

Remuneration Report

OF TAKKT GROUP 2023

REMUNERATION REPORT

The remuneration report explains the principles of the remuneration system for the members of the Management Board and Supervisory Board of TAKKT AG and describes the structure and amount of the Management Board remuneration. In addition, it describes the structure and amount of the remuneration of the Supervisory Board. It meets the requirements of the German Stock Corporation Act (section 162 AktG) and follows the recommendations of the German Corporate Governance Code.

A LOOK BACK AT THE 2023 REMUNERATION YEAR

Approval of the remuneration report and the remuneration system by the Shareholders

Pursuant to section 120a(1) sentence 1 AktG, the Shareholders' Meeting of a listed company shall resolve on the approval of the remuneration system for Board Members submitted by the Supervisory Board whenever there is a significant change in the remuneration system, but at least every four years. In order to align the remuneration system of the Management Board with a successful transformation, changes to the remuneration system approved by the Annual General Meeting on May 11, 2021 were resolved by the Supervisory Board on March 23, 2023. Due to these changes the remuneration system for members of the Management Board was resubmitted to the Annual General Meeting for approval. On May 24, 2023, the new remuneration system was approved with 86.96 percent under agenda item 7 and the remuneration report for 2022 was approved with 80.70 percent under agenda item 6 by the Annual General Meeting.

Business development in 2023

In 2023, TAKKT realized a turnover of EUR 1,240.0 million (EUR 1,336.8 million) and therefore 7.2 percent less than in the previous year. Adjusted for the slightly negative exchange rate effects organic growth was minus 5.9 percent. After a cautious start in the first half of the year, demand declined in the second half of the year significantly due to the weak economic environment. In response, TAKKT intensified measures to improve the gross profit margin, cost management and cash generation. TAKKT achieved an EBITDA of EUR

111.9 million (EUR 132.1 million) and increased its free cash flow to EUR 74.0 million (EUR 55.0 million).

Changes in the management board

Lars Bolscho, who has already been working for the TAKKT Group since 2009 and recently as CFO of the Industrial & Packaging Division (I&P), has succeeded Claude Tomaszewski in the CFO position at TAKKT since January 1, 2023.

REMUNERATION SYSTEM AT A GLANCE

Principles of the remuneration system

The Management Board remuneration system is closely linked to TAKKT's 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.

Non-performance-related remuneration comprises a fixed remuneration, the occupational pension scheme and fringe benefits. Fringe benefits include in particular the use of a company car. The amount of the non-performance-related remuneration is based on the Board Member's experience and the relevant standard market remuneration paid, based on the horizontal comparison, for the function respectively responsibility concerned. The components of the performance-related payments consist of the Short Term Incentive Plan (STIP), a remuneration component with a short- and long-term incentive, and the Long Term Incentive Plan (LTIP) in the form of a performance cash plan, a rolling remuneration component that acts as a long-term incentive. In addition, a so called take-off bonus with an incentive effect for the years 2023 and 2024 was assigned once in the 2023 fiscal year.

With particular regard to the performance-related components with a long-term incentive effect, Management Board remuneration is clearly oriented to a sustainable increase in the external value of the company through its direct connection to earnings per share. The STIP is primarily based on the operating

result of the respective fiscal year before interest, taxes and amortization or impairments from purchase price allocations (EBITA) as a performance criterion. Since 2020, the LTIP has been based exclusively on the development of TAKKT’s total shareholder return (TSR), i.e. on the performance of TAKKT shares as well as the dividend. The take-off bonus, which is structured as a performance share plan, is based on the cumulative EBITA for the years 2023 and 2024 and the TAKKT share price. The performance-related remuneration components are subject to an overall cap with regard to the STIP, the LTIP as well as the take-off bonus.

Appropriateness of remuneration

The remuneration system was developed by the Personnel Committee and was based in part on an expert report. The expert opinion on the system was 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. In all of their remuneration decisions, the Personnel Committee and the Supervisory Board take the requirements set out in the German Stock Corporation Act (AktG) into account. Furthermore, they are guided by the recommendations made in the German Corporate Governance Code and by the following guidelines:

- › Performance-based focus of the remuneration system (Pay for Performance)
- › 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 regularly reviews on the basis of appropriateness reports whether the Management Board remuneration and the individual components are in line with market standards, are competitive as well as appropriate and makes proposals for adjustments to the Supervisory Board if required. The assessment whether the remuneration is in line with market standards and is competitive and appropriate is based on a comparison with similar companies (peer-group), on the company’s economic position and future prospects, and on the tasks and performance of

the respective Board Member. The Supervisory Board regularly conducts horizontal and vertical comparisons for this purpose. The horizontal comparison looks at comparable companies, while the vertical comparison assesses the remuneration paid to the Management Board in relation to the remuneration paid to top executives within the company and the company’s workforce as a whole.

Following its renewed review in 2023, the Supervisory Board came to the conclusion that the level of Management Board remuneration and pensions are appropriate from a legal point of view in accordance with section 87(1) AktG.

Peer-Group

Company	Index
Amadeus FiRe AG	SDAX
Cancom SE	SDAX
Carl Zeiss Meditec AG	MDAX
CEWE Stiftung & Co. KGaA	SDAX
CTS Eventim AG & Co. KGaA	MDAX
DEUTZ AG	SDAX
Drägerwerk AG & Co. KGaA	SDAX
Elring Klinger AG	–
Fielmann AG	SDAX
GFT Technologies SE	SDAX
Grenke AG	SDAX
Hamburger Hafen und Logistik AG	–
Heidelberger Druckmaschinen AG	SDAX
HORNBACH Holding AG & Co. KGaA	SDAX
Jenoptik AG	MDAX
Klöckner & Co SE	SDAX
Koenig & Bauer AG	–
Nemetschek SE	MDAX
NORMA Group SE	SDAX
Pfeiffer Vacuum Technology AG	SDAX
Redcare Pharmacy NV	MDAX
Scout24 SE	MDAX
SGL Carbon SE	SDAX
SMA Solar technology AG	MDAX
Ströer SE & Co. KGaA	MDAX
Vossloh AG	SDAX

Target remuneration and maximum remuneration

Target remuneration

The total target remuneration is defined as the total of non-performance-related remuneration (fixed remuneration, occupational pension scheme and fringe benefits) and performance-related remuneration in the event of a target achievement of 100 percent. The fixed remuneration makes up between 32 and 40 percent of the total target remuneration for the Board Members. Fringe benefits account for between one and three percent and the occupational pension scheme makes up between six and eight percent of the total target remuneration. The portion of the STIP with a short-term incentive (STIP without deferral) corresponds to between 16 and 30 percent of the total target remuneration; the performance-related remuneration with a long-term incentive (LTIP and STIP deferral) corresponds to between 20 and 33 percent. In line with the focus on performance, this means that the share of performance-related target remuneration exceeds the share of non-performance-related remuneration. In addition, the long-term performance-related remuneration components outweigh the short-term ones.

In the 2023 financial year, the total target remuneration is increased once by the share of the variable (performance-related) take-off bonus. The share of the take-off bonus of the total target remuneration for the year 2023 is 14 to 23 percent.

The following table shows the individual target remuneration of each Management Board member and the relative shares of the individual compensation elements as a proportion of total target remuneration.

Maximum remuneration

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. Payout of the STIP and LTIP as well as the take-off bonus is capped at 300 percent of the target value per plan.

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 p.a. for the CEO and EUR 2,437 thousand p.a. for the CFO. The remuneration cannot exceed these amounts.

Target remuneration

	Maria Zesch (since 08/01/2021)				Lars Bolscho (since 01/01/2023)			
	2022		2023		2022		2023	
	EUR thousand	in %	EUR thousand	in %	EUR thousand	in %	EUR thousand	in %
Fixed salary	450	38%	450	32%	-	-	300	34%
Fringe benefits	20	2%	26	2%	-	-	6	1%
Company pensions	85	7%	85	6%	-	-	50	6%
Non-performance-related target remuneration	555	47%	561	40%	-	-	356	41%
STIP without deferral	280	24%	280	20%	-	-	138	16%
STIP deferral	120	10%	120	8%	-	-	59	6%
LTIP	221	19%	250	18%	-	-	123	14%
Take-Off Bonus	-	-	200	14%	-	-	200	23%
Performance-related target remuneration	621	53%	850	60%	-	-	520	59%
Total target remuneration	1,176	100%	1,411	100%	-	-	876	100%

STRUCTURE OF THE REMUNERATION SYSTEM IN DETAIL

Non-performance-related remuneration

Fixed remuneration

All Management Board members receive an agreed basic annual 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 respectively responsibility concerned.

Fringe benefits

The fringe benefits mainly comprise the use of company cars. Board Members are also reimbursed for expenses incurred in the interests of the company (travel, representation and hospitality expenses). In addition, accident, luggage and D&O insurance is taken out for the Management Board members, the latter with a deductible of ten percent to be borne by the Board Member. In accordance with section 93(2) sentence 3 AktG, this deductible corresponds to no more than one and a half times the fixed remuneration.

Occupational pension scheme

The Board Members receive pensions and survivors' benefits in the form of a direct defined contribution commitment to which an annual contribution is made that corresponds to ten percent of the sum of the basic salary and the contractually agreed STIP target amount. The granting of the contribution is linked to the term of appointment as a member of the Management Board. Interest of five percent p.a. is granted for annual contributions until the occurrence of the insured event, and six percent p.a. for older contributions. Board members are entitled to pension payments when they leave the company but not before reaching the age of 60. 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 using standard market products on the basis of a contractual trust agreement.

Other fixed remuneration components

The Supervisory Board can grant further payments to new appointments 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 (e.g. relocation costs).

Performance-related remuneration

Short Term Incentive Plan (STIP)

EBITA, a key figure for the short-term operating earning power of the TAKKT Group, serves as the basis of valuation for the STIP. The target achievement is determined by means of linear interpolation based on a target value within a corridor of minus 30 percent (zero percent of the target value) to plus 30 percent (200 percent of the target value). The target value of the EBITA is set by the Supervisory Board based on the annual operating plan in line with the multi-year planning.

The value, which is determined in accordance with the target corridor, is multiplied by a modifier of zero to two based on the assessment of individual targets (results) as well as individual conduct (behavior). The results and the behavior are assessed to determine whether a Board Member meets, is below, or exceeds expectations. Depending on the assessment of the two aspects, each Board Member is positioned in a "9-box grid." 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

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

The individual goals are agreed between the Chairman of the Supervisory Board and the members of the Management Board for each fiscal year. They can be quantitative or qualitative. The quantitative targets include revenue, profit and cash flow targets. The qualitative goals are divided into:

- › Strategic goals (e.g. an elaboration of growth strategies for individual divisions derived from the corporate strategy or functional strategies, such as in the area of sustainability),
- › Execution goals (e.g. improvements in processes or defined control KPIs such as the Customer Net Promotor Score) and
- › Talent targets (e.g. building and expanding leadership teams, cultural changes).

Each individual target is assessed separately at the end of the year according to the scale described above. The assessment is made on a summary basis, taking into account the relevance of the individual targets for the success of the company. 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. Our customer is the center of everything we do.
- › Empower others: We engage our employees through open feedback, collaboration, transparency and teamwork.
- › Improve every day: We challenge the status quo and quickly embrace change. We keep it simple and impactful.
- › Take ownership: We are accountable for our targets and always deliver on our commitments.
- › Compete for success: We are determined to win with a clear drive to reach our goals. We have the courage to make difficult decisions.

70 percent of the compensation linked to target achievement is paid out in the following year, 30 percent is retained for a period of three years after the end of the respective fiscal year (known as deferral).

Interest on the deferral is subject to the total shareholder return (TSR), with both positive and negative interest possible. The TSR reflects the development of the share taking into account the share price development and the reinvested dividends.

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).

In the 2022 fiscal year, EBITA was above the defined EBITA target value, resulting in a target achievement of 139 percent with regard to the financial component of the STIP. With a target achievement of "meets expectations" in regards to the individual targets (results) as well as regarding the individual behavior (behavior), Maria Zesch achieved a modifier of 1.0. Claude Tomaszewski received the STIP 2022 including deferral in December 2022. This was based on a financial target achievement of 135 percent and a pre-agreed modifier of 1.0. The difference to the actual financial target achievement of EUR 15 thousand was paid to him in May 2023.

The STIP target achievement based on the multiplicative linking of the financial and financial and individual components can be seen in the the following overview.

STIP 2022 payout in financial year 2023

	Target value (100%) in EUR thousand	Financial target achievement in %	Modifier for individual target achievement	Total target achievement in %	STIP incl. Deferral in EUR thousand	STIP-Payout in EUR thousand
Maria Zesch (since 08/01/2021)	400	139%	1.0	139%	556	389
Claude Tomaszewski (until 12/31/2022)	410	139%	1.0	139%	570	15 ¹

¹ In December 2022, Claude Tomaszewski was already paid an amount of EUR 555 thousand for the STIP 2022.

Long Term Incentive Plan (LTIP)

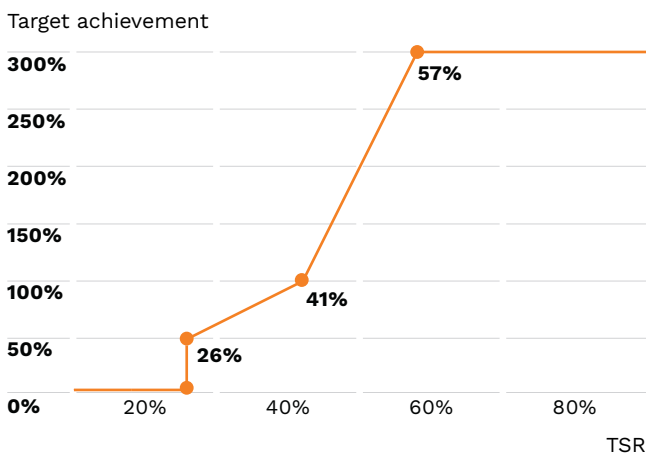
The LTIPs are launched each year in the form of performance cash plans and paid out in cash after a period of four years depending on whether the relevant targets are met. For 2020, 2021, 2022 and 2023, performance cash plans were granted which are due at the end of 2023, 2024, 2025 and 2026, respectively. The amount to be paid out depends solely on the development of total shareholder return (TSR) over the term of the four-year plan. The TSR is defined in line with the calculation of interest on the STIP deferral.

The target value is achieved when the TSR is nine percent p.a. The lower threshold that needs to be reached for a payout to be made is six percent TSR p.a. The upper threshold at which the payout is capped is twelve percent TSR p.a.

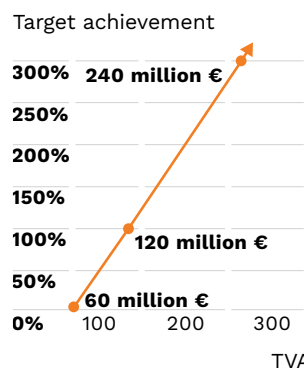
If the lower threshold is reached, the target achievement is 50 percent of the contractually agreed LTIP target amount. If the upper threshold is reached, the target achievement is 300 percent. Linear interpolation is used between six and nine percent TSR p.a. and between nine and twelve percent TSR p.a.

In addition to the TSR with a target weighting of 30 percent, the performance cash plans from 2018 and 2019 also depend on the amount of the cumulative TAKKT Value Added (TVA) with a target weighting of 70 percent 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 TVA is defined as the difference between the profit generated and the cost of capital on the average capital employed. The profit generated is determined on the basis of the EBIT (adjusted for amortization of intangible assets resulting from acquisitions), which is deducted by the income tax expense and increased by the other financial result.

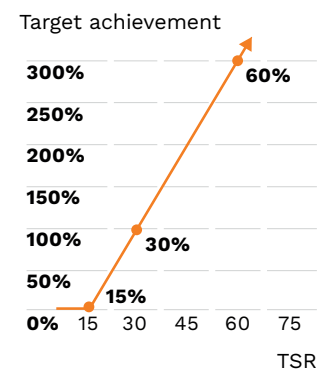
Total Shareholder Return (TSR)



Cumulative TAKKT Value Added (TVA) 2019 – 2022



Total Shareholder Return (TSR) 2019 – 2022



With a total shareholder return just above the lower hurdle of six percent and a cumulative adjusted TVA of EUR 17 million (adjusted, among other things, for the effects of the change in accounting for lease contracts from the 2019 fiscal year onwards), the target achievement and payout for the year 2023 of the LTIP tranche 2019-2022 were as follows:

Calculation of the target achievement level of LTIP 2019 – 2022

	Target	Weighting	Total
TVA	0%	70%	0%
TSR	6%	30%	2%
Sum			2%

Calculation of LTIP 2019 – 2022 payout in fiscal year 2023 in EUR thousand

	Target value	Target	Total
Felix Zimmermann	212	2%	4
Heiko Hegwein	135	2%	3
Claude Tomaszewski	135	2%	3
Dirk Lessing	113	2%	2
Sum			12

TAKKT Take-Off Bonus

The target amount of the take-off bonus allocated on a one-time basis in the 2023 fiscal year is EUR 200 thousand (gross) per Board Member. The performance target for the take-off bonus is the cumulative EBITA for the 2023 and 2024 financial years. The structure of the take-off bonus in the form of a performance share plan takes into account the TAKKT share price including dividends as a further performance criterion.

At the beginning of the performance period (“allocation date”), the Management Board members are granted a provisional number of virtual performance shares. The provisional number of virtual performance shares granted is calculated by dividing the individual agreed target amount for the take-off bonus by the average closing price for the TAKKT AG share over the last 60 trading days before the allocation date (“starting price”).

At the end of the performance period, the final number of virtual performance shares will be determined. If the cumulative EBITA over the performance period is below the defined EBITA target, the final number of virtual performance shares is zero. If the cumulative EBITA over the performance period equals the defined EBITA target, the final number of virtual performance shares is equal to the provisional number of virtual performance shares. If the cumulative EBITA of the performance period exceeds the defined EBITA target, the final number of virtual performance shares is equal to the provisional number of virtual performance shares plus an additional number of virtual performance shares allocated for exceeding the EBITA target.

The final payout amount of the take-off bonus is calculated by multiplying the final number of virtual performance shares by TAKKT AG’s share price at closing date over the last 60 trading days before the end of the performance period (“closing price”) plus the dividend payment for TAKKT AG shares during the performance period (“dividend equivalent”). The final payout amount is limited to 300 percent of the target amount for the take-off bonus (cap).

Malus/Clawback

TAKKT may, in justified cases, demand the partial or full reimbursement of an already paid out STIP or LTIP 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.

In the 2023 fiscal year, TAKKT AG did not claw back or reduce any variable remuneration.

BENEFITS IN THE EVENT OF TERMINATION OF SERVICES

Occupational pension scheme

The following table lists the contributions made during their board activity to pension plans, current service costs for the year under review and the present values of obligations for the members of the Management Board in accordance with IAS 19.

Payments in the event of early termination

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 may not exceed the amount of two annual salaries. Other sources of income are not taken into account. The right to a severance payment does not apply in the event of extraordinary termination of the contract of employment by the company for good cause.

Claude Tomaszewski resigned from the Management Board at his own request on December 31, 2022. In relation to the premature termination of his Board position, a severance payment of EUR 1,742 thousand was paid out in January 2023.

Pension commitments in EUR thousand

	Contribution to company pension plan		Service cost according to IAS 19		Pension obligation according to IAS 19	
	2022	2023	2022	2023	2022	2023
Maria Zesch (since 08/01/2021)	85	85	181	121	168	297
Lars Bolscho (since 01/01/2023)	-	50	-	70	-	76
Total	85	135	181	191	168	373

“REMUNERATION GRANTED AND OWED” IN ACCORDANCE WITH SECTION 162(1) SENTENCE 1 AKTG

Pursuant to section 162(1) sentence 1, sentence 2 no. 1 AktG, all fixed and variable remuneration components “granted and owed” to the individual members of the Management Board in the 2023 fiscal year must be disclosed. The values stated for both the STIP and LTIP for the 2023 fiscal year therefore include all benefits actually received in the respective fiscal year, regardless of the fiscal year for which they were received by the members of the Management Board. Accordingly, the 2023 STIP corresponds to the amount of the STIP from the 2022 fiscal year, which was disbursed in the 2023 fiscal year in accordance with the contractual agreement. The 2019 LTIP therefore corresponds to the amount for the LTIP whose four-year term ended on December 31, 2022 and which was disbursed in the 2023 fiscal year in accordance with the contractual agreement.

In accordance with section 162(5) AktG, the personal information of former Management Board members is no longer included if they left before December 31, 2013.

Remuneration granted and owed in accordance with section 162(1) sentence 1 AktG of the current members of the Management Board in EUR thousand

	Maria Zesch (since 08/01/2021)				Lars Bolscho (since 01/01/2023)			
	2022		2023		2022		2023	
	EUR thousand	in %	EUR thousand	in %	EUR thousand	in %	EUR thousand	in %
Fixed salary	450	74%	450	52%	-	-	300	98%
Fringe benefits	6	1%	26	3%	-	-	6	2%
Non-performance-related remuneration	456	75%	476	55%	-	-	306	100%
STIP 2021/2022	153 ¹	25%	389	45%	-	-	-	-
LTIP 2018/2019	-	-	-	-	-	-	-	-
Performance-related remuneration	153	25%	389	45%	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total remuneration (section 162(1) sentence 1 AktG)	609	100%	865	100%	-	-	306	100%

1 Pro rata from August 2021

Remuneration granted and owed in accordance with section 162(1) sentence 1 AktG of the former members of the Management Board in EUR thousand

	Claude Tomaszewski (until 12/31/2022)		Tobias Flaitz (until 12/20/2021)		Felix Zimmermann (until 05/11/2021)	
	2022	2023	2022	2023	2022	2023
	Fixed salary incl. Fringe benefits	367	-	-	-	-
STIP	1,051	15 ²	353	-	-	-
LTIP	528	3	-	-	-	4
Pensions	-	-	-	-	-	-
Other ³	-	1,742	640	-	-	-
Total remuneration	1,946	1,760	993	-	-	4

2 Payment of STIP 2022 for Claude Tomaszewski with EUR 555 thousand in 2022 and EUR 15 thousand in 2023

3 Severance payment in relation to premature termination of Board position

	Heiko Hegwein (until 09/30/2020)		Dirk Lessing (until 10/31/2019)		Franz Vogel (until 02/28/2014)	
	2022	2023	2022	2023	2022	2023
	Fixed salary incl. Fringe benefits	-	-	-	-	-
STIP	-	-	-	-	-	-
LTIP	-	3	-	2	-	-
Pensions	-	-	-	-	94	96
Other	-	-	-	-	-	-
Total remuneration	-	3	-	2	94	96

REMUNERATION OF THE SUPERVISORY BOARD

Each member of the Supervisory Board of TAKKT AG generally receives a fixed annual salary of EUR 55 thousand. The Chairman of the Supervisory Board receives double that amount; the Deputy Chairman receives EUR 25 thousand in addition to his fixed annual salary. Members of a Supervisory Board committee generally receive an additional fixed salary of EUR 3 thousand. The Chairman of the Supervisory Board committee receives double that amount; the Deputy Chairman receives one and a half times that amount. In addition, for each meeting of the Supervisory Board or a committee that they attend, each

member receives an attendance fee of EUR 500 per day in attendance.

In addition, TAKKT AG offers the members of the Supervisory Board compensation for expenses. Remuneration related to activities on the Supervisory Board and committees is not paid out until the following fiscal year. Attendance fees are paid at the end of the month in the respective fiscal year. For better comparability of the annual change in remuneration, the attendance fees shown in the following table and in the table for comparative presentation are treated as if they had also been paid in the following year.

Remuneration granted and owed of the current and former members of the Supervisory Board

2023	Fixed payments		Committee remuneration		Attendance fees		Total
	EUR thousand	in %	EUR thousand	in %	EUR thousand	in %	EUR thousand
Thomas Schmidt	110.0	93%	6.0	5%	2.5	2%	118.5
Johannes Haupt	80.0	86%	10.5	11%	2.5	3%	93.0
Florian Funck	55.0	89%	4.0	7%	2.5	4%	61.5
Thomas Kniehl	55.0	91%	3.0	5%	2.5	4%	60.5
Dorothee Ritz (until 05/18/2022)	20.8	93%	-	-	1.5	7%	22.3
Christian Wendler (until 05/18/2022)	20.8	91%	1.1	5%	1.0	4%	22.9
Alyssa Jade McDonald-Bärtl (since 05/18/2022)	34.2	97%	-	-	1.0	3%	35.2
Aliz Tepfenhart (since 05/18/2022)	34.2	92%	1.9	5%	1.0	3%	37.1

2022	Fixed payments		Committee remuneration		Attendance fees		Total
	EUR thousand	in %	EUR thousand	in %	EUR thousand	in %	EUR thousand
Thomas Schmidt	90.3	93%	3.8	4%	2.5	3%	96.6
Johannes Haupt	80.0	92%	4.5	5%	2.5	3%	87.0
Florian Funck	74.7	94%	2.2	3%	2.5	3%	79.4
Thomas Kniehl	55.0	96%	-	-	2.5	4%	57.5
Dorothee Ritz (until 05/18/2022)	55.0	96%	-	-	2.5	4%	57.5
Christian Wendler (until 05/18/2022)	55.0	91%	3.0	5%	2.5	4%	60.5
Alyssa Jade McDonald-Bärtl (since 05/18/2022)	-	-	-	-	-	-	-
Aliz Tepfenhart (since 05/18/2022)	-	-	-	-	-	-	-

The fixed remuneration, remuneration for additional committee activities, attendance fees and the lack of performance-related Supervisory Board remuneration are specifically intended to reinforce the independence of the Supervisory Board members.

COMPARATIVE PRESENTATION OF THE DEVELOPMENT OF REMUNERATION OF MANAGEMENT BOARD MEMBERS, SUPERVISORY BOARD MEMBERS AS WELL AS THE REMAINING WORKFORCE AND THE EARNINGS DEVELOPMENT OF THE COMPANY

In order to comply with the requirements of section 162(1) sentence 2 no. 2 AktG, the following table shows the percentage change in the remuneration of the Management Board members, the Supervisory Board members and average remuneration of employees (full-time equivalents) as well as the earnings development of the Company compared with the previous year.

The remuneration of the Management Board members included in the table reflects the amounts actually received in the respective fiscal year. These values correspond to the values stated in the tables on

remuneration “granted and owed” in accordance with section 162(1) sentence 1 AktG. For better comparability of the remuneration, payments in the event of early termination of Board membership are not taken into account. Where members of the Management Board only received pro rata remuneration in the individual fiscal years (e.g. due to joining the company during the year), the remuneration for this fiscal year was projected for the full year in order to ensure comparability.

In accordance with section 162(1) sentence 2 no. 2 AktG, the comparative presentation also includes the annual change in the “earnings development of the Company”. “Company” in the meaning of section 162(1) sentence 2 no. 2 AktG is understood to be the legally independent, listed individual company (TAKKT AG). Since the remuneration of the Management Board members is also largely dependent on the development of Group key figures, the development of EBITA in the TAKKT Group is also included.

Since the employee and remuneration structures in the subsidiaries are diverse, particularly in the case of employees abroad, comparison of the development of average remuneration of the employees is based on the average remuneration of the workforce of the German subsidiaries of the TAKKT Group. In order to ensure comparability, the remuneration of part-time employees was extrapolated to full-time equivalents.

Comparative presentation of the annual change in the compensation of Management Board members and the Supervisory Board members as well as the average employee compensation and earnings development

	Change 2023 vs. 2022 in %	Change 2022 vs. 2021 in %	Change 2021 vs. 2020 in %	Change 2020 vs. 2019 in %	Change 2019 vs. 2018 in %
Current members of the Management Board in 2023 fiscal year					
Maria Zesch (since 08/01/2021)	5%	81%	–	–	–
Lars Bolscho (since 01/01/2023)	–	–	–	–	–
Former members of the Management Board					
Claude Tomaszewski (until 12/31/2022)	– 98%	35%	– 24%	– 14%	– 2%
Tobias Flaitz (06/01/2020 until 12/20/2021)	– 100%	– 31%	57%	–	–
Felix Zimmermann (until 05/11/2021) ¹	–	– 100%	3%	– 11%	– 1%
Heiko Hegwein (02/01/2018 until 09/30/2020) ¹	–	– 100%	– 70%	– 11%	116%
Dirk Lessing (until 10/31/2019) ¹	–	– 100%	– 60%	– 84%	3%
Franz Vogel (until 02/28/2014)	2%	3%	1%	4%	2%
Current members of the Supervisory Board in 2023 fiscal year					
Alyssa Jade McDonald-Bärtl (since 05/18/2022)	–	–	–	–	–
Aliz Tepfenhart (since 05/18/2022)	–	–	–	–	–
Thomas Schmidt (since 05/15/2019)	23%	108%	– 20%	–	–
Florian Funk	– 23%	– 17%	– 1%	83%	0%
Johannes Haupt	7%	24%	– 20%	8%	0%
Thomas Kniehl	5%	24%	– 20%	10%	0%
Former members of the Supervisory Board					
Dorothee Ritz (until 05/18/2022)	3%	24%	– 20%	13%	0%
Christian Wendler (05/10/2017 until 05/18/2022)	0%	24%	– 19%	10%	0%
Stephan Gemkow (until 05/15/2019)	–	–	–	0%	0%
Employees					
Average employee compensation	– 3%	6%	6%	6%	2%
Performance					
Annual profit / loss TAKKT AG	– 47%	86%	30%	– 4%	– 26%
EBITA TAKKT Group	– 18%	22%	33%	– 50%	– 11%

¹ No payment was made in 2022, therefore no percentage information possible

OTHER DISCLOSURES

Deferred compensation

Management Board members may convert parts of their STIP payments into additional pension components on a graduated basis according to age group (deferred compensation). By opting to do without gross STIP 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 four percent p.a. until pension payments begin; and at five or six percent p.a. for older contributions.

From their board activity, there are pension obligations to the members of the Management Board from deferred compensation in the amount of EUR 0 thousand (EUR 373 thousand). In the 2023 fiscal year, EUR 0 thousand (EUR 50 thousand) was contributed to this plan.

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.

The return of this instrument results from a basic interest rate plus a premium or discount determined

according to the performance of the TAKKT Group (TAKKT value added). The subscription amount as well as the attainable return have an upper limit. There are liabilities of EUR 179 thousand (EUR 221 thousand) to members of the Management Board from TAKKT Performance Bonds.

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 STIP. The amounts are offset such that the remuneration received in the course of a fiscal year is offset against the STIP payable by the company for that year.

Miscellaneous

With respect to the members of the Management Board, there are the usual receivables and liabilities from appointment and employment contracts.

The members of the Management Board did not receive any benefits from third parties in the 2023 or 2022 fiscal years, which were either promised or granted to them in connection with their service on the Management Board.

As of December 31, 2023, the members of the Management Board held 345 (none) shares in TAKKT AG.

INDEPENDENT AUDITORS’ REPORT ON THE AUDIT OF THE REMUNERATION REPORT PURSUANT TO SECTION 162(3) OF THE GERMAN STOCK CORPORATION ACT (AKTG)

To **TAKKT AG, Stuttgart**

Audit opinion

We have formally audited the remuneration report of Takkt AG, Stuttgart, for the fiscal year from January 1 to December 31, 2023, to verify whether the disclosures pursuant to section 162(1) and (2) AktG have been made. In accordance with section 162(3) AktG, we have not audited the factual accuracy of the remuneration report.

In our judgment, the disclosures pursuant to section 162(1) and (2) have been made in the enclosed remuneration report in respect of all material matters. Our audit opinion does not extend to the factual accuracy of the remuneration report.

Basis for the audit opinion

We carried out our audit of the remuneration report in accordance with section 162(3) AktG, paying due regard to the Audit Standard of the Institute of Public Auditors in Germany (IDW) “Auditing the Remuneration Report pursuant to Section 162(3) AktG” (IDW AuS 870 (08.2021)). Our responsibility pursuant to this regulation and this standard is described in more detail in the “Auditor’s responsibilities” chapter of our report. We applied the requirements of the IDW Standard on Quality Management “Requirements for Quality Management in Audit Firms” (IDW QMS 1 (09.2022)) as our audit practice. We complied with the professional obligations pursuant to the German Public Accountant Act (WPO) and the Professional Code of Conduct for Auditors/Certified Accountants, including the independence requirements.

Responsibilities of the management board and the supervisory board

The Management Board and the Supervisory Board are responsible for the preparation of the remuneration report, including the corresponding disclosures, that meets the requirements of section 162 AktG. In addition, they are responsible for the internal control that they deem necessary to enable the preparation

of a remuneration report, including the corresponding disclosures, that is free from material misstatement due to fraud (i.e. manipulation of financial reporting and misappropriation of assets) or error.

Auditor’s responsibilities

Our objective is to obtain reasonable assurance about whether the disclosures pursuant to section 162(1) and (2) AktG have been provided in respect of all material matters in the remuneration report and to issue an audit opinion in this regard in a report.

We planned and conducted our audit in such a way that we were able to determine the formal completeness of the remuneration report by comparing the disclosures made in the remuneration report with the disclosures required by section 162(1) and (2) AktG. In accordance with section 162(3) AktG, we did not verify the factual accuracy of the disclosures, the factual completeness of individual disclosures or the appropriate presentation of the remuneration report.

Approach to dealing with any misleading information

In connection with our audit, we are responsible for paying due regard to knowledge gained during the audit of the annual financial statements when reading the remuneration report and remaining alert as to whether the remuneration report contains misleading information in respect of the factual accuracy of the disclosures, the factual completeness of individual disclosures or the appropriate presentation of the remuneration report.

If, on the basis of the audit we have carried out, we conclude that such misleading information is present, we are required to report that fact. We have nothing to report in this regard.

Stuttgart, March 15, 2024

RSM Ebner Stolz GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft



Christian Fuchs
Wirtschaftsprüfer
(German Public Auditor)



Sonja Kolb
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