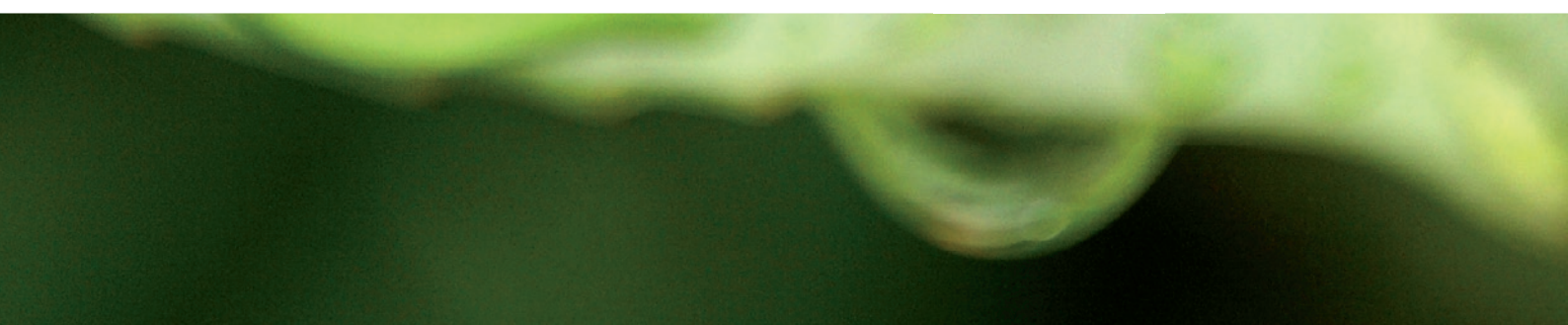




// three dimensions  
// one goal

Corporate Responsibility Report 2009 of TAKKT Group



# MISSION STATEMENT OF TAKKT AG



**TAKKT Group is the market-leading B2B mail order specialist for business equipment in Europe and North America. TAKKT has about three million customers in over 25 countries around the world. We enter new markets wherever we see positive prospects for success, by either founding new companies or acquiring existing ones. Our success is based on an efficient and strong system business, which the Group continuously optimises.**

**TAKKT acts as a one-stop shop, supplying its customers with everything they need for their business. Our Group companies use hundreds of suppliers to compile a comprehensive range of more than 160,000 high-quality products. Our portfolio is complemented by exemplary service. For us, customer focus begins before an order is placed and does not finish once the goods have been delivered.**

**We attach great importance to the principles of sustainability. We ensure that resources are conserved, both in our core business and beyond. We are dedicated to pursuing the interests of our employees and society. We are aware that economic success and sustainable actions must not be mutually exclusive in the long term.**

**// OUR OBJECTIVE //** WE WANT TO BECOME THE WORLD'S LEADING B2B MAIL ORDER SPECIALIST FOR BUSINESS EQUIPMENT.

# //three dimensions //one goal

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## *Values and fulfilment*

This is the first time that we inform you about our commitment to sustainability and to corporate responsibility in a separate report. The reason for this is simple: These topics are rightly becoming increasingly important to a larger number of people and we would like to respond to this need for more information. Awareness is growing that we must look after our planet and its resources carefully; we do not have a spare one. The global debate on climate change has made it clear that each and every player is responsible, and corporates in particular. Customers, shareholders, analysts, business partners, journalists and last but not least current and future employees – everyone wants to know what role sustainability plays in our corporate management, what we are doing to protect the environment and what is the story about our corporate governance and corporate responsibility (CR). In short: Are we a good company? A company that can provide convincing answers is up to the challenges of the future; a company that cannot will encounter problems soon. An enterprise's ability to operate sustainably has tangible economic effects, not only on supplier and customer relations, but also on the success of the business and ultimately on the performance of the company and its reputation. This is no longer just a „soft issue“, but an integral part of our strategic agenda.

How TAKKT acts and which overriding values guide us is put in writing in our mission statement. We are aware of our responsibility for our employees, the society and the environment and we want to contribute to maintain resources for future generations. In particular, this includes limiting, and if possible counteracting, CO<sub>2</sub> emissions and thus contributing to climate protection. We promote environmental awareness amongst our employees and support environmentally responsible behaviour both in the workplace as well as in their private life.

In a decentralised group such as TAKKT Group, a variety of regional projects with social and ecological aims exist and always have existed. To coordinate and support this even further, we have set up an additional task force at holding level in 2006 to act on sustainability and corporate responsibility. By publishing this CR report, we hope to give interested parties a brief overview of how we at TAKKT are taking action. We know that not everything can be achieved 100 percent straight away, but we are working towards making improvements year after year.

I hope you will find this interesting reading.



Dr Felix A. Zimmermann  
CEO of TAKKT AG  
– Stuttgart, March 2010 –





# THE COMPANY

The fundamental idea of sustainability is to guarantee a balance between economic, ecological and social concerns. As a result, the economic performance of the company is one of the three main components of the principle of sustainability and should not be understood as a contradiction, as sometimes appears to be the case in discussions.

The original meaning of „economic managing“ is to use limited resources to ensure the greatest possible benefit for mankind: This can be products and services for customers, or the preservation of value or value-based actions in the interests of the company shareholders. Value orientation only conflicts with the principle of sustainability if it is taken as an all-encompassing goal or an end in itself – then the balance would be lost.

In order to prevent this, TAKKT is committed to working in areas beyond its own field of activity, particularly in the three areas of employees, society and environmental protection. With this, TAKKT takes on its corporate responsibility (CR).

TAKKT offers its customers an attractive and useful range of products. This is proven by the company's success: TAKKT is the leading B2B mail order specialist for business equipment in Europe and North America. TAKKT Group has three million customers worldwide, employs some 1,800 staff and distributes its over 160,000 products via catalogue and its web shops. It also sells via several online-only brands. TAKKT owns a multitude of brands:

KAISER + KRAFT, gaerner, Gerdmans, KWESTO, Certeo, Topdeq, C&H, Avenue, Hubert, Central, National Business Furniture, Alfax, Dallas Midwest and officefurniture.com.

The TAKKT share has been listed in the Prime Standard segment of the Deutsche Boerse since 01 January 2003 and is part of the SDAX segment. For five years in a row now, the company has received renowned awards for investor relations because of its transparent, credible communication with shareholders and financial market operators.

## **Transparent and credible**

### **financial market communication:**

2005 // Capital IR Award: Ranked 3rd on the SDAX

2006 // Capital IR Award: Ranked 3rd on the SDAX

2007 // Capital IR Award: Ranked 1st on the SDAX

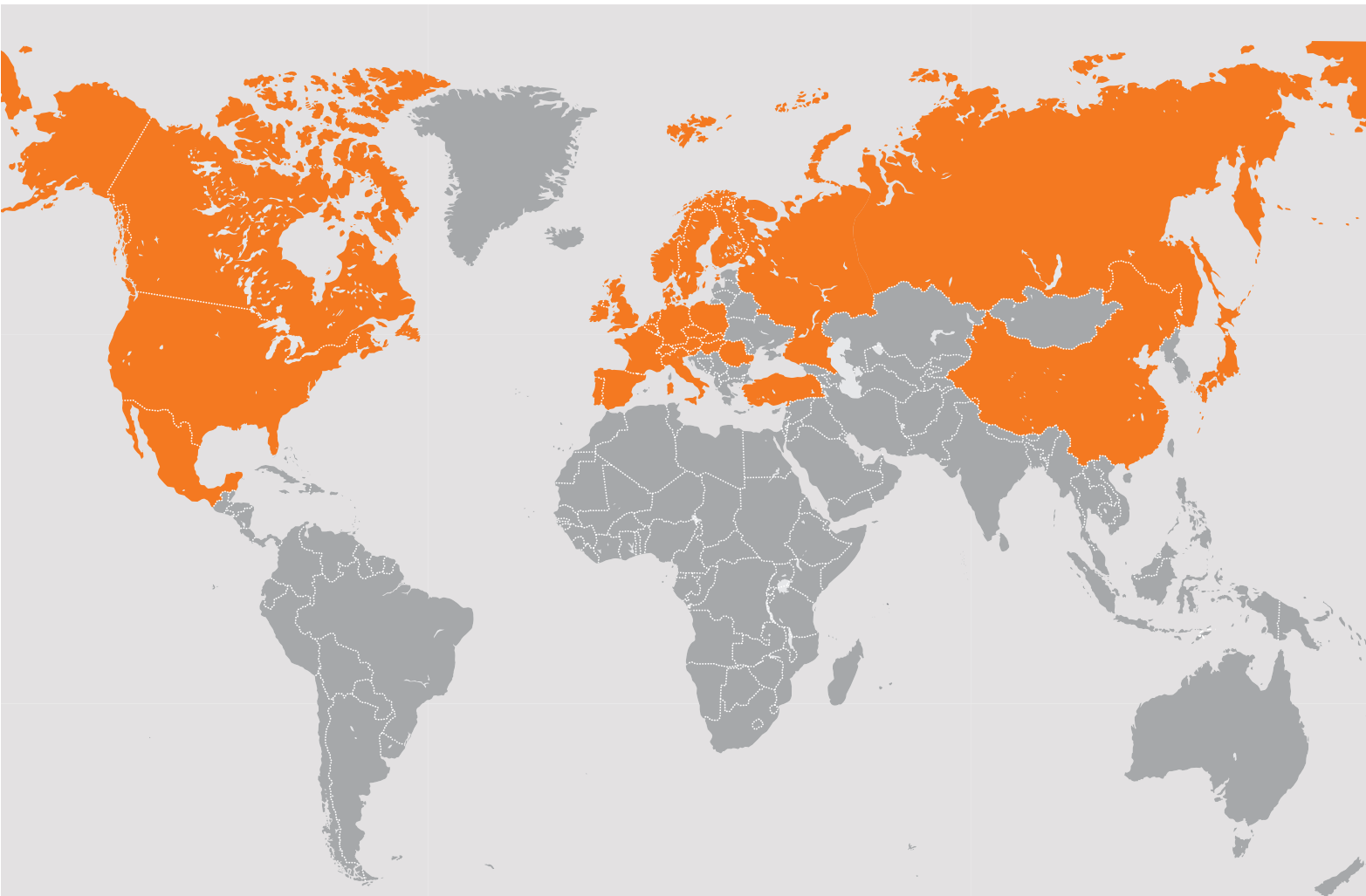
2008 // Capital IR Award: Ranked 3rd on the SDAX

German Investor Relations Award:

Ranked 3rd on the SDAX

2009 // German Investor Relations Award:

Ranked 1st on the SDAX



**The companies of TAKKT Group operate  
in the following countries:**

Austria, Belgium, Canada, China, the Czech Republic,  
Denmark, Finland, France, Germany, Great Britain, Hungary,  
Ireland, Italy, Japan, Mexico, the Netherlands, Norway,  
Poland, Portugal, Romania, Russia, Slovakia, Spain, Sweden,  
Switzerland, Turkey, the USA



# TAKKT AG

Holding

## TAKKT EUROPE

## TAKKT AMERICA

Divisions

BEG

OEG

PEG

SPG

OEG

Groups

**KAISER+KRAFT**

EVERYTHING FOR THE BUSINESS.

**gaerner**  
Garantiert gut beraten.

**Germans**  
INNOVATIONEN FÜR JOBBET

**KWESTO**  
vybavení pro firmu

**certeo.de**  
we equip your business

**Topdeq**

**C&H**

**AVENUE**

**Hubert**

**Central**  
RESTAURANT PRODUCTS

**National Business Furniture**

**Alfax**

**DALLAS MIDWEST**

**officefurniture.com**

Brands



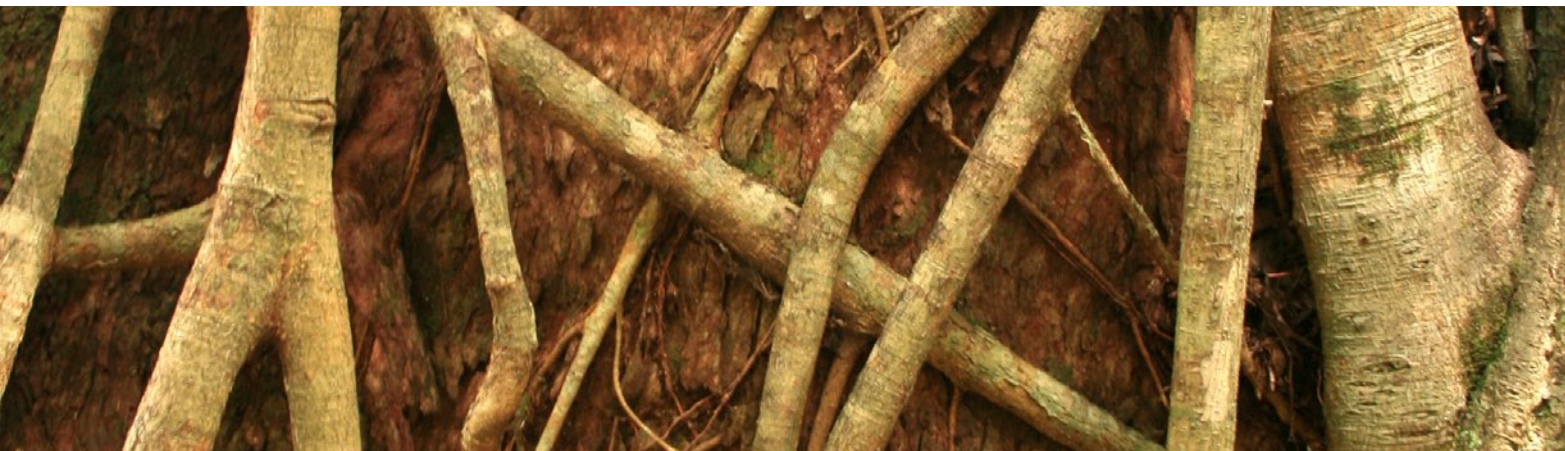


# ORGANISATION: CLOSE TO CUSTOMER AND EFFICIENT

TAKKT Group is divided into the two divisions TAKKT EUROPE and TAKKT AMERICA. TAKKT EUROPE is made up of two groups, the Business Equipment Group (BEG), consisting of the brands KAISER + KRAFT, gaerner, Gerd-mans, KWESTO and Certo, and the Office Equipment Group (OEG), comprising the Topdeq companies. Within TAKKT AMERICA there are three groups: the Plant Equipment Group (PEG) with the brands C&H and Avenue; the Specialties Group (SPG) with the brands Hubert and Central; and finally the Office Equipment Group (OEG) with the brands National Business Furniture, Dallas Midwest, Alfax and officefurniture.com.

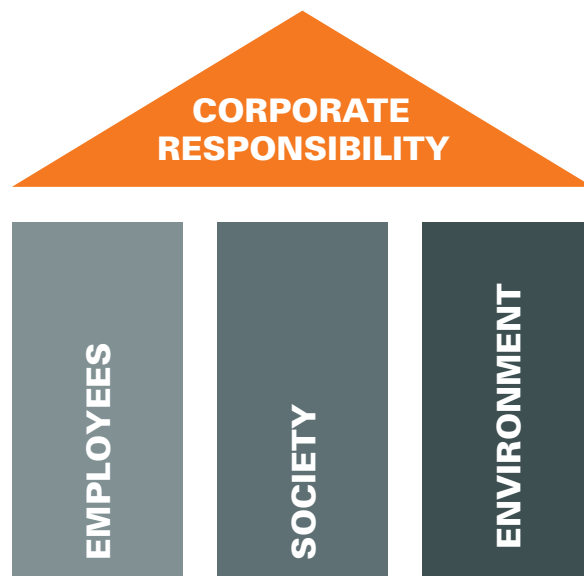
In addition to sales companies, each of the five groups also has a service company that is responsible for an efficient IT and logistics infrastructure, as well as compiling product ranges and producing catalogues. TAKKT AG is the strategic management holding of the Group and steers the cross-divisional transfer of knowledge.

This structure guarantees our customers uniformly high quality standards for products and services.



- We gear our actions towards the principles of sustainability and future compliance, in economic, ecological and social terms.
- We ensure that resources are conserved, both in our core business and beyond.
- We are dedicated to pursuing the interests of our employees and society.
- Fairness, equal opportunities, transparency, and dialogue based on partnership with our business partners and stakeholders belong to the ethical principles of our corporate governance.
- We see sustainability management as an executive responsibility and raise awareness of responsible behaviour among all our staff.
- We are aware that economic success and sustainable actions must not be mutually exclusive in the long term.

## OUR PRINCIPLES FOR RESPONSIBLE AND SUSTAINABLE BUSINESS



Each employee and particularly executive personnel are requested to put these principles into practice every single day in our business.

TAKKT understands CR as an integral part of sustainable corporate management and has defined three aspects as the key pillars of its CR – employees, society and environment. These are discussed in detail in the sections to follow.



# COMMITMENT TO EMPLOYEES

Anyone who wants to lobby social issues should start close to home. For enterprises, social responsibility should therefore start with the company's own staff. Therefore, TAKKT Group has implemented a wide range of incentive programmes and voluntary benefits for years.

**Health and prevention:** Though healthcare in Germany may have certain shortcomings, many countries still cannot offer the same high standard. For this reason, TAKKT as an international operating company also offers all its employees abroad a wide range of additional benefits dependent on local specifics. For example, employees in countries with no statutory health insurance system are offered cover via the company. There are similar schemes in countries where the state pension is insufficient. TAKKT enables its staff to accumulate additional savings for their retirement. In general, we offer attractive benefit packages in all countries in which we operate. If additional voluntary benefits are not sensible

for legal or tax reasons, these are taken into account in wages and salaries. But also in Germany, staff can use health-related services from preventive measures such as vaccinations, sight tests and blood sugar monitoring, lectures on healthy nutrition and preventing health risks, to sports courses such as back training or walking.

**Family service and advice:** In Germany, all employees and their families have access to free advisory and mediation services, such as legal advice. Support is also available for dealing with addictions as well as relationship or childcare problems.

**Sharing our joint success:** Our employees make a crucial contribution towards the company's success; that is why they share in it, for example via bonus models. They receive a bonus of up to one month's salary if their company achieves or exceeds its turnover targets. Members of staff in Germany



can also participate in TAKKT's success by purchasing employee shares every year. There are special incentive schemes for executive personnel: In middle management, bonuses are based on operating results and personal target setting. The bonuses paid to Management Board members are governed by the key figures of cash flow, developments in the TAKKT share price and EVA®.

**Training and continuing professional development:** TAKKT attaches great importance to practical training for job starters. In Germany, the company offers training in the following occupations:

- Wholesale and export operator
- Marketing communications operator
- Office communication operator
- Technical draughtsperson
- Production mechanics
- Warehouse clerk
- Warehouse logistics clerk

In 2009, 27 women and men were in occupational training at TAKKT in Germany. On top of that nine staff members attend in-service courses at a university of cooperative education.

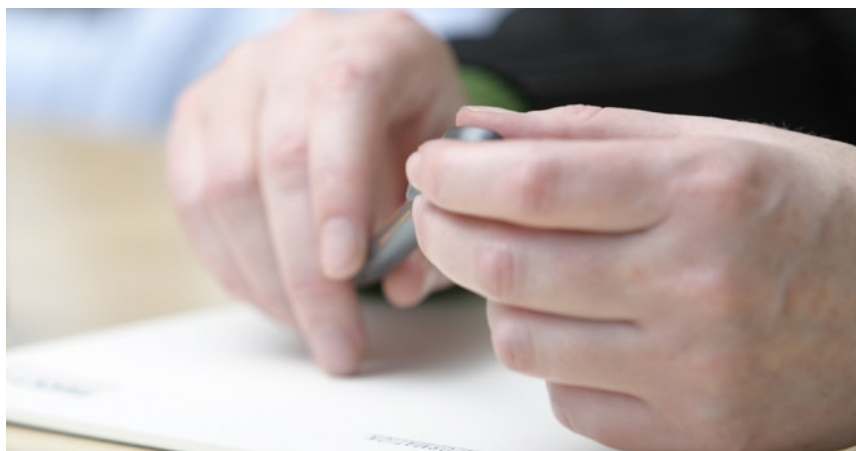
Providing opportunities for personal and professional development is a crucial part of being an attractive employer and of ensuring motivation and job satisfaction. In return, highly qualified staff contribute decisively towards the company's success. This is the reason why TAKKT invests a lot in its training and further education programmes.

Staff mainly use the following three types of further education:

- In-house seminars in which specially-trained or particularly experienced employees pass on their expertise to colleagues
- Events featuring external speakers on specific topics
- Courses offered by the Haniel Academy for specialists and managers

In May 2009, a conference entitled FUTURE@TAKKT was also held for the Group's top executives and e-commerce specialists to stimulate knowledge transfer in the important growth field of e-commerce. At the conference, workshops were held compiling and presenting key insights into e-business at TAKKT. The cornerstones of the Group's e-commerce strategy were also developed at the event.

Training courses in the year under review focused on the issue of management. One of the key aims was to give executives better instruments for managing their units and motivating their teams in difficult situations. One such important tool is the TAKKT Dialogue, which provides a structured framework for staff appraisals involving employees and their line managers. Dialogue meetings are held at least once a year. They comprise an extensive review and outlook, an assessment of the employee's performance based on TAKKT key qualifications, agreements of quantifiable targets for the coming year and an individual development plan.









# COMMITMENT TO SOCIETY

Accepting social responsibility as a company goes far beyond the concerns of TAKKT's own staff. Corporate responsibility stands for socially and environmentally responsible corporate management. In this spirit, TAKKT approved early the Global Compact initiative, which was formulated in 1999 by the then UN Secretary-General Kofi Annan, and undertakes to abide by principles as protecting human rights, abolishing forced labour, eradicating child labour and preventing corruption.

The Group and its individual subsidiaries are also firmly committed to various social projects. Here are a few concrete examples:

**Sponsoring children in India:** TAKKT is providing long-term sponsorship for 30 children from the Indian city of Mumbai. This ensures that each child receives ten years of schooling as well as healthcare and food. Staff are also actively involved in the project. They write letters to the children to keep in touch

with their progress. The project is run in India by the children's charity Prem Dan, which means "gift of love".

**Schoolchildren in Germany:** For the second time, KAISER + KRAFT EUROPA has donated a minibus to a school for children and young people with learning difficulties. For two years now, Topdeq has been funding lunch-time meals at Schillerschule, a special school in Pfungstadt, as some pupils could not otherwise afford to buy a hot meal.

**Charity projects in the USA:** Staff at TAKKT's US subsidiaries are traditionally involved in various charity projects, from renovating a retirement home or participating in a charity race to donating second-hand clothes and putting together Christmas hampers for needy families. At Hubert alone the various charity projects are coordinated by a team of eight colleagues.



# COMMITMENT TO ENVIRONMENT

The greatest contribution towards sustainable business management is made by those companies whose business models are based on conserving resources. This is precisely what TAKKT does. In comparison to other sales channels, the mail order sector is the more environmentally-friendly option and generates fewer CO<sub>2</sub> emissions. Firstly, this is because we transport goods straight from the manufacturer to the end-user with no intermediate commercial stages. Secondly, because customers do not travel to the retailer – or to several retailers – to buy what they need. And thirdly, because our catalogues are made from renewable and CO<sub>2</sub>-absorbent raw materials. In addition, the growing proportion of online-only business also helps to protect the environment. All this means that TAKKT makes an active contribution towards climate protection every day via its core business.

TAKKT's fundamentally sustainable mail order business model – to deliver products to customers via the shortest and most efficient route – though the most important, is far from being its only contribution towards climate and environmental protection. This is demonstrated by the following examples from the individual divisions:

**Topdeq:** The majority of all furniture from the Topdeq range (almost 80 percent) is FSC-certified.

**KAISER + KRAFT** and **gaerner:** The catalogues for both brands have been approved by Dr Schorb at the ifeu Institute: "The innovative use of energy efficient power-thermal energy-coupling during catalogue printing provides a reduction of up to 52 percent CO<sub>2</sub> in comparison to standard energy requirements."

**Hubert** recycles more than 200 tons of paperboard containers each year and uses recycled paper as filling instead of styrofoam.

**KAISER + KRAFT EUROPA** uses primarily large freight carriers with modern, environmentally-friendly vehicle fleets.

When sourcing goods for its own use, the Group also makes every effort to conserve resources and protect the environment. For example, almost a quarter of the electricity used at the headquarters in Stuttgart is generated from renewable sources. A waste sorting system has been installed as a matter of course. The photocopier paper is chlorine-free and stationary paper is also FSC-certified.











As protection of the environment can only be effective if the entire supply chain is involved, strict guidelines are also applied to all of TAKKT's suppliers and business partners. Companies in Germany must be ISO-certified and comply with the Eco-Management and Audit Scheme of the European Union. However, suppliers and manufacturers from other countries also have a part to play: TAKKT employees verify that every item in its range is eco-friendly. Naturally, TAKKT pays even more attention to all the products it manufactures itself under its own EUROKRAFT brand.

All TAKKT companies are dedicated to avoiding environmental pollution and preserving resources as far as possible. For example, catalogues are produced from paper bleached without the use of chlorine and goods are sent using environmentally-friendly and reusable packaging. In addition, the continual updating of address lists ensures that no resources are used unnecessarily when sending catalogues or goods.

Furthermore, TAKKT is also committed to helping the environment in ways that go beyond its own field of activity. These two projects illustrate TAKKT's commitment beyond its own business area:

**Carbon Disclosure Project:** To heighten public awareness of the need for climate protection and emphasise businesses' responsibilities, TAKKT was involved in the Carbon Disclosure Project for the fourth consecutive year in 2009. This initiative asked more than 3,000 companies worldwide, 200 of them in Germany, to set out their strategies for reducing CO<sub>2</sub> emissions. In Germany, the project was initiated by the Bundesverband Investment und Asset Management e. V. (BVI) and the World Wide Fund for Nature (WWF). The aim of the project, in which TAKKT will continue to participate in the future, is to provide the public with better information and thus help to stimulate sustained protective measures.

>> Further information on the Carbon Disclosure Project can be found on the internet at [www.cdproject.net](http://www.cdproject.net)

**"Waldfonds" forestation project:** As of 2010 TAKKT will also be involved in the "Waldfonds" project run by the environmental protection organisation Naturefund, which initiates a wide range of protection and reforestation schemes around the world. Through Waldfonds project, Naturefund wants to finance and provide long-term support for the set-up of small, local and often very effective protection and reforestation schemes. A network of companies, sponsors and non-governmental organisations (NGOs) supports these projects in the long-run and helps to develop and reformulate environmental and climate protection topics.

One of these projects is in the Patuca National Park, Honduras, where efforts are being made to safeguard one of the last remaining large rainforests in Central America. But even protected areas are being cut down. Over the past 20 years the park has lost 40 percent of its forest through slash-and-burn and illegal clearing. Together with the national park management, the Asociación Patuca, and the local residents, Naturefund has set up 19 tree nurseries, which in this year alone have grown 30,000 seedlings. They are currently working together to develop a reforestation concept for the entire national park.

Another project started in October 2009 in South-West Madagascar. Here, Naturefund is hoping to preserve a unique thorn bush forest. Again, tree nurseries were set up with the local people and sowed 1,500 seeds from 75 different species of tree in the first six weeks alone. At the same time, a communal protection zone of 520 ha – about 1,300 acres – was selected in agreement with the neighbouring villages to prevent wood from being cut in this area in future and to create an area for nature to recover.

>> More information can be found on the internet at [www.naturefund.de/waldfonds](http://www.naturefund.de/waldfonds)



DO YOU HAVE QUESTIONS OR SUGGESTIONS  
REGARDING CORPORATE RESPONSIBILITY  
AT TAKKT?

**We would be happy to explain individual points and  
discuss the issue of sustainability with you.**

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