and 200 %. The amount paid out is based on the Board Member's individual performance. Individual performance is measured based on the achievement of individual goals (results) and individual behavior (behavior).

The individual goals are derived from the company's strategic goals and are agreed between the Chairman of the Supervisory Board and the members of the Management Board at the beginning of every fiscal year. They can be quantitative or qualitative goals. They are monitored on an ongoing basis and can be adjusted if necessary. Individual behavior is assessed based on the five TAKKT Core Behaviors:

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

At the end of the fiscal year, the Board Members' performance is evaluated on the basis of a self-assessment as part of a calibration round. Results and behavior are assessed to determine whether a Board Member met, fell short of, or exceeded, expectations. Depending on how the individual aspects are assessed, each Board Member is given a place in a "9-box grid" (see below).

Results \ Behavior	C below expectations	B meets expectations	A exceeds expectations
1 exceeds expectations	Low Performer C1	Core Performer B1	Outstanding Performer A1
2 meets expectations	Low Performer C2	Core Performer B2	Core Performer A2
3 below expectations	Low Performer C3	Low Performer B3	Low Performer A3

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

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

The payout is calculated based on the following formula:

Contractually agreed STI target amount x EBITA target achievement x modifier -> example: EUR 200,000 x 133 % x 1.2 = EUR 319,200

The amount paid is capped at 300 % of the contractually agreed STI target amount.

cc) Payout

Starting in the 2020 fiscal year, 70 % of the target achievement is disbursed in the performance period of the following year, and 30 % is retained for a period of three years after the end of the performance period (known as a deferral). Interest on the deferral is subject to the total shareholder return (TSR), with both positive and negative interest possible. Alongside the LTI, this approach serves to additionally align the bonus to a sustainable corporate performance. Its aim is to prevent the incentivization of the Management Board from being influenced too much by short-term measures to increase income or value.

The TSR is defined as follows:

(number of shares * closing share price) / opening share price - 1

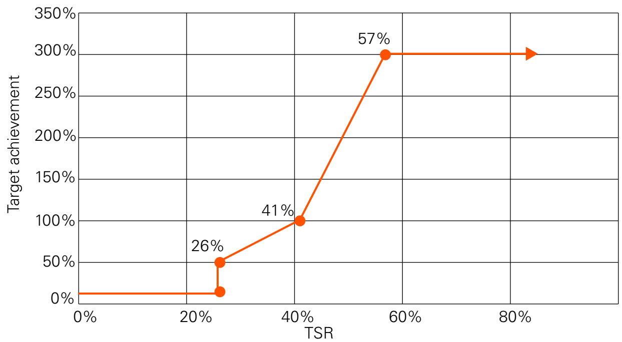
This involves comparing the average closing prices of TAKKT's shares in the XETRA trading system of Deutsche Börse AG over the last 60 stock exchange trading days before the start of the waiting period ("opening share price") with the average XETRA closing prices of the last 60 stock exchange trading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

b) Long Term Incentive Plan (LTI)

aa) Performance criterion and target achievement

The LTIs in the form of performance cash plans are redefined each year and paid out in cash after a period of four years depending on whether the relevant targets are met. For 2020, a performance cash plan was granted that is valid until the end of 2023. The terms did not change structurally in 2020 compared to the previous year. In line with the plan established in 2020, the amount of the performance cash plan to be paid out depends solely on the development of total shareholder return (TSR, see 2 a) cc) for a definition) over the term of the four-year plan. The target value is achieved when the TSR is 9 % per year. The lower threshold that needs to be reached for a payout to be made is 6 % TSR per year. The upper threshold at which the payout is capped is 12 % TSR per year.

Total Shareholder Return (TSR) in performance period



The payout is calculated based on the following formula:

Contractually agreed LTI target amount x TSR target achievement -> example:

Starting share price: EUR 10

Closing share price after 4 years: EUR 14.10 (assuming that no dividends are paid during the performance period)

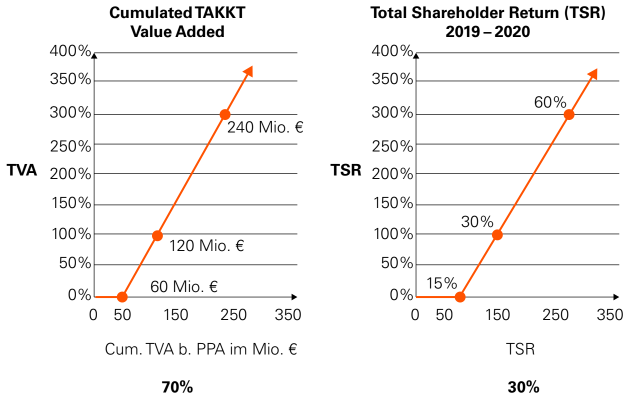
TSR: (EUR 14.10/EUR 10) -1 = 41 % -> corresponds to approx. 9 % TSR per year, meaning that target achievement = 100 %

Payout: EUR 150.000 x 100 % = EUR 150.000

If the lower threshold is reached, the target achievement is 50 % of the contractually agreed LTI target amount. If the upper threshold is reached, the target achievement is 300 %. Linear interpolation is used between 6 % and 9 % TSR per year and between 9 % and 12 % TSR per year.

The established performance cash plans represent a clear orientation of the remuneration of the Management Board along a sustainable increase of the external value of the company.

In addition to the TSR, the still ongoing performance cash plans from 2017, 2018 and 2019 also depend on the amount of the cumulative TAKKT value added (TVA) over the term of the four-year plan. The TVA indicator is used for value-based corporate management and shows whether the interest demand by equity and debt investors will be met over the four-year performance period. The previous weighting between the TSR and TVA, as well as target values and target achievement, is shown in the overview below using the example of the 2019 tranche.



The amount paid out under the performance cash plans is also capped. Depending on the plan, these amounts correspond to 300 % of the contractually agreed LTI target amount.

bb) Payout

Based on the current contractual agreements, the beneficiary has full entitlement to payment of the performance cash plan if the period of employment exists for at least twelve months from the beginning of the term of the performance cash plan. If an individual reaches retirement age or begins or terminates his/her Management Board membership within a calendar year, a pro rata calculation is made in the case of the recently established plan. The payout from the respective performance cash plan is carried out at the end of the four-year term. The payout falls due in the month of the Shareholders' Meeting at which TAKKT's consolidated financial statements for the fiscal year are presented.

3. Other remuneration regulations

a) Penalty/clawback

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

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

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

b) TAKKT Performance Bonds

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

c) Maximum remuneration

Both the individual variable remuneration components and the total amount of all Management Board remuneration components, including fringe benefits and the occupational pension scheme (total remuneration), are capped. The maximum remuneration amount for Management Board members pursuant to section 87a(1) no. 1 AktG (including fringe benefits and occupational retirement costs) amounts to EUR 3,435 thousand per year for the Chairman of the Management Board and EUR 2,437 thousand per year for an ordinary member of the Management Board. The remuneration cannot exceed these amounts.

V. TERM OF MANAGEMENT BOARD CONTRACTS

The term of the Management Board is three years for members being appointed for the first time and up to 5 years for reappointments. There is no option for termination of the Management Board contracts for convenience during their term. Management Board contracts can only be terminated prematurely where there is good cause to do so, in the event of permanent occupational incapacity or by mutual agreement.

The Supervisory Board informs the Board Member no later than nine months before the expiry of their contract whether, and subject to what conditions, the Supervisory Board intends to reappoint the member. The Board Member then has one month to declare whether they accept the reappointment and agree to the conditions offered for the continuation of their contract.

VI. PROVISIONS IF THE MANAGEMENT BOARD CONTRACT IS TERMINATED PREMATURELY

In the current contracts of the Management Board Members, the limit of possible severance payments corresponds to the recommendations of the German Corporate Governance Code. According to the Code, the payments that could be paid in the event of a premature termination of the membership of the Management Board without cause may at most remunerate the remaining term and also not exceed the amount of two annual salaries.

VII. CHANGE OF CONTROL

There is no change of control clause in either new or extended Management Board contracts. Only the LTI tranches issued contain a provision based on which the eligible members receive a payout equivalent to the relevant contractually agreed LTI target amounts at the time of a change of control involving termination of the current LTI tranches.

VIII. POST-CONTRACTUAL NON-COMPETE CLAUSE

There are no post-contractual non-compete clauses. Members are subject to nondisclosure obligations that survive their term of service on the Management Board. These obligations mean that all corporate information and processes which by their nature are not intended for third parties, in particular corporate and operational secrets, must be treated as confidential.

IX. REMUNERATION FOR SUPERVISORY BOARD MANDATES

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

X. TEMPORARY DEVIATION FROM THE MANAGEMENT BOARD REMUNERATION SYSTEM

In special and exceptional circumstances – for example, in the event of a severe economic or financial crisis – the Supervisory Board can deviate from the remuneration system temporarily in accordance with section 87a(2) sentence 2 AktG, provided that the deviations are necessary in the interests of ensuring TAKKT's long-term welfare. General unfavorable market developments are explicitly not

considered to constitute exceptional circumstances. The need for these temporary deviations is reviewed and evaluated by the Personnel Committee, which informs the Supervisory Board of its decision. The Supervisory Board establishes the need for a deviation by passing a resolution.

Even in the event of a deviation, the remuneration paid to the Management Board has to comply with the remuneration system principles set out above and take the guidelines into account. The temporary deviation option is restricted to variable remuneration. Under the existing plan systems, the performance criteria, the calculation system and the weightings attached to the variable remuneration components in relation to each other can be adjusted, or new remuneration components can be added.

If a resolution is passed on a deviation, the circumstances, and in particular the need for the deviation, must be explained in the remuneration report and the remuneration components affected must be specified in accordance with section 162(1) no. 5 AktG.