To our customers, shareholders, business partners and employees.
WHAT WE HAVE ACCOMPLISHED SO FAR

Progress in achieving objectives

- Goal for 2016 already met
- Progress according to plan
- No significant progress

SOURCING

Pilot project conducted with 20 suppliers
No significant progress
Share of 2% in 2011 increased to 4%

MARKETING

- Reduced by 29% compared to 2011
- 1.5x more carbon efficient than trading systems with supply chain management
- Share of 57% in 2011 increased to 89%
- Reduced by 34% compared to 2011

LOGISTICS

- Pilot project for climate neutral cargo shipping
- 1 additional company in certification process
- Reduced by 7% compared to 2011

RESOURCES & CLIMATE

- 7 certified companies
- Launch of Lift human resource development program
- 9% of our employees have the option of taking paid leave for local volunteer involvement

EMPLOYEES

- Over 1,500 training sessions
- 9% of our employees have the option of taking paid leave for local volunteer involvement
- 7 certified companies

SOCIETY

- Over 1,500 training sessions
- 9% of our employees have the option of taking paid leave for local volunteer involvement
- 7 certified companies

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WE DELIVER

TAKKT AT A GLANCE

- LEADING DIRECT MARKETING SPECIALIST FOR BUSINESS EQUIPMENT
- 3 MILLION B2B CUSTOMERS IN EUROPE, NORTH AMERICA AND ASIA
- 200,000 PRODUCTS
- 2,500 EMPLOYEES
- EUR 163 MILLION TURNOVER IN 2013

TAKKT ADDED VALUE

- Selection and presentation of a comprehensive and attractive product assortment from a multitude of suppliers.
- Multi-channel strategy for direct marketing via print, online, telemarketing and field sales.
- Comprehensive and elaborate consulting as well as professional creation of offers.
- Free sample shipping and long guarantee periods.
- Central warehousing and distribution logistics including direct delivery from supplier.
- Fast delivery times through high product availability.

The United Nations Global Compact promotes the dissemination of this report.
WE DELIVER

**SOURCING**
- Pilot project conducted with 20 Suppliers
- Share of 3% in 2011 increased to 4%

**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.

**RESOURCES & CLIMATE**
- Reduced by 29% compared to 2011
- Share of 75% in 2011 increased to 88%
- Reduced by 34% compared to 2011

**EMPLOYEES**
- Launch of LIFT human resource development program
- 9% of our employees have the option of taking paid leave from work for local volunteer involvement

**SOCIETY**
- **GLOBAL REPORTING INITIATIVE**
- **UN SUSTAINABLE DEVELOPMENT GOALS**
- **UN GLOBAL COMPACT**
- **CDP**

**MATERIALITY MATTERS**
- **GLOBAL REPORTING INITIATIVE** provides guidelines for the compilation of corporate sustainability reports.
- **UN GLOBAL COMPACT** was established to encourage companies to align their activities with the UN's ten principles.

**TRADE VALUE CREATION CHAIN**
- We take responsibility for the selection of materials and production to waste disposal.
- As a B2B direct marketing specialist, we pursue a multi-channel strategy through traditional and electronic channels.
- We manage warehousing, packaging and transportation logistics including direct deliveries in the drop shipment business.
The Sustainability Report is published in German and English. In case of doubt, the content of the German version shall prevail.
We deliver

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Strategy

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Sourcing
Focus area
Logistics

08 – 09 | TAKKT
Strategy

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Employees
Focus area
Society

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2016 goals

We encourage our partners to act sustainably

We promote sustainability

We market sustainably

We go further

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.

The Carbon Disclosure Project is an international standard for the recording of greenhouse gas emissions.

The Global Reporting Initiative develops guidelines for the compilation of sustainability reports. The present report is in accordance with the requirements of the "G4 Comprehensive" Standard.
Responsible and sustainable action requires commitment and constant attention. As part of management, it is our responsibility to lead as role models in this area.
An interview with the Management Board members of TAKKT AG: Felix Zimmermann, Dirk Lessing and Claude Tomaszewski.

THE TAKKT SUSTAINABILITY REPORT 2014 IS TITLED “WE DELIVER”. WHICH RESULTS HAVE YOU BEEN ABLE TO ACHIEVE?

Felix Zimmermann: We have made good progress towards our goal of becoming a role model for sustainability in our industry by 2016. As a B2B direct marketing specialist, it is certainly an advantage to have a generally sustainability-focused business model with customer relationships oriented on the long-term. We consider sustainability to be an integral part of responsible business practice. 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. As a result, the foundation was laid for implementing and managing measures across all levels and groups in the day-to-day business. This typical TAKKT approach of proceeding in a structured, systematic manner has proven effective. Along with the progress made, I am very pleased with the positive response from our customers. This shows us that we are on the right path.

Claude Tomaszewski: We have set clear objectives for ourselves in all focus areas and taken steps to make TAKKT even more sustainable. It was especially important for us to create transparency concerning the results and progress that have been achieved. We have therefore developed clear parameters at TAKKT in order to be able to show our economic, environmental and social performance. In this context, we align ourselves with internationally recognized standards such as the indicators of the Global Reporting Initiative and the principles of the United Nations Global Compact. Transparent reporting furthers our credibility and emphasizes the great significance of our sustainable business practices.

Dirk Lessing: It is our job to implement these standards in the day-to-day business. For example, the production of our worldwide print advertising materials requires considerable resources and is therefore a key issue for us, which deserves particular attention. In this area, we were able to further optimize communication with the customer and minimize waste coverage. Both resulted in a significant decrease in paper consumption. We have also made considerable progress internationally by switching to advertising materials from certified sustainable paper sources. At the same time, we have increased the share of electronic media through the expansion of our multi-channel strategy.

SUSTAINABLE REPORTING
WE ARE TAKING A NEW APPROACH WITH OUR 2014 SUSTAINABILITY REPORT.

The printed report provides compact and fact-based information about sustainability at TAKKT. The foundation for this are the goals, strategies and measures described in our 2012 Sustainability Report, which have been integrated into the organization and everyday processes. All indicators relevant to the GRI, comprehensive detailed information and additional materials can be found online by following the marked links on: takkt.de/SR2014
WHERE DO YOU SEE THE GREATEST POTENTIAL TO MAKE TAKKT’S BUSINESS MODEL EVEN MORE SUSTAINABLE?

■ Felix Zimmermann: Sustainability does not end at the company boundaries. For us, sharing values means ensuring sustainable action together with our business partners across the entire supply chain.

We want to expand our responsibility for society through the development of local initiatives supported by the local employees.

■ Dirk Lessing: In addition, the careful use of resources and protection of our environment is a challenge that has to be met every day. We want to achieve measurable progress with the creation of carbon footprints and the introduction of environmental management systems for our companies. This also applies to our core processes, thus we will consistently expand the range of resource-saving ‘green’ product lines and increase carbon neutral shipping.

■ Claude Tomaszewski: Our employees play an important role worldwide. Their commitment is the key to our success. We launched the LIFT human resources development program with the aim of systematically recruiting, developing and promoting employees. Our goal is to have implemented the findings in the largest group of the company by the end of 2015 and then roll them out successively in the TAKKT Group.

MR. ZIMMERMANN, IN CLOSING, LET’S TAKE A LOOK TOWARDS THE FUTURE. IS THE GOAL TO DEVELOP TAKKT INTO AN INDUSTRY ROLE MODEL FOR SUSTAINABILITY WITHIN SIGHT?

■ Felix Zimmermann: If we were still a 4 on a scale from 1–10 two years ago, I think that we have reached at least a 6 today. We have integrated sustainability in the entire organization and have already met many goals that we had originally set for the end of 2014. Of course, that does not mean that we can just lean back and relax now. On the contrary, we have set ambitious goals for ourselves and are constantly working on becoming better. Therefore, I am still convinced that we will succeed in becoming a role model for our industry by 2016.

CARBON EFFICIENT DIRECT MARKETING

■ TAKKT’S SINGLE-TIER DIRECT MARKETING is not only efficient, it is also sustainable because emissions are avoided due to the elimination of additional transportation steps. In contrast to trading systems with local stores, the TAKKT business model is 1.5 times more carbon efficient. [TAKKT.DE/SR14/DIRECT_MARKETING]
LIVING VALUES

→ → → TAKKT’s value code reflects the special character of the company and the features of the business model.

# 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.
WE CREATE VALUE SUSTAINABLY

BECAUSE LONG-TERM PROFITABLE GROWTH IS ONLY POSSIBLE IF WE ACT SUSTAINABLY.
ENSURING LONG-TERM CORPORATE SUCCESS

→→→ We want to become the world’s leading direct marketing specialist for business equipment and the role model for sustainability in our industry by 2016.

→→→ SUSTAINABILITY IS NOT A NEW CONCEPT FOR TAKKT. It has long been an entrepreneurial tradition in the Group to manage all resources as carefully as possible. We view sustainability as the long-term balance between economic, environmental and social interests.

→→→ IN 2011, WE BEGAN TO ESTABLISH SUSTAINABILITY AS AN INHERENT PART OF OUR GROUP-WIDE CORPORATE STRATEGY. The SCORE sustainability program was established for the operational implementation and incorporation at the organizational level. The Management Board is directly responsible for the program, which is coordinated by management employees in each group. A guideline for sustainable action is the United Nations Global Compact, which we have actively supported since 2012. We aim to qualify for the “Advanced Level” with our current report. TAKKT is committed to complying with the ten universal principles of the Global Compact in the areas of human rights, working standards, environmental protection and anti-corruption, and to ensure their propagation.

→→→ WE HAVE IDENTIFIED SIX FOCUS AREAS IN THE DEVELOPMENT OF TAKKT’S SUSTAINABILITY STRATEGY. They are derived from our long-term strategic goals, the ongoing evaluation of all business processes as well as the expectations and requirements of our stakeholders. Guided by the principles of sustainability, we actively support environmental and climate protection in our core business and take responsibility for our products – during manufacturing, marketing and distribution. We are also committed to the concerns of our employees and those in our social environment.

Through the systematic expansion of the e-commerce business, we increase marketing efficiency and protect resources at the same time. We have added a sustainability certification and code of conduct to our supplier evaluation program. These measures will improve the quality and security in sourcing.

With programs for training and continuing professional development and by expanding the promotion of the social involvement of our employees, we want to further foster motivation.

All of this contributes to improving our sustainable actions every day. In order to ensure our progress in all six areas of activity, we have set binding goals for ourselves for 2016. 

ADDITIONAL INFORMATION ONLINE

TAKKT.DE/SR14/SUSTAINABILITY
STAKEHOLDER DIALOGUE AND MATERIALITY ANALYSIS
UNGLOBALCOMPACT.ORG/PARTICIPANT/16275-TAKKT-AG
GLOBAL COMPACT: TAKKT PROFILE

FOCUS AREAS

SOURCING
TAKKT.DE/SR14/SOURCING

LOGISTICS
TAKKT.DE/SR14/LOGISTICS

MARKETING
TAKKT.DE/SR14/MARKETING

RESOURCES & CLIMATE
TAKKT.DE/SR14/RESOURCES.CLIMATE

EMPLOYEES
TAKKT.DE/SR14/EMPLOYEES

SOCIETY
TAKKT.DE/SR14/SOCIETY
WE ENCOURAGE OUR PARTNERS TO ACT SUSTAINABLY

WE SUPPORT THE SUSTAINABLE ACTION OF OUR BUSINESS PARTNERS BECAUSE WE ASSUME THE RESPONSIBILITY OF ENSURING SUSTAINABILITY IN OUR SUPPLY CHAIN.
**FOCUS AREA SOURCING**

### SUSTAINABILITY IN THE SUPPLY CHAIN

**SUSTAINABILITY DOES NOT END** where the company ends; especially for us as a commercial enterprise with diverse supplier relationships, it is important to consider the entire supply chain. With the integration of relevant sustainability criteria in the existing supplier evaluation program, we want to systematically record, document and improve sustainability in our supply chain.

In a pilot project carried out in 2013, 20 KAISER+KRAFT suppliers successfully tested the evaluation process based on the internationally recognized EcoVadis platform, which will be extended to include other companies and suppliers. In the medium term, we want to capture all suppliers with relevant sourcing volumes in this way. In addition, we have developed a binding code of conduct for all suppliers, which will be introduced in the entire Group in 2014.

**Expansion of supplier sustainability evaluation program:**

- **IN A PILOT PROJECT CARRIED OUT IN 2013,** 20 KAISER+KRAFT suppliers successfully tested the evaluation process based on the internationally recognized EcoVadis platform, which will be extended to include other companies and suppliers. In the medium term, we want to capture all suppliers with relevant sourcing volumes in this way. In addition, we have developed a binding code of conduct for all suppliers, which will be introduced in the entire Group in 2014.

**SHARE OF EVALUATED SUPPLIERS WITH PRODUCTION PLANTS IN COUNTRIES WITH LOWER ENVIRONMENTAL AND SOCIAL STANDARDS**

- **WITHIN THE SCOPE OF OUR PILOT PROJECT,** three suppliers with production plants in risk countries were evaluated.

2014 **GOAL:**

- Expansion of supplier sustainability evaluation program: 20% of the suppliers in risk countries evaluated.

**ADDITIONAL INFORMATION ONLINE**

- takkt.de/sr14/supplier.evaluation
- takkt.de/sr14/supplier.codeofconduct
- ecovadis.com

**FOCUS AREA SOURCING**

### GREEN PRODUCTS

**TOGETHER WITH OUR PARTNERS,** we are systematically expanding the range of ‘green’ products. These products meet the highest standards in terms of environmental impact and sustainability. Through our early and active involvement along the entire value creation chain, we can ensure the use of particularly environmentally-friendly and resource-saving development and manufacturing processes.

A successful example is the range of EUROKRAFT Active Green products, for which an environmental balance sheet certified by the German Association for Technical Inspection (TÜV) was created; the carbon emissions generated during production are completely offset. Ratioform offers a broad range of particularly environmentally friendly packaging solutions. In the USA, NBF markets a range of outdoor furniture in its web shop that is made from 100% recycled materials.

**SALES WITH SUSTAINABLE PRODUCTS**

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2013</th>
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<tbody>
<tr>
<td>1.7</td>
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<tr>
<td>4.4</td>
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</tbody>
</table>

**2014 GOAL:**

- Increase share of Sales with sustainable products to 5%.

**ADDITIONAL INFORMATION ONLINE**

- kaiserkraft.de/campaign/activegreen
- nationalbusinessfurniture.com/green-office
- ratioform.de/info/ressourcen-schonen

**FOCUS AREA LOGISTICS**

### CARBON-NEUTRAL DELIVERY SOLUTIONS

**IN COMPARISON TO TRADING SYSTEMS** with local stores, we avoid emissions with our single-tier direct marketing business model 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, which account for around half of our shipping volume at KAISER+KRAFT Germany, we also deliver general cargo and furniture to our customers.

With our logistics partners, we already send carbon neutral parcels to 15 European countries. After parcel delivery, general cargo deliveries account for the second-most shipments. Together with a major logistics company in Germany, we are therefore currently developing a system for recording and offsetting carbon emissions in order to provide climate-neutral deliveries of general cargo. The first climate-neutral deliveries will be carried out at the beginning of 2014.

**SHARE OF DELIVERY TYPES IN CUSTOMER DELIVERIES FOR KAISER+KRAFT GERMANY**

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2013</th>
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<tbody>
<tr>
<td>49</td>
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<tr>
<td>40</td>
<td></td>
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<tr>
<td>11</td>
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</table>

**2014 GOAL:**

- Range of delivery solutions for which the carbon emissions from the delivery of goods is offset.

**ADDITIONAL INFORMATION ONLINE**

- dhl.com/gogreen
- ups.com/carbonneutral

**TAKKT AG**
WE MARKET SUSTAINABLY

BECAUSE ONLY A DIVERSIFIED, RESOURCE-SAVING MARKETING STRATEGY HAS THE GREATEST IMPACT.
GOAL-ORIENTED CUSTOMER APPROACH AS SUSTAINABILITY FACTOR

Our goal in marketing is to provide our customers with the individually-based and needs-oriented information they require for the optimal procurement of their business equipment. Within the scope of the integrated multi-channel business model, TAKKT pursues a multi-brand strategy which includes multi-channel and web-focused brands. This allows us to serve customers of different sizes and requirement profiles in a targeted manner.

Our multi-channel brands combine traditional catalogue distribution, which is more attractive to medium-sized and large companies, with an online service and – where appropriate – with employees for tele and field sales to form an integrated offering. For major customers, we also offer individual e-procurement solutions to optimize sourcing processes. With our digital web-focused brands, we address primarily smaller companies and new customers with comparatively low requirements and who are more concerned about product price.

Through continuous development of the marketing mix, ongoing maintenance of our address database and expansion of the digital channels, we are improving our customer approach, ensuring high advertising efficiency and are also able to reduce the amount of print advertising materials. This way we achieve high customer satisfaction and low process costs.

Through optimization of the marketing mix, we have been able to reduce the relative paper consumption per EUR million of turnover by 29% since 2011.

Goal-oriented customer approach as sustainability factor of our business model.

ENVIRONMENTALLY-FRIENDLY PRINT ADVERTISING

Printed advertising materials such as catalogues are a key medium for customer communication in direct marketing. At the same time, print advertising generates most of the carbon emissions in the value creation chain at TAKKT. Since 2010, we record all of the carbon emissions (cradle to gate) of the 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.

89% of our advertising material already originates from certified sustainable paper sources (FSC/PEFC). With this, our goal of 85% for 2014 has already been met. The efficient use of advertising materials and the resources to produce them are key parameters for TAKKT to ensure the sustainable success of our business model.

E-COMMERCE SHARE OF ORDER INTAKE (IN %)

<table>
<thead>
<tr>
<th>2013</th>
<th>2011</th>
</tr>
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<tbody>
<tr>
<td>28.0%</td>
<td>21.3%</td>
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</table>

Note:
Key figure in multi-channel business model to capture changes in order behavior.

ADDITIONAL INFORMATION ONLINE

TAKKT.DE/SR14/MARKETING_STRATEGY
INTERVIEW WITH DIRK L EssING ON TAKKT MARKETING STRATEGY

PAPER CONSUMPTION PER EUR MILLION TURNOVER (IN T/EUR MILLION)

<table>
<thead>
<tr>
<th>2011</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>34.9</td>
<td>24.9</td>
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</tbody>
</table>

2014 GOAL:
Reduction of paper consumption to 33.2 tons per EUR million turnover.

ADDITIONAL INFORMATION ONLINE

TAKKT.DE/SR14/BRANDS
OVERVIEW OF TAKKT MULTI-CHANNEL AND WEB-FOCUSED BRANDS

CARBON EMISSIONS PER KILOGRAMM OF PAPER ADVERTISING MATERIALS (IN KG CO2/KG PAPER)

<table>
<thead>
<tr>
<th>2011</th>
<th>2013</th>
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<tbody>
<tr>
<td>2.35</td>
<td>1.56</td>
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</tbody>
</table>

2014 GOAL:
Reduction of carbon emissions per kilogram of advertising materials to 2.23 kg CO2 per kg of paper.

ADDITIONAL INFORMATION ONLINE

IC.FSC.ORG
SUSTAINABLE FOREST MANAGEMENT
PEFC.ORG
ECOLOGICAL FORESTRY
WE ACT SUSTAINABLY

BECAUSE ONLY BY ACTING IN A SYSTEMATIC MANNER CAN WE SECURE OUR ENVIRONMENTAL RESOURCES IN THE LONG TERM.
**FOCUS AREA RESOURCES & CLIMATE**

### TRANSPARENCY THROUGH CARBON FOOTPRINTS

**WE ACTIVELY SUPPORT THE CAREFUL HANDLING** of natural resources and climate protection. We have participated in the Carbon Disclosure Project (CDP) since 2008 and were named index leader on the SDAX for the first time in 2013. We have been recording the carbon footprint along all relevant stages of the value creation chain for KAISER+KRAFT in Germany since 2011 and in six other European companies since 2013. Documentation is carried out in certified carbon footprints according to ISO 14064-1. This has enabled us to identify important starting points to introduce targeted improvement measures. For example, 95% of the total emissions in Germany were generated by paper advertising and logistic processes. Consequently, we have concentrated our activities in those areas in order to realize the highest possible carbon savings.

**NUMBER OF COMPANIES WITH CARBON FOOTPRINTS** (IN NUMBERS)

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<thead>
<tr>
<th></th>
<th>2013</th>
<th>2011</th>
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<tr>
<td>7</td>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>

**2014 GOAL:**
Carbon footprints created for major companies in all groups.

**ADDITIONAL INFORMATION ONLINE**
- takkt.de/2014/carbon_footprint
- takkt.carbon_footprints
- cdp.net
- carbon_disclosure_project
- kaiserkraft.de/ueber-uns/presse/2014/cdp-bericht-2013/
press_release_cdp_ranking

### MANAGEMENT THROUGH ENVIRONMENTAL MANAGEMENT SYSTEMS

**IN ALL MAJOR TAKKT COMPANIES, WE WANT** to gradually introduce certified environmental management systems in addition to the existing quality management systems in accordance with ISO 9001. An important part of certification is the introduction of a continual improvement process in environmental management. Our Scandinavian company, Gerdmans, is certified according to ISO 14001. KAISER+KRAFT Germany is currently undergoing the certification process; preparations are underway for other companies. In 2013, National Business Furniture (NBF) was certified as a sustainable service provider according to NSF protocol 391. This makes NBF the first furniture dealer in the USA to receive the certificate of conformity and meet all the criteria.

**NUMBER OF COMPANIES WITH ENVIRONMENTAL MANAGEMENT SYSTEMS** (IN NUMBERS)

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<th>2013</th>
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</table>

**2014 GOAL:**
Certified environmental system introduced in at least three companies.

**ADDITIONAL INFORMATION ONLINE**
- tuv-sued.de/management_systems/environmental_management/certification/iso_14001_emas
- iso14001_certification
- nationalbusinessfurniture.com/nbf/sustainability/casestudy.pdf
- press_release NSF_Certification_of_NBF

### EXPANSION OF ENERGY-SAVING MEASURES

**WE WILL CONTINUE TO REDUCE GROUP-WIDE ENERGY CONSUMPTION** and limit harmful emissions. For example, our American subsidiary, HUBERT, equipped the roof of its central warehouse with 46,000 m² of solar panels. In its first year in operation, 1.53 million kWh of electricity were produced, which covered 31% of the electricity needs at the location. At the same time, 900 tons of carbon were saved. Certification as a highly sustainable location according to the demanding LEED criteria (Leadership in Energy & Environmental Design) is expected to be concluded in 2014. All logistics locations meet high environmental standards; in 2014, we will convert one of our central warehouses to LED lighting. KAISER+KRAFT participates in the ECOfit program in order to drive forward corporate environmental protection with the active involvement of the employees.

**ENERGY CONSUMPTION AT TAKKT LOCATIONS IN GERMANY AND THE USA** (IN THOUSAND GIGAJOULES)

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
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<tbody>
<tr>
<td>114.9</td>
<td>106.5</td>
<td>129.0</td>
</tr>
</tbody>
</table>

**2014 GOAL:**
Reduction of energy consumption at the locations from 2011 to 109.2 thousand gigajoules.

**ADDITIONAL INFORMATION ONLINE**
- live.deckmonitoring.com/?id=hubert
- leed.net
- leed_program
- ratioform.de/info/pressmitteilung-11-11-2013
- press_release about sustainability certificate for ratioform logistics center

SUSTAINABILITY REPORT 2014
WE PROMOTE SUSTAINABILITY

BECAUSE ONLY SUSTAINABILITY IN PRACTICE CAN BRING ABOUT CHANGE.
CLEAR RULES FOR THE DAY-TO-DAY WORK

**TAKKT Views Compliance** with legal and contractual obligations as well as 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. In order to integrate the Code systematically within the organization, an e-learning tool is being developed and every TAKKT employee will receive training for it by mid-2015. The compliance system is monitored by the Management Board, the compliance officer and internal auditing. Possible breaches of the rules can be reported anonymously via a multilingual whistleblower hotline. The protection of our customer data is ensured through reliable high-performance IT systems as well as comprehensive security measures.

**THE CODE OF CONDUCT HELPS US TO MAKE THE RIGHT DECISIONS AND THUS PROTECT THE REPUTATION OF THE COMPANY AND OUR SUCCESS.**

“TAKKT Code of Conduct” [takkt.de/sr14/takkt_coc]

)**FOCUS AREA EMPLOYEES**

**TARGETED PROMOTION OF EMPLOYEES**

**OUR 2,500 EMPLOYEES** are an important foundation for the successful corporate development of TAKKT. We offer our employees secure jobs for the future and a salary that is in line with their performance. We launched the LIFT human resources program in order to further improve the recruitment, development and promotion of our employees. Our goal is to have implemented the findings in the largest group of the company by the end of 2015 and then roll them out successively in the TAKKT Group. The performance evaluation as well as development possibilities of all employees are discussed on an annual basis in a value-centered TAKKT Dialogue with the respective supervisor. As a global player, we are expressly committed to diversity and equality. In 2013, the share of female employees at TAKKT was 47% (27% in executive positions).

**FOCUS AREA EMPLOYEES**

**ASSUMING RESPONSIBILITY LOCALLY**

**FOR TAKKT, SOCIAL COMMITMENT** is an important part of responsible action. We therefore support organizations and institutions that are committed to ecological and social issues. In addition, we also actively support the volunteer activities of our employees. We believe that local initiatives have a significant impact because our local employees know best how we can participate in a meaningful way in the communities of our locations. By offering paid leave, we make it possible for our employees to become involved in local projects. For example, employees in Switzerland supported a forestry project of the local forest cooperative. At HUBERT in the USA, over 1,200 paid work hours were invested within the scope of the Individual Volunteer Time Program (IVT) in 2013.

**FOCUS AREA SOCIETY**

**ADDITIONAL INFORMATION ONLINE**

[UNGLOBALCOMPACT.ORG](https://www.unglobalcompact.org) UNITED NATIONS GLOBAL COMPACT

[14 | 15]
WE GO FURTHER
OPENNESS AND CREDIBILITY ARE THE FOUNDATION OF TRUSTING RELATIONSHIPS. That is why we at TAKKT report on our business in a transparent and comprehensive manner, survey our customers, employees and business partners on a regular basis and are in a continuous dialogue with them and other stakeholders.

Through regular and systematic exchange with internal and external stakeholders, we gain important knowledge which enables us to review our activities in the six central focus areas on a regular basis and are in a continuous dialogue with them and other stakeholders.

Beyond suppliers with production plants in risk countries, we have reviewed our activities and goals for 2014 in the six areas of activity and set medium-term targets until 2016. In this context, we have adjusted our target values in the focus area of sourcing.

Based on TAKKT’s corporate strategy and the expectations of our stakeholders, we have reviewed our activities and goals for 2016. In this context, we have adjusted our target values in the focus area of sourcing.

We view sustainability as a continuous process; for this reason we have established a program with SCORE to identify new developments and trends quickly and convert them into concrete solutions.

To capture changes in ordering behavior. We derive measures for our integrated multi-channel business model in order to sustainability criteria. We have now included the key figure “E-commerce share of order intake” This is an important parameter for our integrated multi-channel business model in order to capture changes in ordering behavior. We derive measures from this for the optimization of our marketing mix.

By taking a targeted, systematic approach, we want to become the role model for sustainability in our industry by the end of 2016.
**CREATING VALUES**

### VALUE CREATION

From the consolidated income statement (in EUR million)

<table>
<thead>
<tr>
<th>Description</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover (plus change in inventories and own work capitalized)</td>
<td>952.8</td>
<td>939.8</td>
</tr>
<tr>
<td>Other financial result</td>
<td>0.3</td>
<td>0.3</td>
</tr>
<tr>
<td>Other income</td>
<td>9.4</td>
<td>8.2</td>
</tr>
<tr>
<td>Business performance</td>
<td>962.5</td>
<td>948.3</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>-537.1</td>
<td>-533.3</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>-161.4</td>
<td>-148.9</td>
</tr>
<tr>
<td>Bought-in-costs</td>
<td>-698.5</td>
<td>-682.2</td>
</tr>
<tr>
<td>Gross value added</td>
<td>264.0</td>
<td>266.1</td>
</tr>
<tr>
<td>Depreciation and impairment</td>
<td>-26.9</td>
<td>-22.2</td>
</tr>
<tr>
<td>Correction of deferred taxes (according to GRI-G4)</td>
<td>-4.0</td>
<td>-3.5</td>
</tr>
<tr>
<td>Net value added</td>
<td>233.1</td>
<td>240.4</td>
</tr>
</tbody>
</table>

**Note:** We increased turnover in 2013 to EUR 953 million, corresponding to a growth of 1.4% over the previous year.

### USE OF NET VALUE ADDED ACCORDING TO GRI METHODOLOGY

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NET VALUE ADDED</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Employees (personnel expenses)</td>
<td>140.9</td>
<td>132.2</td>
</tr>
<tr>
<td>2. Providers of finance (finance expenses)</td>
<td>15.1</td>
<td>11.1</td>
</tr>
<tr>
<td>3. Government (income tax expenses)</td>
<td>24.7</td>
<td>28.5</td>
</tr>
<tr>
<td>4. Shareholders (dividends payment during the financial year)</td>
<td>21.0</td>
<td>55.8</td>
</tr>
<tr>
<td>5. Other uses</td>
<td>51.4</td>
<td>11.1</td>
</tr>
</tbody>
</table>

**Description:**

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 2013, the largest portion of net value creation, 60.4%, went to our employees in the form of salaries and social security contributions. 10.6% accounted for tax expenses to the government. 6.5% went to creditors (only financing expenses), 9.0% was paid out to our shareholders. 13.5% remains in the company for investments and acquisitions or is used for loan repayments.
As the management holding company, TAKKT AG manages all companies according to the same value and growth drivers and organizes the transfer of expertise between the divisions and groups. 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.