



ATTACHMENT A: PROPOSAL REQUIREMENTS & SPECIFICATIONS

EQUALIS GROUP: COMMERCIAL FLOORING MATERIALS WITH INSTALLATION AND RELATED SERVICES & SOLUTIONS

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Section 1. General Guidelines

1.1. Instructions for Completing Attachment A

The specific requirements and proposal specifications for this Program are detailed in this **Attachment A – Technical Proposal Requirements & Proposal Specifications**. **Attachment A** is provided to Bidders in an editable Microsoft Word form so that it can easily serve as the base document for a Bidder's Technical Proposal. Bidders should incorporate their Technical Proposal responses directly into this document and include referenced attachments separately.

Use the following electronic file naming convention for naming your Technical Proposal prior to uploading your completed Technical Proposal to Bonfire: **Technical Proposal – Bidder Name.docx**.

For sections of **Attachment A** structured like the example below, simply click in the green cell on the “Click here to enter response” text and either type in or paste (using the *Paste Special > Merge Formatting* function in Microsoft Word) your response.

1.1.1.	<p>Formation. In what year was the company formed? For how long has your company been operating under its present business name? If your company has changed its business name, include the most recent prior business name and the year of the name change.</p>
<p>Tarkett USA Inc, established in 1996 is a collection of former premier brands formerly known as Tandus Centiva, Johnsonite, Desso and Lexmark as noted below; owned by their parent Company Tarkett.</p> <ul style="list-style-type: none"> • Tandus Centiva product portfolio includes: Powerbond, Modular Tile, Broadloom and Woven carpet as well as Luxury Vinyl Tile and Area Rugs. Tandus Centiva formally known as Collins & Aikman was founded in 1964 and was acquired by Tarkett in 2012. • Johnsonite product portfolio includes: rubber flooring, wall base, stairwell management and finishing accessories. Johnsonite was founded in 1948 and was acquired by Tarkett in 2005. • Tarkett hard surface portfolio includes: HO sheet, HE sheet, Linoleum, LVT, VCT, SVT and VET tile. Tarkett was founded in 1886. • Desso (founded in 1930) and Lexmark (founded in 1993) are premier nylon and polyester carpet suppliers for hospitality and residential applications. Tarkett, headquartered in Paris, France is a publically traded company: TKTT. Tarkett employs 12,000 employees worldwide. Our Tarkett Solution SPECTrum™ provides the broadest product offering and delivers an easy customer experience. 	

For sections of **Attachment A** structured like the example below, click on the “Yes” checkbox if your solution **fully provides** the defined requirement. Click on the “No” checkbox if your solution does not provide or only provides part of the defined requirement. The green cell is included for Bidders to provide any additional information or capabilities relating to that defined requirement. For example, if your solution i) provides more capabilities around that requirement, ii) meets some, but not all of that requirement, or iii) does not meet the defined requirement, but provides an alternative solution for the Proposal Review Team's (“PRT's”) consideration, click in the green cell on the “Click here to provide additional commentary, if necessary.” text and either type in or paste (using the *Paste Special > Merge Formatting* function in Microsoft Word) clarifying or additional information as appropriate.

1.1.2.	<p>Installers. Is the installation service performed by a company owned installation team or one of your dealers or resellers?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>Our Source One® Department is our project management program that services national and global accounts with local independent service providers - from the design and manufacture of products to installation and maintenance training. Source One® maintains a separate database of all installation partners that qualify as small, women, and minority owned businesses throughout North America. Source One® allows independent companies to compete for business that they would not otherwise have access to locally. We continuously and consistently measure our progress to support local business through global accounts. The services available through Source One includes in-house installation services, such as removal and disposal of existing floor covering, installation of flooring,</p>		

furniture moving, and floor preparation. Source One® can also provide and install on contract all Tarkett family of products. Source One® offers transparency in proposal and invoicing documentation. Source One® has been an established service department within Tarkett offering turnkey installation solutions over 25 years.

1.2. Trade Secrets

Bidders are encouraged to review **RFP Section 3.4 – Trade Secrets Prohibition; Public Information Disclaimer** in conjunction with developing their responses to this RFP. Any information provided by a Bidder in its proposal that is not marked as trade secret information shall be deemed to be public records in accordance with Ohio law.

1.3. Attachments

Bidders may incorporate additional documents by reference as part of their response to **Attachment A – Technical Proposal Requirements & Proposal Specifications**. For example, you may want to include brochures, charts, or graphs in response to specific questions included in this **Attachment A**. Bidders should clearly state in their response to questions in **Attachment A** whether any specific documents are incorporated in their proposal by reference. In the event the attached documents are not references or referenced correctly, the PRT may exclude those attachments from consideration when scoring proposals.

The file names of such referenced documents that are included in a Bidder's electronic Technical Proposal submissions and uploaded to Bonfire should include, in the following order: i) Technical Proposal, ii) Bidder's name, iii) the Section number of the question for which the file is included as part of the response, and iv) a brief description of what is included in the electronic file. For example, if a Bidder references an attachment that includes financial statements in response to **Section 3.2.1.**, the following electronic file name would be appropriate: *Technical Proposal – Bidder Name – Section 3.2.1. – Financial Statements.pdf*.

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Section 2. Initial Qualifying Criteria

2.1. Completing & Submitting Initial Qualifying Criteria Documentation

As described in **RFP Section 5 – Criteria for Proposal Evaluation & Selection**, Bidders must complete and provide executed originals of the following documents as part of the proposal Bidders submit. Equalis Group will not consider a Bidder's Technical and Cost Proposals unless these forms are properly completed and submitted as part of the Bidder's proposal.

2.1.1.	Attachment C – Required Bidder Information & Certifications. This document includes information about the Bidder, key points of contact for proposal and legal questions that may arise during Equalis Group's review of the response, minority business enterprise and certifications, required affirmations subject to Ohio Revised Code guidelines, equal employment opportunity questions, questions regarding the subcontracting of certain elements of a Bidder's service delivery to Members, and confirmation that Bidder has reviewed and annotated, if applicable, the Equalis Group model i) Master Agreement, and ii) Administration Agreement entered into with Winning Suppliers.
Attachment C is attached as requested in addition Model Administration Agreement and Model Master Agreement are attached with red lines.	
2.1.2.	Attachment D – W-9. Bidders must complete the W-9 form and include the completed W-9 form in their response.
Attachment D – W9 Provided	
2.1.3.	Does your proposal include the properly completed and executed Attachment C and Attachment D ? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Attached as required	

Section 3. Bidder Overview & Qualifications

3.1. Company Information

3.1.1.	Company Name & Address.	
Company Name:	Tarkett USA Inc	
Headquarters Street Address:	30000 Aurora Road	
City, State & Zip Code:	Solon OH 44139	
Main Telephone Number:	800-248-2878	
Website:	https://commercial.tarkett.com/en_US/	
3.1.2.	Formation. In what year was the company formed? For how long has your company been operating under its present business name? If your company has changed its business name, include the most recent prior business name and the year of the name change.	
<p>Tarkett USA Inc, established in 1996 is a collection of former premier brands formerly known as Tandus Centiva, Johnsonite, Desso and Lexmark as noted below; owned by their parent Company Tarkett.</p> <ul style="list-style-type: none"> • Tandus Centiva product portfolio includes: Powerbond, Modular Tile, Broadloom and Woven carpet as well as Luxury Vinyl Tile and Area Rugs. Tandus Centiva formally known as Collins & Aikman was founded in 1964 and was acquired by Tarkett in 2012. • Johnsonite product portfolio includes: rubber flooring, wall base, stairwell management and finishing accessories. Johnsonite was founded in 1948 and was acquired by Tarkett in 2005. • Tarkett hard surface portfolio includes: HO sheet, HE sheet, Linoleum, LVT, VCT, SVT and VET tile. Tarkett was founded in 1886. • Desso (founded in 1930) and Lexmark (founded in 1993) are premier nylon and polyester carpet suppliers for hospitality and residential applications. Tarkett, headquartered in Paris, France is a publically traded company: TKTT. Tarkett employs 12,000 employees worldwide. Our Tarkett Solution SPECTrum™ provides the broadest product offering and delivers an easy customer experience. 		
3.1.3.	Legal Structure. Check the box next to the option that best describes the company's legal structure. Include requested narrative in the space provided.	
&	Corporation – provide the State of incorporation and the company ownership structure.	Delaware
&	Partnership – provide the State of registration and the names of all partners.	Click here to enter response.
&	Sole Proprietorship – provide the State of registration and the name and title of the principal.	Click here to enter response.
&	Joint Venture – provide the State of registration and the names and titles of all principals.	Click here to enter response.
&	Other – provide detailed description of corporate structure and ownership.	Click here to enter response.

3.2. Financial Strength & Legal Considerations

3.2.1.	Financial Strength. Provide three (3) years of company and any parent company financial statements or other documents that speak to the financial strength of the company, such as the most recent Annual Report to Shareholders and 10K Report (if applicable) or audited financial statements, including income statement and balance sheet. <i>Note: you may mark this information as a "Trade Secret" per the terms of <u>RFP Section 3.4 – Trade Secrets Prohibition; Public Information Disclaimer</u> and provide your response to this question in a separate electronic file that includes a "Trade Secret" watermark. Any company financial information provided should be included as part of the Technical Proposal. The proposal scoring of this <u>Section 3.2.1.</u> for Bidders that do not provide any financial information will be zero/fails to meet.</i>
We have attached our 2019 Annual results for you to review. You will find the specific accounting information for Tarkett NA starting on page 18 and reflects net revenue for 2019 as 825.9 million Euro and 2018 783.6 million Euro. For 2017 our net sales were 783.4 million Euro and can be found on page 63. All of our Financial information can be found at https://www.tarkett.com/en/content/financial-results	
3.2.2.	Bankruptcy & Insolvency. Describe any bankruptcy or insolvency for your organization (or its predecessors, if any) or any principal of the firm in the last three (3) years.
None	
3.2.3.	Litigation. Describe any litigation in which your company has been involved in the last three (3) years and the status of that litigation.
There are no past, present or threatened litigation that would adversely affect Tarkett's ability to perform under this or any agreement.	
3.2.4.	Mandatory Contract Performance Disclosure. Pursuant to <u>RFP Section 3.13</u> , disclose whether the your company's performance and/or the performance of any of the proposed subcontractor(s) under contracts for the provision of services that are the same or similar to those to be provided for the Program which is the subject of this RFP has resulted in any "formal claims" for breach of those contracts. For purposes of this disclosure, " formal claims " means any claims for breach that have been filed as a lawsuit in any court, submitted for arbitration (whether voluntary or involuntary, binding or not), or assigned to mediation. For any such claims disclosed, fully explain the details of those claims, including the allegations regarding all alleged breaches, any written or legal action resulting from those allegations, and the results of any litigation, arbitration, or mediation regarding those claims, including terms of any settlement. While disclosure of any formal claims will not automatically disqualify a Bidder from consideration, at the sole discretion of Equalis Group, such claims and a review of the background details may result in a rejection of a Bidder's proposal. Equalis Group will make this decision based on the Proposal Review Team's determination of the seriousness of the claims, the potential impact that the behavior that led to the claims could have on the Bidder's performance of the work, and the best interests of Members.
None	
3.2.5.	Mandatory Disclosure of Governmental Investigations. Pursuant to <u>RFP Section 3.14</u> , indicate whether your company and/or any of the proposed subcontractor(s) has been the subject of any adverse regulatory or adverse administrative governmental action (federal, state, or local) with respect to your company's performance of services similar to those described in this RFP. If any such instances are disclosed, Bidders must fully explain, in detail, the nature of the governmental action, the allegations that led to the governmental action, and the results of the governmental action including any legal action that was taken against the Bidder by the governmental agency. While disclosure of any governmental action will not automatically disqualify a Bidder from consideration, such governmental action and a review of the background details may result in a rejection of the Bidder's proposal at Group's sole discretion. Equalis Group will make this decision based on the Proposal Review Team's determination of the seriousness of the claims, the potential

	impact that the behavior that led to the claims could have on the Bidder's performance of the work, and the best interests of Members.
None	

3.3. Industry Qualifications

3.3.1.	Company Identification. How is your organization best identified? Is it a manufacturer, distributor/dealer/reseller, or service provider? Based on your answer, please provide a response to question 3.3.1.1 or 3.1.1.2.
Manufacturer	
3.3.1.1.	Authorization. If your company is best described as a distributor/dealer/reseller (or similar entity), please provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned?
n/a	
3.3.1.2.	Network Relationship. If your company is best described as a manufacturer or service provider, please describe your direct sales and service force and how your dealer network operates to sell and deliver the Products & Services proposed in this RFP. Is your direct sales force employed by your company or by a third party? Please explain.
<p>Tarkett is the world's largest manufacturer of flooring in multiple platform categories. We are number one in the education market segment in US. We provide turnkey services and mainly sell through our dealer partners. We have approximately 120 salespeople nationally which worked directly for Tarkett. Each region has a dedicated account executive for the following segments, Workplace, Education/Government, and A & D Firms. All work closely with their dealer partners. Customer can purchase directly or through a dealer.</p>	
3.3.2.	Industry Experience. For how long has your company been in the commercial flooring and/or related products and services industry? What percentage of your company's revenue in each of the last three (3) full calendar years was generated from the provision of commercial flooring and/or related products and services?
<p>100% of the Tarkett USA Inc. revenue was generated from commercial flooring and/or related product and services.</p> <p>Tarkett USA Inc, established in 1996 is a collection of former premier brands formerly known as Tandus Centiva, Johnsonite, Desso and Lexmark as noted below; owned by their parent Company Tarkett.</p> <ul style="list-style-type: none"> • Tandus Centiva product portfolio includes: Powerbond, Modular Tile, Broadloom and Woven carpet as well as Luxury Vinyl Tile and Area Rugs. Tandus Centiva formally known as Collins & Aikman was founded in 1964 and was acquired by Tarkett in 2012. • Johnsonite product portfolio includes: rubber flooring, wall base, stairwell management and finishing accessories. Johnsonite was founded in 1948 and was acquired by Tarkett in 2005. • Tarkett hard surface portfolio includes: HO sheet, HE sheet, Linoleum, LVT, VCT, SVT and VET tile. Tarkett was founded in 1886. • Desso (founded in 1930) and Lexmark (founded in 1993) are premier nylon and polyester carpet suppliers for hospitality and residential applications. Tarkett, headquartered in Paris, France is a publically traded company: TKTT. Tarkett employs 12,000 employees worldwide. Our Tarkett Solution SPEcTrum™ provides the broadest product offering and delivers an easy customer experience. 	

3.3.3.	Geographic Reach. Describe your company's service area in the United States (e.g., nationwide, the continental United States, or specific states or regions). If your company does not currently provide services nationwide, describe your plans/timeframes to achieve nationwide service provision, if applicable.
Tarkett is available in all 50 states as well as serves over 100 countries globally. We offer a robust offering of products in our QuickShip program which ships products out within 10 days of placing the order. Our carpet and rubber products are made to order and hold a lead time of 4-8 weeks dependent on style and volume needed. Our Stocked resilient products have an average lead time of 2 weeks.	
3.3.4.	Certifications and Licenses. Provide a detailed explanation outlining the licenses and certifications that are i) required to be held, and ii) actually held by your organization (including third parties and subcontractors that you use). Has your company maintained these certifications on an ongoing basis? If not, when and why did your company lose any referenced certifications?
Our Manufacturing locations hold certifications for ISO 14001 and ISO 45001, while these are not required they do show Tarkett's commitment in keeping their employees healthy and safe as well as protect our environment. ISO 14001 is a family of standards related to environmental management that exists to help organizations minimize how their operations negatively affect the environment; comply with applicable laws, regulations, and other environmentally oriented requirements; and continually improve in the above. ISO 45001 standard for management systems of occupational health and safety, focused on the reduction of occupational injuries and diseases, including promoting and protecting physical and mental health. Tarkett also complies with all OSHA regulations as required.	

3.4. Public Sector Focus

3.4.1.	Public Sector Contract Vehicles. What Public Sector contract vehicles (e.g., state term contracts, General Services Administration schedules, group purchasing organization contracts, etc.) does your company have in place to provide commercial flooring and/or related products and services to public sector entities under an exemption from the standard public sector bid/RFP process? For each contract vehicle, when was the contract established, what is the expiration date, and is the award sole source or multi-source (i.e., is your company the only supplier for the spending category or are multiple competing suppliers included in the contract vehicle), and how much annual revenue your company generated through the contract(s) in each of the last three (3) calendar years?
Tarkett holds contracts with many public sector including GSA, Sourcewell, E & I, Omnia Partners as well as most state contracts. Most of these awards were first award starting in 2005 and continue to be renewed/re-awarded. All of these contracts are multi-source awards. While the annual revenue is proprietary we can state that on average 43% of annual sales come from the education segment with two-thirds of that generated from our contracts.	
3.4.2.	Public Sector Success. What is the i) total dollar amount, and ii) percentage of your company's total annual revenue generated by sales to educational institutions (i.e., K-12 schools & school districts and high education) and local governments (i.e., municipalities, counties, special districts, and state agencies)?
Overall 40% of annual sales come from the education segment. We do not individually track government specific sales but could estimate that about 3-5% of annual sales are from that segment.	
3.4.3.	Public Sector Strategic Growth Plan. Describe your company's three to five-year local government, K-12, and higher education sales objectives and the key elements of your strategic plan to achieve those objectives. What is the total annual dollar value of your company's revenue generated by sales to local governments and educational institutions in each of the last three (3) calendar years? What percentage of your company's total annual revenue is generated by sales to local governments and educational institutions?

We are functioning closer to a 3 year plan now. The strategic growth plan is very simple and based on where we have our strongest relationships and capabilities. We have great data sets to track and managed these. We take those as guiding principles and then measure our why and how to win process. Government and K12 proposed and passed bonds will be a driver for us. Higher Education will be within a holding period due to the hesitation of bringing students back onto campus. The education / government business for Tarkett is close to \$100M+/- . This is close to 40% of Tarkett's revenue.

3.5. Customer References

3.5.1.

Provide references of at least five (5) local government or educational institution customers for which your company has provided products and services similar in nature and scope to those defined in this RFP in the last three (3) years. Your references should include a mix of types and sizes of public sector entities such as municipalities, K-12 schools or schools districts, and colleges and universities. Each reference should include:

- Customer name and location;
- Customer contact person and their title, telephone number, and email address;
- A brief description of the products and services provided by your company;
- Customer relationship starting and ending dates; and,
- Notes or other pertinent information relating to the customer and/or the products and services your company provided.

1) Cypress-Fairbanks ISD/Houston, Tx.

Roy Sprague

Assistant Superintendent of Facilities, Planning & Construction

281-897-4130

Roy.sprague@cfisd.net

Cypress-Fairbanks ISD is the 3rd largest school district in Texas with over 115,000 students. They have been a Tarkett Client for over 35 years. Powerbond Cushion RS is the district standard soft surface product. They have purchased over 1M sy of Powerbond over the years. Roy Sprague is one of our "I'm a Believer" for that Powerbond campaign. Also have used some of our LVT (Event and Contour) in the past. Currently ID Latitude is one of 3 approved LVT manufacturers' products.

2) Brigham Young University, Provo, UT

Jason Thomas

(801) 422-3713

BYU has been a client of Tarkett since 2015 and the relationship continues today. They use our modular tile, Powerbond and LVT.

3) Frostburg State University, Frostburg, MD

John Brewer

Director Facilities

FSU has been using Powerbond in all areas of the school (from entryways, resident living, athletic locker rooms, Starbucks Café and more). They also have several custom logos.

4) Klein ISD/Klein, Tx

Robert Robertson

Associate Superintendent for Facility and School Services

832-249-4520

Rrobertson1@kleinisd.net

Klein ISD has been a client for over 20 years. They are a Texas Fast Growth School District with over 53,000 students. Powerbond Cushion RS is the district standard soft surface product. They have purchased over 500K sy of Powerbond over the years. Also have purchased some of our LVT.

5) City of San Francisco, CA

Eden Brukman

SF Dept. of the Environment

(415) 355-3710

Ede.brukman@sfgov.org

In 2018 the City of San Francisco was looking for a carpet product that would help them reach their sustanibility goals and our ethos product met or exceeded every requirement and it is now a standardization of Cradle to Cradle certified products for them.

3.6. Insurance Coverage

3.6.1.	General Liability, Property & Automobile Insurance. If your company is selected as the Winning Supplier, during the term of any agreements between your company and Equalis Group, and for two (2) years following expiration or termination of such agreements, your company, at its own expense, will maintain and will require that its agents, subcontractors, or suppliers engaged in your company's performance of its duties under such agreements, maintain general liability insurance, property insurance, and automobile insurance (at a minimum, in the amount of \$1,000,000 per occurrence/\$5,000,000 annual aggregate) applicable to any claims, liabilities, damages, costs, or expenses arising out of its performance under such agreements. Confirm that your company either a) has, or b) will purchase insurance coverage as described herein.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
We have attached a sample COI for review.		
3.6.2.	Employee Dishonesty – Members. The Winning Supplier shall be held fully liable for any and all dishonest acts of its employees and/or its subcontractor's employees. Coverage must be provided for Third Party Employee Dishonesty, covering all employees and all officers of your company and any subcontractors, in an amount not less than \$100,000 per occurrence. Confirm that your company either a) has, or b) will purchase insurance coverage as described above covering all employees and all officers of your company, in an amount not less than \$100,000 per occurrence for each Equalis Group Member utilizing the Program.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
We do currently have this coverage and we expect when we renew in October that we will continue to have this coverage.		
3.6.3.	Third Party Employment Practice Liability – Members. The Winning Supplier shall be held fully liable for any and all employment practice acts of its employees and/or its subcontractor's employees, such as, but not limited to, sexual harassment and discrimination. Coverage must be provided for employment practice liability, covering all employees and all officers of your company and any subcontractors, in an amount not less than \$1,000,000 per occurrence. Confirm that your company either a) has, or b) will purchase insurance coverage as described above covering all employees and all officers of your company, in an amount not less than \$1,000,000 per occurrence for each Equalis Group Member utilizing the Program.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
We do currently have this coverage and we expect when we renew in October that we will continue to have this coverage.		

Section 4. Products and Services

4.1. Products

Note: The products priced and included in <u>Attachment B – Cost Proposal</u> will be used to define the products that will be offered to Equalis Group Members.	
4.1.1.	Product Description(s). Provide a detailed description of the products you are including in your proposal.
Tarkett is offering the following products: Modular Tile, Powerbond, Broadloom and Woven carpet, Luxury Vinyl Tile (LVT), Homogeneous and Heterogeneous vinyl sheet and tile, Rubber Flooring, Wallbase, Stairwell Management, Vinyl Composition Tile (VCT) and installation services.	
4.1.2.	Differentiators. Describe what differentiates your company's products from your competitors.
Tarkett's Total Solution Spectrum offers an extensive flooring portfolio of products -- colors, patterns, and textures coordinated to work together visually across platforms, with performance and budget in mind to support the unique needs of every space.	
4.1.3.	Commercial Flooring Product Coverage. Identify which commercial flooring products in sections 4.1.3.1. to 4.1.3.9. are available as a part of your proposal.
4.1.3.1.	Laminate Wood Flooring. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
This is a product we do not offer.	
4.1.3.2.	Engineered Hardwood. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
This is a product that we do not offer	
4.1.3.3.	Solid Wood Flooring. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
This is a product we do not offer.	
4.1.3.4.	Vinyl Composite Tile (VCT). <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
This efficient palette offers 29 of our most popular colorways, including contemporary neutrals and vibrant branding accents. Constructed with 85% limestone, this hard-working staple is phthalate-free and 100% post-consumer recyclable right back into VCT.	
4.1.3.5.	Luxury Vinyl Tile (LVT). <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Our LVT products are available in a variety of colorways, including wood, concrete and stone patterns, solid colors and abstracts. We also offer a variety of sizes to choose from. Our Contour and iD Latitude product line offer our state-of-the-art Techtonic protection that is an advanced new polyurethane technology that is super tough, resisting scratching, abrasions, scuffing and staining. Most platforms are Made in Alabama as well as a few from import.	
4.1.3.6.	Broadloom Carpet. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Tarkett's award-winning, high-end broadloom has a flair for design and a reputation for superior quality. Our tufted broadloom products epitomize smart design and performance and work in tandem with all other Tarkett platforms.

4.1.3.7. Carpet Tiles. ☒ Yes ☐ No

3 Backings to choose (ethos w/ Omnicoat, Flex-Aire, ER3) in sizes 24" x 24", 9" x 36", and 18 x 36". Our ethos w/ Omnicoat is PVC free product. Made in Georgia.

4.1.3.8. Rubber Tile. ☒ Yes ☐ No

Available in an array of colors, patterns and textures. Made in Ohio.

4.1.3.9. Other Product Types. If yes, please identify and describe the other flooring types included as a part of your proposal. ☒ Yes ☐ No

Wallbase and Stairwell management both made in Ohio.

4.1.4. *Ancillary Products.* Provide a detailed description of the ancillary products included as a part of your proposal. Your response may include, but is not limited to, adhesives, trim, or padding.

Each of our products have a coorsponding recommended adhesive. We also offer transition strips and underlayment.

4.2. Manufacturing

4.2.1. *Manufacturing.* Describe your manufacturing operations. Your response may include, but is not limited to, any operational advantages and locations of your manufacturing facilities.

We have manufacurating locations in Dalton, Georgia (carpet products); Chargin Falls, Ohio (Wallbase and other accessories); Middlefield, Ohio (Rubber tile & multi purporse flooring as well as Stairwell management products); Florance, Alabama (LVT and VCT); Ronneby, Sweden (HO & HE vinyl sheet flooring); Linoleum (Nami, Italy).

Section 5. Services

5.1. Turnkey Capabilities

Note: The capabilities priced and included in <u>Attachment B – Cost Proposal</u> will be used to define the capabilities that will be offered to Equalis Group Members.	
5.1.1.	Turnkey Capabilities. Describe the capabilities available through your organization and, if applicable, your authorized dealers and resellers that align with providing turnkey solutions for Equalis Group Members. Please identify which of those services are available directly through your organization and which are a part of the services your dealers and resellers offer.
Simply put, Source One channels all the intricate details of flooring management and installation to professional partners for a complete turnkey solution. Source One is Tarkett's customer-centric account management program and was created 25 years ago from a customer's request to issue one purchase order and have single-source responsibility for both material and labor delivery. Source One handles the complexities of flooring transformations, from inception through completion, including: estimating services, proposals and order entry, single purchase and contact point, product design and manufacturing, flexible, preferred flooring procurement, furniture lift, delivery and installation, existing flooring recycling, maintenance training, Long-term onsite support, and Imaginations Custom Design Floor Program. We have included an attachment that expands on the process, flow chart and team flow. In addition to the advantages and partnerships.	

5.2. Installation

Note: The services priced and included in <u>Attachment B – Cost Proposal</u> will be used to define the services that will be offered to Equalis Group Members.	
5.2.1.	Installation. Is installation available as a part of your proposal? If yes, continue answering the remaining questions in 5.2. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Installation Services for all flooring types are available through Tarkett Source One Services. Services include floor removal, floor prep, moisture testing, and furniture lift/moving. Services for after hours and holidays are also available.	
5.2.2.	Installers. Is the installation service performed by a company owned installation team or one of your dealers or resellers? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Installation services are provided by dealer partners and are available nationwide. In addition, many of our partners are a certified diverse company and can offer Tier 2 diversity spend.	
5.2.3.	Qualifications. Describe the qualification of your installation crews. Your response may include, but is not limited to, training and certification requirements.
Tarkett certified installers are certified by one of our field tech or field services personnel to install all Tarkett products. Most of our dealer partners have been installing Tarkett flooring for many years. When a new dealer partner is added we do require them to sign a contract and provide Certificate of Insurance before performing any work.	

5.3. Other Services

5.3.1.	Interior Design & Consultation. If yes, provide a description of your interior design and consultation capabilities including, but not limited to, if that service is offered by an employee within your company or one of your dealers or resellers. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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Tarkett offers a service called Designer on Demand which provides free visualization support, following the customer's vision, to help bring their design presentation to life. Our skilled designers offer everything from room scene renderings, product palettes, custom 2D renderings, 2D virtual renderings, 3D model renderings, and full pattern repeat renderings at no cost to you. Designer on Demand is the go to resource when the customer is specifying multiple materials in a space or creating a unique floor design installation. You can learn more at dod.tarkettna.com.

5.3.2.	Training. If yes, provide a description of the training services offered. Note: Training services are not limited to those provided to the members but can also extend to the training you provide you dealers, distributors, and resellers.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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Tarkett maintains technical services representatives located throughout the US that can be dispatched as needed to any site location to provide site inspection, installation or service expertise, training and assistance as needed/requested.

5.3.3.	Maintenance Services. If yes, provide a description of the maintenance services included in your proposal.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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Tarkett can provide training on how to properly maintain our products at no additional cost to the customer. In addition we can also help develop an effective maintenance program that can maximixe appearance retention and product life.

5.3.4.	Carpet Removal. If yes, provide a description of your carpet removal services.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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Tarkett does provide carpet removal services in conjunction with installation services. In many cases we can provide land field diversion or recycle the removed product.

5.3.5.	Carpet Reclamation and/or Recycling. If yes, provide a description of your reclamation and/or recycling services.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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Through Tarkett's ReStart program we will take back samples and post instulation waste for recycling. For post consumer carpet, we offer recycling on preapproved products, for material that we can not recycle we offer a landfield diversion program. We have attached our Restart Brochure for more information.

Section 6. Sustainability

6.1. Sustainability, Reclamation, and Recycling Initiatives

6.1.1.	Sustainable Company Initiatives. Describe the ways in which your company is addressing the issue of sustainability.
<p>At Tarkett, sustainability is something we are passionate about. And we've been turning our passion into action since 1957. Weaving sustainable practice and processes through every aspect of how we do business. Which is why we've developed a transparent and holistic approach to sustainability. Making it as easy as possible for you to make good flooring choices that meet your sustainability ambitions. On our website there is a direct link to our Ecomedes site (example: https://tarkett.ecomedes.com/?query=Aftermath) where you can find true transparency of all our products including material health and certifications. In addition you can find the WELL credit contributions. Tarkett just celebrated our 10th anniversary as a signatory to the United Nations Global Compact. We are proud to have confirmed in June 2020 our Advanced level, reached since 2012, illustrating our high level of accountability as well as attaining goal levels. We have been integrating the 10 Principles of the United Nations Global Compact and the UN Sustainable Development Goals into our strategy, our culture and our day-to-day operations. The UN Global Compact principles – covering topics as crucial as respecting human rights, working conditions, fight against corruption and environmental responsibility - guide us and support the global business community through responsible corporate practices. For Tarkett to be the only flooring manufacture to commit and follow the UN SDG's for 10 years is an accomplishment in itself but, we have advanced our sustainability standards year over year to meet these goals. Our 2019 Corporate Social & Environmental Responsibility Report provides a comprehensive look at our Sustainability, our goals and how we are performing. We have attached the report for you or you can access the report here: https://www.tarkett.com/sites/default/files/TARKETT_CSR_Report_standalone_EN.pdf</p>	
6.1.2.	Sustainable Product Initiatives. Describe the ways in which your company is addressing the issue of sustainability in your product offering.
<p>ethos® Modular with Omniccoat Technology® is a great example of how Tarkett is designing products with circular economy in mind. ethos creates a use for PVB, which is the film from discarded windshield glass, a waste stream from the automotive industry. ethos has 54% total recycled content, and 32% of that comes from a waste stream we divert from landfills. Circular economy also requires us to design products with healthy materials that can be safely reused and recycled in the future. For ethos, that means no antimicrobials, no halogenated flame retardants, and no harmful chemicals. ethos has been certified by Cradle to Cradle and has a Declare label—the two highest certifications a product can achieve. In addition, having all of our products material health and certifications available to the customer at https://tarkett.ecomedes.com/ further show our commitment to sustainability. We have attached: Solutions at Work – City of San Francisco, to show how we have raised the bar on sustainable carpet.</p>	
6.1.3.	Recycled Content. Provide a statement(s) identifying the recycled content levels used in the products in your proposal.
<p>Tarkett's approach is to have as much recycled content but in doing so it has to be by using healthy materials. Tarkett products have a wide range of pre and post-consumer recycled content; Modular Tile has a minimum of 54% and goes up to 62%, Powerbond minimum of 8% up to 10%, Broadloom & Woven goods up to 28%, Luxury Vinyl Tile up to 30%, Vinyl Sheet goods up to 30%, Rubber products 7% and VCT 34%. We have provided the total recycled content of all products on the pricing sheet. In addition you can access the information via our Ecomedes site at https://tarkett.ecomedes.com/</p>	
6.1.4.	Circular Economy. Describe the efforts your organization makes to ensure the materials removed from a project site are recycled to make new carpet, carpet components or other consumer products.
<p>We are committed to creating a circular economy business model. Closing the loop on waste, using more recycled content to preserve our planet's natural resources, and ultimately reducing carbon emissions and impact climate change. Circular economy is not just about recycling. Having a circular economy business model also means being committed to using good materials. It's a shift in how we design, process and manage our products at end of use, so everything we use and produce is continually reentered into the market for a new or extended purpose. Not only is this the right thing to do for our environmental security, but it's also the best way for us to</p>	

continue leading the industry in sustainability, and setting ourselves apart in the marketplace. By subjecting ourselves to relentless scientific scrutiny and offering radical transparency about our products, you can be clear on the health and environmental performance of our flooring. Our ReStart Program (attachment provide with 5.3.5) is also a great example on how we reuse product to make new and divert waste from the landfills.

6.1.5.	<i>Embodied Carbon Impact.</i> Describe the efforts your organization makes to reduce the Scope 3 (supply chain) emissions whenever possible.
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Tarkett offers one of the smallest embodied carbon products in every category when compared to industry average. However, to neutralize this impact for our customers, every product sold by Tarkett in North America (beginning September 1, 2020) Carbon Neutral, not only the embodied carbon but the life cycle carbon. Reducing the impact to our customer (their Scope 3) to zero.

Section 7. Business Operations

7.1. Customer Service

7.1.1.	Customer Service. Describe your company's customer service department and operations. Your description may include, but is not limited to, hours of operation, number and location of service centers, parts outlets, number of customer service representatives. Clarify if the service centers are owned by your company or if they are a network of subcontractors.
<p>Tarkett manages and employees their own customer services representatives in the following locations:</p> <p>Dalton, GA – Supporting carpet products</p> <p>Florence, AL – Supporting luxury vinyl tile</p> <p>Solon, OH – Supporting resilient products and distributors.</p> <p>Each region has a dedicated team of representatives and are available from 8am to 6 pm EST.</p>	
7.1.2.	Expedited Orders. Describe your approach to handling emergency orders and/or service. Your description may include, but is not limited to, response time, breadth of service coverage, and service level.
<p>The first priority for the Tarkett operations team is always to honor the stated lead times for all its customers. That being said we do understand emergency situations arise and we have the flexibility to accommodate when we can.</p> <p>First, the Customer Service Representative can submit a request for improvement to the Manufacturing Special Liaison, who will review the request with the appropriate master schedulers to determine if the request can be honored. In cases where the request cannot be honored, if any improvement can be made that will also be communicated. The service level for response time is 4 hours on these requests.</p> <p>Secondly, if the result above will not resolve the issue to the customer's expectation the Regional Vice President (or Divisional Vice President) can make an exception request to either the Customer Service Manager or Director of Operations.</p> <p>In all cases there are a number of factors which need to be considered, like the availability of raw materials and the overall machine load across the campus.</p>	
7.1.3.	Complaint Resolution. Describe your customer complaint resolution process. Describe how unresolved complaints are handled.
<p>Should an issue arise where there is a service issues, you would first contact the local account executive, and he or she will escalate the complaint to the appropriate parties in order to get the issue resolved.</p> <p>Should the complaint be on the account executive you can reach out to the customer service representative, whom would escalate the complaint to the appropriate parties.</p> <p>Should you experience an issue that is not resolved in a timely manner, a member of management will intervene and see to it that the issue gets resolved as quickly as possible.</p>	
7.1.4.	Product Returns. Describe your product return policy and procedures.
<p>There shall be no cancellation or return for any Custom product orders.</p> <p>Soft Surface Products:</p> <p>Customer may cancel any portion of a purchase order for standard running line products, or the whole thereof, that have not been shipped subject to a restocking fee. Material that has already been shipped may be returned only with prior written approval of an authorized Tarkett representative and may be subject to restocking fees and any return freight incurred.</p>	

LVT Products:

Contour, iD Latitude and the Victory Series products are custom made and may not be canceled or returned. Customer may cancel any portion of a purchase order for the Event Series products, or the whole thereof, that have not already been shipped, subject to a 30% restocking fee. Products that have already been shipped may be returned only with prior written approval of an authorized Tarkett representative, and will be subject to a 30% restocking fees and any return freight incurred.

Resilient Products:

Customer may cancel any portion of a purchase order for standard running line products, or the whole thereof, that have not been shipped subject to a restocking fee. Material that has already been shipped may be returned only with prior written approval of an authorized Tarkett representative and may be subject to a minimum 25% restocking fees and any return freight incurred.

7.2. Order & Invoice Processing; Payment

7.2.1.

Purchasing Options. Describe the different channels in which this contract will be made available to Equalis Group Members. Your response should include, but is not limited to, whether your organization will serve as the single point of contact or if the contract will be made available to your dealers and reseller to serve as the single point of contact.

Equalis Members will have 3 options to purchase

- 1) Directly to Tarkett via an Account Executive (carpet and LVT products)
- 2) Local dealer (all products)
- 3) Local Distributor (resilient product)

7.2.2.

Order Process. Describe your company's proposal development and order submission process.

1. We require a written purchase order, which includes the specific style, color, backing, size, quantity and price. The purchase order must also include the billing and shipping addresses, the terms of sale, as well as the freight terms and applicable taxes.
2. We also issue a written acknowledgement and send it back to the purchaser for review to be sure there are no errors.
3. We accept purchase orders via fax and email, and once an account is established, orders for running line products may be ordered verbally over the phone, and then confirmed by a written purchase order.

7.2.3.

Invoice Process. Describe your company's invoicing process.

Invoices are processed after a bill of lading is generated indicating the product has shipped. Invoices can be sent via regular mail or email.

7.2.4.

Payment. Provide your standard payment terms? Identify all acceptable methods of payment?

Standard payment terms are Net 30 and can be paid by wire transfer or check. We also accept credit card payments (Visa, MasterCard and AMEX) for prepayment (cash before delivery).

7.2.5.

Financing. Does your company offer any financing options or programs?

☐ Yes ☒ No

Tarkett does not offer any finance options

7.3. Members Contracting for Services

7.3.1.	Customer Set Up. Once an Equalis Group Member decides to accept your company's proposal for services as described in this RFP, what is the process for the Member to become a customer?	
We provide each new customer and "New Customer Packet" to be completed and returned. Once returned to us, we will set the customer in our system and they are able to start purchasing from us.		
7.3.2.	Customer Agreements. Does your company have standard customer agreements? If yes, please provide copies of any standard customer agreements and provide a response to question 6.3.3.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
We have a standard Customer Supply Agreement as well as standard terms and conditions that have provided in the attachments for review.		
7.3.3.	Contracting. What is the process for reviewing, negotiating, and finalizing any customer-specific contract terms or requirements? Approximately how long does the contracting process take to complete (i.e., secure a fully executed contract document)? What is the typical term length of your customer agreements?	
Contracts are reviewed and redlined as needed through our legal department team. In most cases a review and redline (if any) are returned to the customer within a week for them to accept or counter. Initial contract terms are set at 3 years with automatic renewal for one year until terminated. Our goal is to have contract fully executed within 14 business days.		

7.4. Bonding Capabilities

7.4.1.	Bonding. Describe your company's bonding capacity.	
Federal Insurance Company, a member of the Chubb Group of Insurance Companies, has had the privilege of bonding Tarkett USA Inc. since 2012. They are licensed and authorized to do business in all states. Federal Insurance Company has extended surety credit to Tarkett USA Inc. in an aggregate amount of \$75,000,000, with a single job limit of \$5,000,000. However, these numbers do not represent the largest amount that the surety would consider. Tarkett USA Inc. is completing all current projects in a satisfactory manner and has never defaulted on a project. Federal Insurance Company has never had to intervene in or complete any of Tarkett USA Inc.'s projects nor has surety credit been denied.		
7.4.2.	Rating. Is your bonding obtained from a surety with an "A" rating from AM Best?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
rated A++ by A. M. Best with a Financial Size XV.		

Section 8. Warranty

8.1. Warranty

8.1.1.	<p>Warranty. Provide a copy of the manufacturer's warranty. If required, please attach the warranty as an attachment as instructed in <u>Section 2.3</u> of this document. Describe notable features and/or characteristics of the warranty that a public sector customer would find interesting or appealing. How long is the warranty? Please indicate, and describe if applicable, if there are any optional extended warranty coverage available to Members. How does your warranty coverage compare to that of your competitors? Pricing related to the any extended warranty options must be included in <u>Attachment B – Cost Proposal</u>.</p>
<p>Tarkett offers one of the best warranty program on their products and are as follows:</p> <p>Modular Tile and Powerbond: Lifetime Limited</p> <p>Broadloom and Woven: 10, 15 or 20 years depending on backing selected</p> <p>LVT: 10, 20 or 25 years depending on series</p> <p>Sheet Vinyl: 5, 10 or 20 years depending on series</p> <p>Rubber: 5 years</p> <p>Wallbase and other accessories: 2 years</p> <p>Labor via Source One: 1 year</p> <p>The exact warrant for each product offering is noted on the pricing sheet for your quick reference.</p> <p>We have also attached a sample of all warranty documents. Tarkett is open to offering any extended warranty coverage on a case by case basis and has on a number of projects.</p>	
8.1.2.	<p>Claims. Describe your warranty claims process.</p>
<p>The first point of contact for a quality concern will be either Jonathan Stanley or the local Account Executive, based in the location of the customer. The Account Executive will visit it site personally or dispatch a field representative to photograph the area of concern, obtain any relevant product samples and remit to our Quality Assurance and our Claims department. Once alerted to the need for a site visit, typical time frame for a site inspection to occur is within 24 - 48 hours. The Account Executive will then work with our Quality Assurance and our Claims Department to expedite the solution in a timely manner and will coordinate all necessary functions to provide prompt and satisfactory resolution to any concern. Pending on required resolution, Tarkett maintains technical services representatives located throughout the United States that can be dispatched as needed to any site location to provide installation or service expertise, training and assistance. Our extensive network of independent dealers and certified installation professionals can also assist with site concerns. Once a resolution action plan is established, it will be immediately communicated to the appropriate parties for implementation. The contact will verify that these items have been handled to their satisfaction before signing off on the resolution.</p>	

Section 9. Additional Features & Other Offerings

9.1. Additional Features

9.1.1.	Value Add. Describe any other features or capabilities relating to commercial flooring that would improve or enhance the Program. Your response may include, but is not limited to, ecommerce capabilities, marketing capabilities, green initiatives, and technological advancements.
<p>Tarkett is full of value adds based on our commitment to serve people. We break up the customers of our business within distinct decision making criteria and then place the personas and influencers within those criteria. The values we create are to help by managing their spend through programs and online tools, identify through the industry's most stringent transparency tools about healthy materials for healthy buildings, to sharing the most impactful experiences that flooring will have on the psychological and physiological of building users. The value add is not just in our methods of delivery but also our mindset of how we approach our customers. We lead the industry in many of these areas of data measurement but also in transparency. Tarkett's impact on wellness is our biggest contribution. We have been involved in several research projects that have turned into books through an organization called Mindshift. The Healthy Workplace Nudge, Humanizing the Education Machine, and Whole – What teachers need to help students thrive have all been driving theory that assist in creating output.</p>	

9.2. Additional Offerings

9.2.1.	Other Capabilities. Identify and describe any other products and/or services your company offers outside the primary scope of this RFP that can be made available to Equalis Group Members. Include proposed pricing for any additional products or services your company offers in <u>Attachment B – Cost Proposal</u> in accordance with the directions provide in <u>RFP Section 2.3 Cost Proposal & Acceptable Pricing Formats</u> .
<p>We like to be continuous in how we innovate our capabilities. Each project and process around project delivery can be different depending on the team and desired outcome. This encourages constant innovation around delivery. We are constantly adding items to our service menu as well as offering learning modules around flooring maintenance, wellness, and design innovations. Our intent is to continually work with custodians, owners, presidents, and designers on multiple fronts to make their job easier and provide better outcomes. We will be continuously looking and measuring to see if items should be added and valued by customers. This will be in direct collaboration between Equalis, users, architects, and Tarkett.</p>	



Section 10. Partnering with Equalis Group

10.1. Bidder Organizational Structure & Staffing of Relationship

10.1.1.	<p>Primary Point of Contact for Equalis Group. Who is the individual that will serve as Equalis Group's primary point of contact for developing and implementing a go-to-market strategy to increase Program participation by local governments and educational institutions across the country? Include the individual's name, title, a description of their role, and a resume or biography.</p>
<p>Jonathan Stanley will be the the primary contact for Equalis. Jonathan is the Vice President, Education & Government Strategies Central Division. Based in Chaicago, IL Jonathan has a passion to collaborate with industry leaders and break through the barriers to innovation, creating new pathways for instructors, students and the people who design and maintain their environments. His history in the flooring industry expands into areas of contract negotiations, product development, marketing, and research. Jonathan is active in many affiliation roles and speaks frequently at organization events such as A4LE, APPA, ACUHO-I, AIA, IIDA, AUID and as a guest lecture at various universities and architectural firms.</p>	
10.1.2.	<p>Key Staff. Provide the names, roles, and tenure with the company of other key staff members who will be working with Equalis Group in such areas as sales management, field sales, marketing, collateral development and approval, accounting, and reporting.</p>
<p>Jonathan Stanley, with Tarkett for 8 years, will be the primary point of contact for Equalis. He will assist with all contract related items with the focus of teaching the sales force the contract and how to leverage it to win. In addition he will work with marketing to promote the contract. Jamie Collins, 4 years with Tarkett, will be the contract administrator. She will be the link to returning all signed documents, updating product and pricing offerings, as well as call upon departments for any needs inquired (like technical support or accounting). Jonathan will be supported by Steve Vosburgh as SVP Customer Experience he will ensure our customer service is A+. Tommy Keener and Tracy Gowens are in our design team and will help develop/design solutions as requested. Traci Kloos is our marketing director and will direct her team in supporting all the marketing needs. Lastly our Source One team of Michael Cronan and Judith Davis will be your link all our turn key services.</p>	
10.1.3.	<p>Organizational Chart. Provide an organizational chart describing the roles and reporting relationships of senior management and departments or divisions within your company.</p>
<p>Please Find Attached and see 10.1.2 for the roles.</p>	
10.1.4.	<p>Sales Organization. Provide a description of your sales organization, including key staff members, the size of the organization, in-house vs. third-party sales resources, geographic territories, vertical market segmentation, segmentation by account size, inside sales, field sales, and how sales representatives are compensated (e.g., on gross revenue, profitability, or some other formula).</p>
<p>Tarkett has a steering committee made up of leadership within sales, marketing, legal, and HR. Each of these individuals have reporting teams that collaborate cross functionally. The Segment Vice Presidents over the education and government sales organization build the sales strategy and roll out execution of contracts. Most of our processes, strategies, and execution is done internally with the exception of some marketing outsourcing on special projects. The market segmentation is run and managed by the segment vice presidents in collaboration with marketing when creating long term strategy. Most salespeople are considered generalists unless they are in a large MSA (ie NY, Boston, Chicago, SanFrancisco). At this point they may just be focused on education or have education, government, and even healthcare. Generalists mainly have one state and in some circumstances could have 2.</p>	

10.2. Contract Implementation Strategy & Expectations

10.2.1.	Five (5) Year Sales Vision & Strategy. A piggybackable Master Agreement with Equalis Group provides your company with an opportunity to win new and renew existing local government and educational institution business through an exemption to the traditional bid/RFP process. In other words, public sector entities that want to purchase your company's products and services can do so without having to conduct a bid or RFP. Describe your company's vision and strategy to leverage a piggybackable Master Agreement with Equalis Group to win and retain local government and educational institution business over the next five (5) years.	
Our low hanging fruit would be to target and develop a strategy to go after work in Ohio. The network you already have with the network we have is perfect timing for us. We do large amount of business within the State of Ohio now. Our relationships within A4LE and APPA will give us significant coverage into the deep relationships. Tarkett would look to partner with a few districts to create a piggyback while inviting multiple others. This will create a vacuum within the state but also give national relevance for surrounding states within the central US. Once this is established Tarkett can use these as reference points nationally which is what other states, districts, cities, and universities appreciate when considering establishing a new piggyback. Ohio could take up to 2 years to get to a saturation point and probably 4 years to grow into a strong competing brand nationally. Close collaboration within our salesforce with frequent strategic discussions will be necessary.		
10.2.2.	Driving Program Participation & Revenue. What geographies and public sector vertical markets will be targeted and in what timeframe?	
All markets within K12, Higher Education, City, and State government will be rolled out. We will have a national call within the Tarkett organization for those who call on these entities to help them have a clear understanding of Equalis and how the contract can best serve them and their customers. Ohio will be first with the plan framework laid out in 10.2.1		
10.2.3.	Master Agreement Deployment with Sales Team. How will the piggybackable Master Agreement be deployed with your public sector sales team?	
Anytime we create new master agreements we have a national call with all sales and sales leadership that can use/leverage the new contract. The education / government segment vice president level (my position) will have quarterly updates on progress.		
10.2.4.	Sales Team Incentives. How will your sales team be incentivized to leverage the Equalis Group piggybackable Master Agreement when pursuing public sector business?	
Tarkett does not incentivies sales people to position one government approved lead contract.		
10.2.5.	Revenue Objectives. What are your revenue objectives in each of the five (5) years of the piggybackable Master Agreement?	
The intent is to leverage Equalis to grow market share. Year one we anticipate doing \$750K and growing on an average of 25% annually.		

10.3. Administrative Fee & Reporting

10.3.1.	Administrative Fee. Equalis Group generates revenue as a percentage of the Winning Supplier's revenue from local government and educational institutions purchasing products and services from Winning Supplier through the piggybackable Master Agreement between the Winning Supplier and Equalis Group. The Administrative Fee is designed to align the interests of the Winning Supplier and Equalis Group – Equalis Group only generates revenue when the Winning Supplier generates revenue	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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	based on Program utilization by current and future Members. The Administrative Fee for this Program is two percent (2%) of the Winning Supplier's Program revenue, payable upon invoice issued by the Winning Supplier to participating Equalis Group Members. Confirm that, if selected as the Winning Supplier of this RFP process, Bidder agrees to this Administrative Fee structure.	
N/A		
10.3.2.	<i>Sales & Administrative Fee Reporting.</i> Equalis Group requires monthly reports detailing sales invoiced the prior month and associated Administrative Fees earned by the 15 th of each month and reports detailing the prior calendar year's sales invoiced and Administrative Fees earned within thirty (30) days following the end of the calendar year. Confirm that your company will meet or exceed this reporting requirement. If your company cannot meet this reporting requirements schedule, explain why and propose an alternative time schedule for providing these reports to Equalis Group.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Tarkett standard reporting and payment of administrative fees are done on a quarterly basis. We would ask that we be allowed to report and pay based on that.		



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

Page 1 of 1

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Willis of Pennsylvania, Inc. c/o 26 Century Blvd. P. O. Box 305191 Nashville, TN 37230-5191	CONTACT NAME:	
	PHONE (A/C, NO, EXT): 877-945-7378	FAX (A/C, NO): 888-467-2378
	E-MAIL ADDRESS: certificates@willis.com	
	INSURER(S) AFFORDING COVERAGE	
	INSURER A: XL Insurance America, Inc.	NAIC # 24554-003
	INSURER B: Travelers Property Casualty Company of Am	25674-008
	INSURER C: Travelers Indemnity Company	25658-001
	INSURER D: The Charter Oak Fire Insurance Company	25615-001
	INSURER E:	
	INSURER F:	

COVERAGES**CERTIFICATE NUMBER:** 24130908**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL NSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			US00010327L15A	5/1/2015	5/1/2016	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> \$1,000 Coll Ded <input checked="" type="checkbox"/> \$1,000 Comp Ded			15AP823K312ATIL15	9/28/2015	9/28/2016	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTIONS \$ 10,000			US0001061LI15A	5/1/2015	5/1/2016	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			AOS TC2HUB823K312015	9/28/2015	9/28/2016	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER
D				** TROUB823K311815	9/28/2015	9/28/2016	E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

WC Policies: AOS-covers all other states. ** -covers AZ, MA, OR, WI only.

CERTIFICATE HOLDER**CANCELLATION**

Evidence of Insurance

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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Source One[®]

One program.
One source.

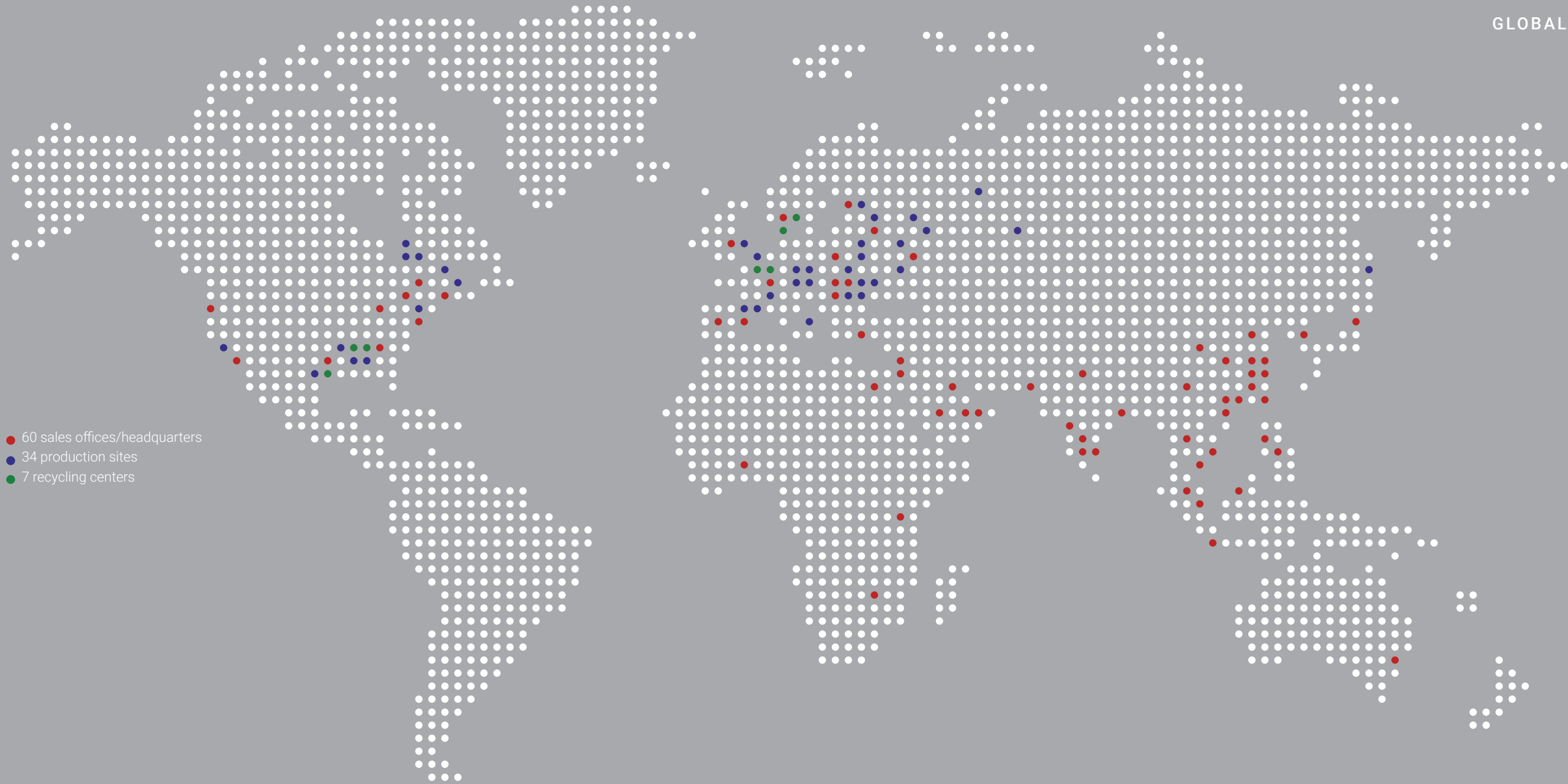
 **Tarkett**

We are more than a flooring company. We are craftsmen, designers, makers and dreamers working together with a greater purpose.

Our mission goes far beyond simply covering floors. We are innovators and pioneers of sustainable solutions, always reaching further to bring our clients' visions to life. We champion creativity, thrive on collaboration and never stop dreaming.

Yes, we make beautiful floors. But that's just the beginning. We are Tarkett; creators and thinkers with endless innovation.





Tarkett is a global leader in innovative flooring and sports surface solutions that generates value for our customers in a sustainable way.

As part of the Tarkett family, we have a broad reach and offer an extensive portfolio of flooring products including vinyl, linoleum, carpet, rubber, wood, laminate, synthetic turf and athletic surface.

With over 11,000 employees and 34 production sites, the Tarkett family of brands provides 1.3 million square meters of flooring every day for hospitals, schools, housing, hotels, offices and sports venues.

Our Capabilities

Tarkett understands that a successful project links critical business operations, integrates technology and supports a range of styles.

Our product strengths, design capabilities and Source One turnkey account management program work in harmony to create a cohesive, visually engaging whole.

Our coordinating soft and hard surface flooring collections and complementary accessories offer a truly integrated approach. Coupled with Source One, this industry differential allows our customers complete design flexibility — to move beyond a floorcovering product choice to a comprehensive design and installation solution .



Source One is Tarkett's customer-centric account management program. The Source One program was created 25 years ago from a customer's request to issue one purchase order and have single-source responsibility for both material and labor delivery.

We listened.

Source One handles the complexities of flooring transformations, from inception through completion, including:

- Estimating services
- Proposals and order entry
- Single purchase and contact point
- Product design and manufacturing
- Flexible, preferred flooring procurement
- Furniture lift
- Delivery and installation
- Existing flooring recycling
- Maintenance training
- Long-term onsite support
- Imaginations™ Custom Design Floor Program

Simply put, Source One channels all the intricate details of flooring management and installation to professional partners for a complete turnkey solution. You're free to focus your full attention on the project itself.

It's that simple.



Processes

PROJECT FLOW

Each Source One process is designed to simplify procedures, minimize costs, increase efficiencies and eliminate obstacles.

01

Quote request from client

02

Quantities estimated & proposal sent to client

03

Purchase order issued by client

04

Purchase order received & order placed

05

Source One manages shipments, installation process & project completion

06

Project accepted by client

07

Warranties issued

08

Project closeout



Processes

TEAM FLOW

Teamwork is the key to successful account management of any floorcovering installation. Source One provides clients with a team of professionals that contributes to the project's overall success.





Advantages

Total Responsibility

- Single-source responsibility for entire flooring project, including wall base, transitions, adhesives, etc.
- One source responsible for material and labor on one purchase order
- Ensures purchases adhere to client's specifications

Responsive Service

- Advanced, computerized estimating allows for quick turnaround
- Dedicated account specialist assigned to each account
- Timely response to production, shipping and scheduling questions, usually within 24 hours

Professional Account Management

- Coordination of ordering, shipping, handling and installation of materials
- Trained and certified installers
- Seam diagram and material layout for accurate installations
- Seamless management of any changes throughout the process

Guaranteed Tarkett Quality

- Comprehensive warranty on material
- Single-source warranty on installation

Source One's account management program provides customers the advantage of a worry-free solution that covers every aspect of their flooring project. Gone are the needs to communicate, coordinate scheduling and receive purchase orders from multiple vendors. We take care of it all.

Partnerships

Tarkett is constantly in search of ways to become a better corporate citizen and environmental steward. This innovative spirit is evident in our products, our practices and most importantly, our people. We're dedicated to fostering an environment that encompasses and nurtures people from all backgrounds, ages, races, ethnic groups and lifestyles. This philosophy extends to our relationships with our dealers, suppliers and partners.

Tarkett is dedicated to utilizing qualified suppliers from all segments of the global community. We strive to engage suppliers who share our vision, philosophy and commitment. Among those businesses include:

- Certified minority-owned businesses
- Certified woman-owned businesses
- Historically Underutilized Businesses (HUB)
- Small businesses
- Small disadvantaged businesses
- Small service-disabled veteran-owned businesses
- Small veteran-owned businesses
- Small woman-owned businesses
- Zone businesses

By collaborating with us to develop efficient, innovative solutions, these suppliers also contribute to your social responsibility initiatives. Together, we want to make your transformation, and the journey along the way, not just possible, but extraordinary.





Measuring Impact

Business metrics ensure our processes are in sync with your objectives.

By always measuring our performance, we are continually making improvements to help lessen our environmental impact, increase productivity and extend our commitment to diversity.

We employ a strategy we call Closed-Loop Circular Design. The four components of this strategy include good materials, resource stewardship, people-friendly spaces and reuse/recycle. Our approach allows us to impact not just our own operations, but also the supply chain and end users. Our ongoing initiatives with closed-loop recycling and postconsumer reclamation continue to lead our industry.

Treating our world with the same courtesy, dignity and integrity that inform all our relationships is paramount at Tarkett.

Reporting extends to our customers so that we can help our clients achieve critical corporate real estate objectives. In order to help you meet your goals, we provide metrics on things such as:

- Floorcovering spend
- Regional product allocation
- On-time delivery*
- Environmental impact
- Supplier diversity
- Productivity savings

*Available when working with Source One or Strategic Account Facilitator



Source One creates transformation. It transforms ordinary spaces into extraordinary visions, used product into new flooring and complex into simple.

One program. One source. **Source One.**



For more information about Source One,
contact your Tarkett account executive.

Tarkett North America

30000 Aurora Road
Solon, OH 44139
800.899.8916

www.tarkettna.com

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ReStart® take-back and recycling program

We love
rubbish.

We re-make it into
beautiful floors.
Endlessly.



Fluff - high purity yarn (95%) - is generated by Tarkett's carpet recycling center.



OUR PHILOSOPHY

Shifting to a circular economy

How can we achieve a good quality of life within the limits of our planet?

Today, it's predicted that we may need two planets of resources in the next ten years as consumption rises. The most recent Earth Overshoot Day – when we've used more resources than the planet can renew in a year – occurred in July, the earliest ever. Tarkett's ambitious target is to reduce greenhouse gas emissions by 40% by 2030 (compared with 1990 levels). We urgently need change.

At Tarkett, we have been taking action to improve our impact on the environment for decades. Going circular will enable us to help save natural resources and create a more sustainable world for future generations. We must reinvent the way products are designed, made and consumed, shifting from a linear 'take-make-waste' industrial model to a regenerative, circular economy.

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Bags filled with recycled material.

TARKETT'S JOURNEY TO CIRCULAR ECONOMY

At Tarkett, we believe that together, we can make a positive impact on people and the planet. As one of our key circular economy initiatives, our global take-back and recycling program, ReStart®, makes it easy to return your recyclable flooring to make new floors and new products. We help you manage your waste and turn it into a precious resource, achieve green building certifications and advance your sustainability goals.

Tarkett's journey to recycling flooring products – to restarting our product lifecycle – began in 1957. To design products that could be safely recycled and transformed into raw materials for new products, we adopted Cradle to Cradle® design in 2010. We optimize our materials in partnership with our suppliers and material health experts, and innovate to overcome the challenges involved in recycling flooring. Ultimately, we seek to design 100% recyclable flooring, while offering the same durability, aesthetics and performance.

Recycling also helps us to conserve natural resources. We aim for 75% of our raw materials to be recycled, rapidly renewable, or abundantly available in nature. By 2030, our goal is to increase the percentage of recycled materials we purchase as raw materials (by volume) to 30%. By doing so, we help to tackle climate change by cutting out the vast amounts of energy and water needed to extract and process virgin materials.

Our efforts support the United Nations' Sustainable Development Goals (SDGs), including its goal to reuse or recycle 70% of construction waste by 2020.

Now, to truly close the loop on flooring, we need your help.

We invite all our customers to join us in closing the loop on flooring to accelerate the transition towards a circular economy.



Carpet recycling center.

THE BENEFITS OF RECYCLING THROUGH RESTART®

Any roll flooring installation results in off-cuts, amounting to approximately **10%** of the installed floor area. Historically, it's been easier to dispose of flooring after installation or use, with few options available for recycling. But we are changing the game in closed loop flooring.

With Tarkett, you have a more sustainable option: return recyclable flooring to us via our ReStart® take-back and recycling program to avoid sending post-installation off-cuts or post-consumer flooring to landfill or incineration.

We'll **collect** and **recycle** both your post-installation and post-consumer* flooring, **transforming** it into high-quality raw materials for new flooring products.

Efficient, cost-effective collection

You can return post-installation flooring off-cuts (linoleum, wall base, homogeneous and heterogeneous vinyl) or post-consumer carpet to Tarkett for recycling. It's a straightforward, cost-effective system, and collection is arranged through local partners. All you need to do is join the program, and we'll do the rest.

High-quality recycling

Tarkett continuously optimizes the health and environmental credentials of our materials to enable recycling. We're also investing in the latest technology to disassemble the components and recycle our flooring. This allows us to retain maximum material purity and create secondary raw materials with equally good performance and durability.

* We're piloting new technology that allows post-consumer vinyl recycling for vinyl flooring produced after 2011.



Vinyl recycling center.

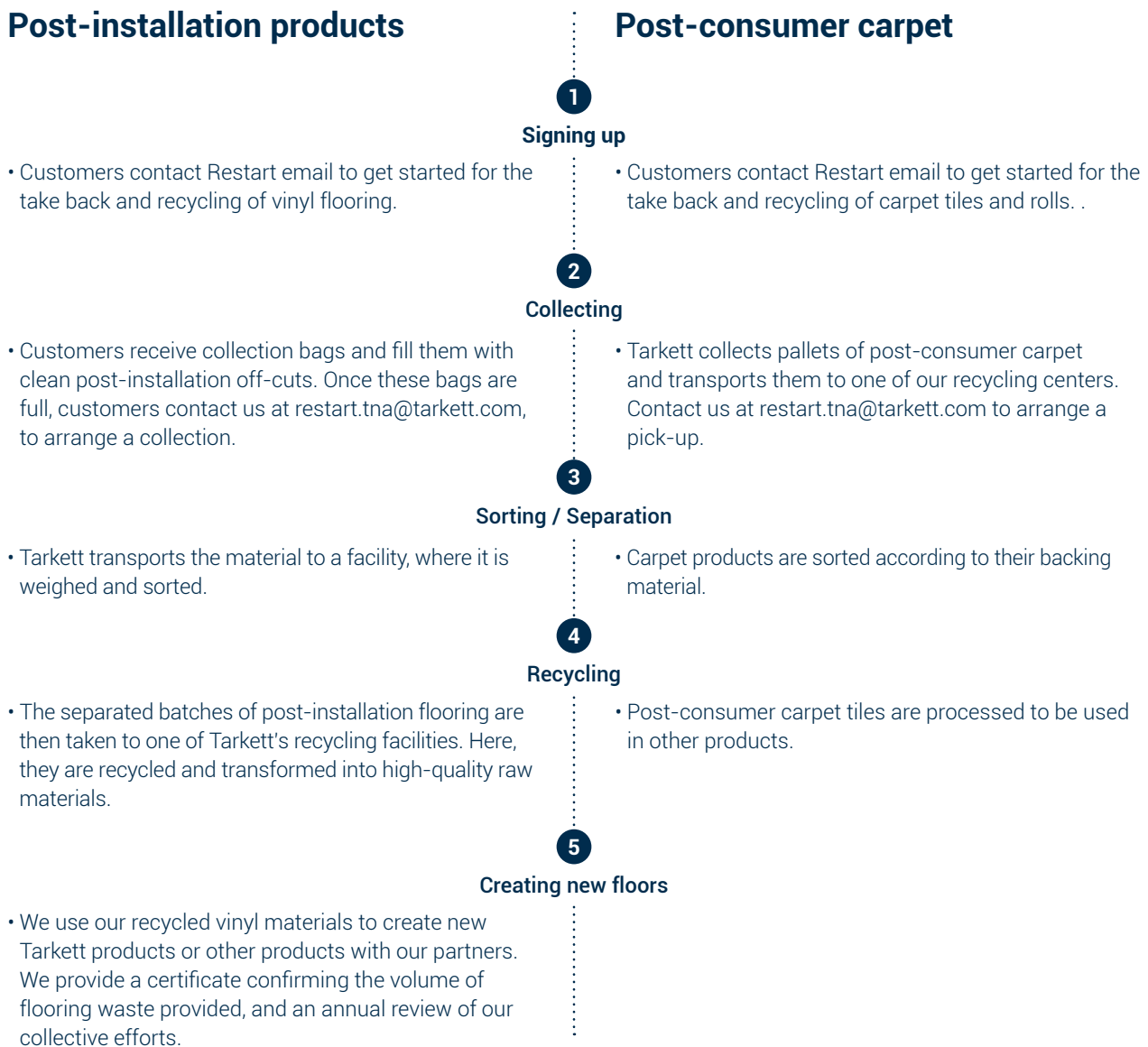
HOW DO WE COLLECT AND RECYCLE YOUR FLOORING?

Your post-installation* off-cuts and post-consumer flooring will be collected or dropped off to a local partner and sent to dedicated sorting sites, where recyclable materials are recovered. They are recycled and transformed into high-quality raw materials.**

We love rubbish. To us, it is a precious resource.

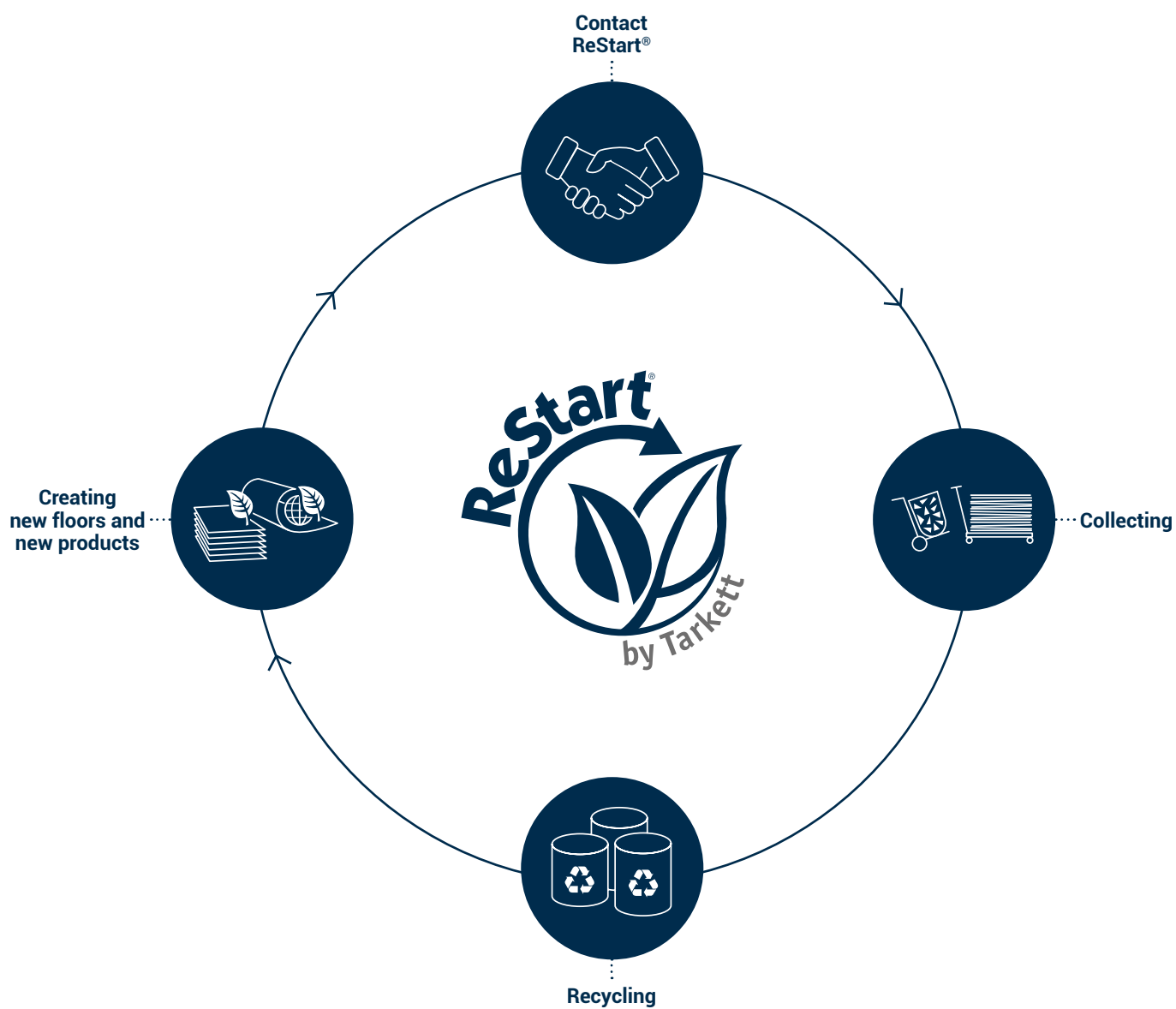
Post-installation products

Post-consumer carpet



*Vinyl and linoleum flooring

**Carpet tiles



GLOBAL RECYCLING AT TARKETT

At our eight dedicated recycling centers worldwide, we recycle post-installation off-cuts and post-consumer* flooring, including vinyl and carpet tiles.

Here are some examples...



Transforming post-installation off-cuts into new material

We collect clean, post-installation off-cuts of rubber tiles, stair treads, wall base and vinyl products from our customers, sending them to one of our dedicated sorting partners before transforming them into high quality raw materials for new Tarkett flooring or working with our partners for new uses of the materials.



Closing the loop on carpet

Tarkett North America has been reclaiming certain post-consumer carpet tiles since 1994, and transforming them into a composite backing for new modular tiles. We're also working with partners to find other industries that can give this material new life.



Recycling linoleum post-production and post-installation off-cuts

At our **Narni site in Italy**, we **recycle 1,600 tons of linoleum annually**. We convert both production and post-installation off-cuts into a linoleum powder for use as a raw material in new Tarkett linoleum products. And we're working on solutions to recycle post-consumer linoleum, an industry-wide challenge.




Identifying a recycling solution for post-consumer vinyl

Our innovation teams are piloting a solution to recycle phthalate-free post-consumer homogeneous vinyl flooring, made from 2011 onwards. Using specialized material and a customized process, we are able to **separate and clean the vinyl** material from any glue or concrete residues, **creating granules** that can be integrated into the production of **new homogeneous flooring** at our plant in **Ronneby, Sweden**.



Recycling post-production and post-consumer VCT

In the US, we recycle post-industrial and post-consumer VCT, partnering with major retailers to help us recapture tiles from consumers. We continuously innovate to find solutions to separate light and dark post-consumer VCT tiles and remove glue effectively, as we scale up our efforts to give VCT tiles a new lease on life.



How much flooring have we collected so far?

We've already collected 105,000 tons of vinyl, linoleum, and carpet for recycling from 2010 to 2019 in Europe and North America.

In 2019, 3,300 tons were collected and we are innovating to increase collection and recycling of post-consumer flooring in order to use fewer virgin resources.



WHERE DO WE RECYCLE?



Luxury Vinyl Tiles

Clervaux (*Luxembourg*)
Florence (*US*)
Jacareí (*Brazil*)

Heterogeneous Flooring

Clervaux (*Luxembourg*)
Jacareí (*Brazil*)

Homogeneous Flooring

Ronneby (*Sweden*)
Clervaux (*Luxembourg*)
Jacareí (*Brazil*)
Otradny (*Russia*)

Vinyl Composition Tiles

Florence (*US*)

Carpet

Waalwijk (*the Netherlands*)
Dalton (*US*)

Linoleum

Narni (*Italy*)



Why opt for Tarkett products?

Tarkett has a strong commitment to accelerating the shift to a circular economy. By listening to our customers' needs and collaborating with our stakeholders, we design products that deliver optimal performance, promote healthy living and preserve natural resources. We strive to select high-quality recycled materials and eco-design flooring that can be recovered, recycled and transformed into new products.



WHY JOIN RESTART®?

YOU HAVE THE WILL, WE HAVE THE WAY!

- ✓ **Manage your post-installation off-cuts and post-consumer* flooring simply and effectively, optimizing the efficiency of building sites and renovation projects.**
 - ✓ **Save costs, as the ongoing closure of landfill sites and higher taxes on pollutants continue to raise the costs associated with industrial waste.**
 - ✓ **Help to safeguard natural resources and protect the environment.**
 - ✓ **Fulfill green building certification criteria and comply with evolving waste legislation.**
 - ✓ **Trust in a fully traceable system, offering you complete transparency over your post-installation off-cuts and post-consumer* flooring.**
-

We can only achieve the huge shifts required to help **preserve natural resources, protect our climate** and enable **future generations to thrive – together.**



Contact restart.tna@tarkett.com to register for ReStart®.
Join us, and let's seize the opportunities presented by the circular economy
and give flooring waste a new life.

Tarkett North America

30000 Aurora Rd
Solon, OH 44139
800.899.8916

tarkettna.com

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2019

Corporate Social
& Environmental
Responsibility
Report

Tarkett at a glance

A world leader in flooring and sports surface solutions

Because great moments deserve great spaces, Tarkett helps create great spaces and deliver an easy customer experience by understanding customer needs, offering expertise brought by 140 years of experience, and being obsessed with execution. This is our commitment to our clients to help create "Great spaces. One surface at a time".

A BROAD RANGE OF SOLUTIONS

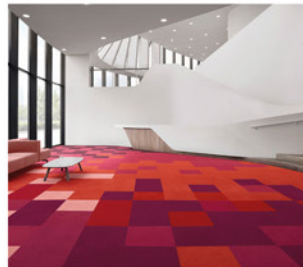
We offer one of the largest portfolios of flooring and sports surface solutions, and we share with our customers our expertise in multiple market segments.



Vinyl



Linoleum



Carpet



Wood



Laminate



Rubber & Accessories



Artificial Turf



Athletic Tracks



HEALTH CARE
& AGED CARE



EDUCATION



WORKPLACE



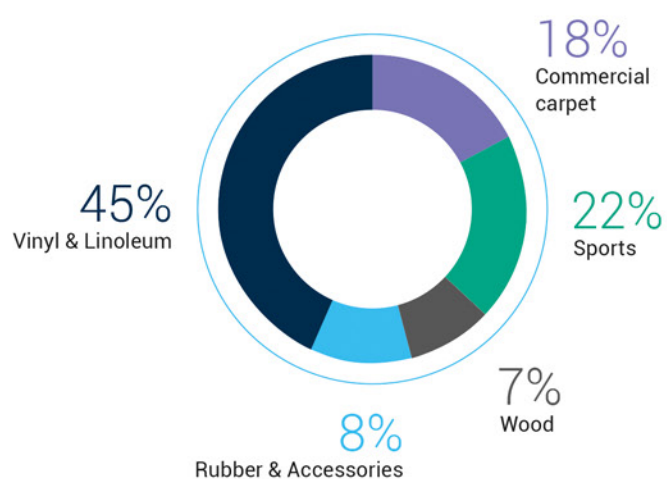
HOSPITALITY



SPORTS



RESIDENTIAL



% of net sales by product categories

TARKETT WORLDWIDE

24
R&D
laboratories
—
1
research &
innovation
center
—
4
design
centers
—
33
industrial sites
—
8
recycling centers



€3 billion
2019 net sales

More than
12,500
employees

No. 1
in vinyl worldwide

ATTRACTIVE END-MARKET EXPOSURE

~ 70%
Commercial
(incl. Sports)

~ 30%
Residential



SALES DRIVEN BY RENOVATION

~ 80%
Renovation

~ 20%
New
construction



% of 2019 net sales

1.3 million
m² of flooring sold every day
in over 100 countries

OUR COMMITMENT: "DOING GOOD. TOGETHER."

Committed to change the game with circular economy, Tarkett has implemented an eco-innovation strategy based on Cradle to Cradle® principles, with the ultimate goal of contributing to people's health and wellbeing, and preserving natural capital.



Eco-design by applying
Cradle to Cradle® principles



Build a circular
economy model

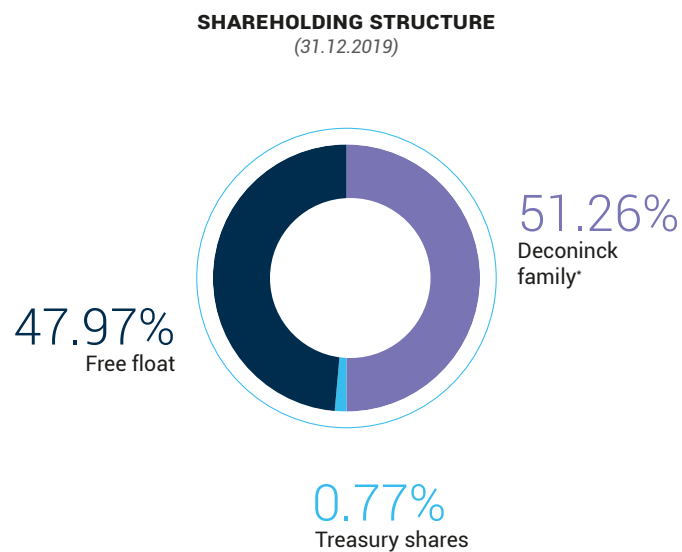
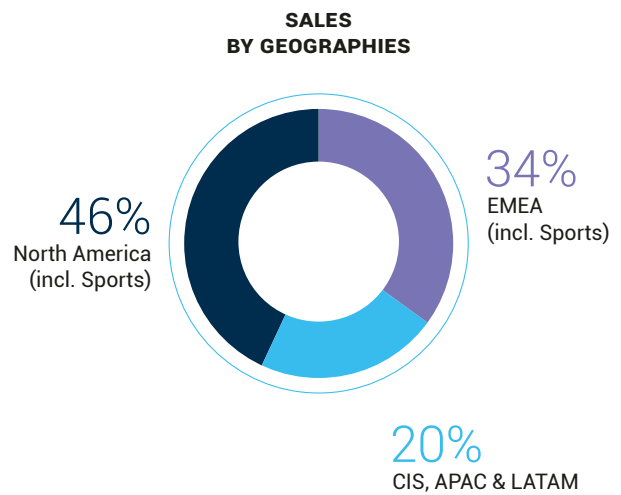
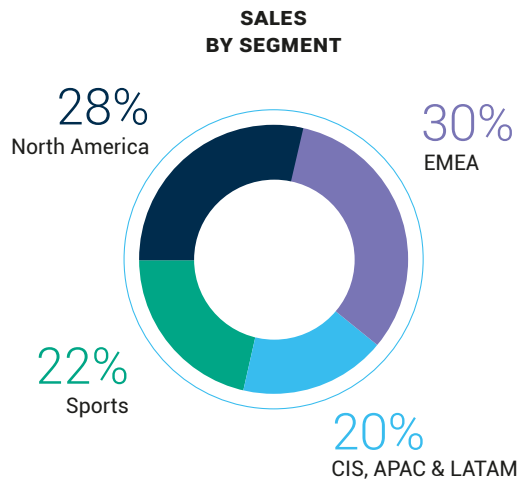


Comply with the 10 United
Nations principles



Contribute to the Sustainable
Development Goals defined
by the United Nations

Tarkett in figures



Tarkett is listed on Euronext Paris (compartment A as of 31/12/2019 and compartment B since 01/02/2020, ISIN: FR0004188670, ticker: TKTT) and is included in the SBF 120 and CAC Mid 60 indexes.

* Deconinck Family includes Société Investissement Deconinck, members of the Deconinck family and companies related to them. More details in section 7.

Gouvernance

Group Executive Committee

The Group Executive Committee is led by Fabrice Barthélemy, CEO. This international and entrepreneurial team is composed of experienced leaders who share the Group's interest and values, while ensuring operational agility through a decentralized organization.



Fabrice Barthélemy⁽¹⁾
CEO



Eric Daliere
President Tarkett Sports



Jeff Fenwick
President & CEO
of Tarkett North America



Slavoljub Martinovic
President Tarkett Eastern
Europe



Francesco Penne
President Tarkett
EMEA & LATAM



Pierre Barrard
EVP Strategic Marketing,
Digital & Innovation



Raphaël Bauer⁽¹⁾
Chief Financial Officer



Séverine Grosjean
EVP Human Resources and
Communications



Wendy Kool-Foulon
General Counsel



Gilles Lebret
VP Customer Operations and
Chief Information Officer



Antoine Prevost
EVP Research & Development
and Operations

⁽¹⁾ Members of Tarkett's Management Board

A Word from the CEO



Fabrice Barthélemy
Chief Executive Officer

In June 2019, we shared our new strategic plan “Change to Win” with all employees and presented it to the financial community. Our ambition is clearly focused on our global commercial activities and residential businesses in focused geographies, but not only. I personally decided to include the circular economy as part of our ambition. I strongly believe that as a responsible flooring and sports surfaces company we have a role to play to change the game of our industry with circular economy – a widely recognized solution to address resource scarcity and the climate emergency. This is a key challenge for the building industry.

At Tarkett, we are convinced that there is an urgency to shift models to preserve the world's finite natural resources. It became clear to us that the transition to a fully circular economy in the flooring industry is one of our strategic objectives. We need to move away from a linear economy, based on production, use and disposal of a product to a circular economy model, where waste can be a resource for our manufacturing, and where our products can be recycled to create new resources after use. That is why we have set a target of tripling to 30% the share of recycled materials in our purchased raw materials by 2030.

To achieve this transition there are two main drivers:

- Eco-designing products with recycled materials and make them recyclable at the end of use with the implication notably of our R&D, purchasing and manufacturing.

- Implementing circular solutions to take-back, collect, sort and recycle / reuse, involving our marketing, sales, supply-chain and R&D teams in close collaboration with our customers, suppliers and other partners.

However, we know that we cannot make the transition from a linear to a circular economy alone. We need all stakeholders to get involved if we want to change our behaviors and economic model: policymakers, to encourage an economy based on recycling; suppliers, to offer new sources of secondary raw materials and collection services; and customers, to embrace sorting and recycling flooring, and to ask for more and more recycled and recyclable products.

We believe in this power of collaboration and dialogue and we stepped up our efforts in 2019 working closely not only with our employees, customers, suppliers and other business partners, but also with thought leaders – such as the Ellen MacArthur Foundation CE100 initiative, scientific institutes, universities, standardization bodies, public authorities and professional trade associations. The challenge is to build together a circular economy with good quality safe materials, creating beautiful spaces that contribute to healthiness and well-being.

In addition to our ambition to change the game with a circular economy, we also set targets in the three other areas of our ‘care for the people and planet’ pillar of our Change to Win strategy:

- **Safety is our number one commitment** and by strengthening further our safety culture we aim to reduce our recordable accident frequency rate¹ to 1 by 2025.
- **Contributing to the global effort against climate change** is another priority. Our transition to a circular economy will contribute significantly to reducing greenhouse gas emissions in the value chain, complementing our existing efforts in our plants. Here, through continued improvement of energy efficiency and an increase in the use of renewable energies we aim to reduce our emissions² by 30% by 2030 compared to 2020.
- Lastly, we cannot achieve any of these objectives without the implication of **our diverse and talented teams**. In this area we will continue to grow our human capital by upholding business ethics, ensuring diversity, applying our talent philosophy, and by promoting internal mobility – which we aim to increase to 70% by 2025 (vs 53% in 2018).

Through this new strategic plan, we will continue to contribute, at our level, to the United Nations' Sustainable Development Goals and to the ten principles of the Global Compact defined by the United Nations, making good on our values and on our customer promise.

⁽¹⁾ Injury frequency rate for all employees (# of workplace accidents with lost time less than or greater than one day per million hours worked hours)

⁽²⁾ Scope 1 & 2 greenhouse gas emissions per square meter of flooring (kg CO₂e/sqm)



Fluff - high purity yarn (95%) - is generated by Tarkett's carpet recycling center at Waalwijk, The Netherlands.

Our business model dedicated to serving our customers...

Our Inputs: Sustainable Capital



Financial capital

- Listed on Paris Stock Exchange (SBF120)
- Family shareholder (51.26%)
- Free float (47.97%)
- Debt financing



Manufacturing capital

- 33 production sites in 17 countries worldwide (Europe, North America, CIS, China, Brazil, Australia)
- 8 recycling facilities



Intellectual capital

- Reputed brands (Tarkett, FieldTurf...)
- More than 150 patent families active in 42 countries
- 24 R&D labs, 1 research & innovation center, 4 design centers
- Network of internal experts and methodology (World Class Manufacturing, Design Thinking, Cradle to Cradle®, Talent Philosophy...)
- Scientific partnerships (universities, Environmental Protection Encouragement Agency - EPEA, suppliers...)



Human, social and relationship capital

- More than 12,500 employees in 30 countries, 40 nationalities
- Diversified B2B2C clients in over 100 countries (sales forces, showrooms...)
- Diversified suppliers, from international key raw materials suppliers (PVC, plasticizers...) to local suppliers
- Local communities close to our industrial sites



Natural capital

- Energy from renewable and non-renewable sources
- Water
- Renewable (wood, jute, cork, ...) and non-renewable (fossil and mineral) raw materials, from recycled and virgin sources



Governance and compliance capital

- Management Board, Supervisory Board and 2 specialized committees
- Executive Committee
- Code of ethics and conduct
- Whistleblowing procedure
- Code of Conduct Securities Markets

Our Ambition: Change to Win

- Be the global leader in commercial flooring and sports surfaces
- Grow selectively in residential flooring
- Change the game with circular economy

1. Sustainable Growth

2. OneTarkett for our Customers

3. People & Planet

4. Cost & financial discipline

Our values: Committed – Collaborative – Creative – Caring

Our Segments: A recognized expertise in specific segments, in renovation and new construction:



- Health & Aged Care
- Education
- Workplace

- Hospitality
- Sports
- Residential

Our Solutions: A comprehensive, innovative and coordinated offer of flooring and sport surfaces:



- Resilient flooring (vinyl, linoleum...)
- Commercial carpet
- Wood and laminate
- Rubber and accessories
- Artificial turf and athletic tracks

Our Channels: A local service tailored to our different clients and regions:



- Distribution, DIY and digital online platforms
- Key accounts, end-users, facility managers
- Specifiers (architects, designers), installers, contractors

Our Stakeholders: Our ambition to transition to a circular economy through continual dialogue and collaboration with our stakeholders

- Our customers, architects, designers, installers and end-users
- Our employees and other external workers
- Our suppliers, service providers and business partners
- Our shareholders, investors, creditors and the financial community
- Our trade associations, business networks, academic and scientific institutions
- Public authorities, intergovernmental and non-governmental organizations

and our stakeholders

Our Outputs: Sustainable Performance

Distributing value

€2,992 million
Net sales

€280 million
Adjusted EBITDA

including the effect of IFRS 16 standard
for 30 million euros

€39.6 million
Net profit (Group share)

€725 million
Remunerations

€125 million
Investments

€0.7 million
Support to local communities (Tarkett Cares)

€30.5 million
Income tax paid

Growing and strengthening our positions

0.7%
Organic growth

3rd
largest flooring supplier
worldwide

1.3 million
m² flooring sold daily in
over 100 countries

No. 1
in vinyl
flooring

Developing talents

2.19
Injury Frequency Rate (FR1t - # accidents
with lost time < & > 24 hours per million
worked hours) for all employees

Safety

58%
employees trained
in the last year

Training

65%
of open management positions
filled by internal candidates

Internal mobility

>300 projects
submitted to Tarkett Awards

Acknowledgement

Diversity

27%
management positions filled
by women

Performance

56%
permanent employees had a
Performance & Development Review

Dialogue

88%
participation in biennial
employee feedback survey

Designing for life and Closing the loop to create a healthy circular economy

- **Assess raw materials** (for health and environmental impacts) according to **Cradle to Cradle® principles** (98%)
- **Contribute to well-being through our products:** indoor air quality (low volatile organic compounds emissions), healthy spaces (phthalate-free plasticizers), comfort (visual, acoustics, installation, maintenance...)
- **Select raw materials not contributing to resource scarcity** (67% - renewable, abundant or recycled)
- **Reduce production plant greenhouse gas emissions intensity** (-15.3% kgCO₂e/sqm scope 1 & 2 emissions vs 2010, 28% renewable energy)
- **Shift to a circular economy model** bringing a positive contribution to climate change, using more recycled materials (126,000 tons, 12% of raw materials in volumes)
- **Recycle our production waste** internally and externally
- **Collect flooring via the ReStart® program** (105.600 tons between 2010 and 2019)
- **Innovate and eco-design** with new technology for disassembly and recycling
- **Equip our plants with closed loop water systems** (66%) and / or limit water consumption

Driving collaboration

- **Engage with responsible suppliers** ("responsible sourcing program" with 81% of targeted suppliers adopting our code of conduct or equivalent, C2C eco-design)
- **Share our products information with our clients** (Material Health Statements - MHS, Environmental Product Declarations - EPD)
- **Support local communities** through Tarkett Cares and employees' involvement
- **Train students and professionals** in flooring profession and installation techniques via Tarkett Academy (31,000 people trained from 2012 to 2019)

Change to Win - Objectives for the "People & Planet" pillar

- **Safety 2025:** 1.0 Injury frequency rate (FR1t - # accidents with lost time < & > 24hours per million hours) for all employees
- **Internal mobility 2025:** 70% of open management positions filled by internal candidates
- **Circular economy 2030:** 30% of recycled raw materials (in volume purchased)
- **Climate Change 2030:** 30% reduction in greenhouse gas emissions intensity (scope 1 & 2 kg CO₂e/sqm) vs 2020 (& -20% in 2020 vs 2010)

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3.1 Tarkett's CSR ambition and commitment

3.1.1 Message from the CEO

The Message from the CEO is presented in the introduction pages of this document.

3.1.2 Tarkett's business model

Our business model is presented in the introduction pages of this document.

3.1.3 Our CSR approach dedicated to serving our clients

Our new strategy, Change to Win, sets out our path to future growth across four strategic pillars: Sustainable growth, OneTarkett for our customers, People and the Planet and Cost and financial discipline. At Tarkett, social and environmental responsibility is a long-standing commitment and a lever for business growth. This commitment for a sustainable and responsible development is at the heart of our strategy, as has been confirmed in 2019 with our Change to Win Strategic plan. It is integrated in all our

activities, such as talent development via our Talent Philosophy, our circular economy and eco-design approach according to Cradle to Cradle® principles, and our operational excellence program via World Class Manufacturing (WCM). Every day, we strive to combine these elements not only to best serve our clients, but also to anticipate and respond to the expectations and requirements of our different stakeholders – employees, customers and users, investors, NGOs, public authorities.

Our client's expectations and requirements regarding sustainable and responsible development

Our clients face various challenges and have continually increasing expectations regarding sustainable and responsible development, for example:

- > Installers and contractors: install and easily remove, collect and recycle post-installation and post-consumer flooring waste;
- > Architects and designers: select materials responding to more and more stringent certification and label criteria regarding indoor air quality, healthy spaces and recycling, and transparently understand the composition of our products;

- > Distributors: offer products responding to market trends, obtain support for sales force notably regarding products' technical and environmental characteristics, and guarantee a quick availability of the products;
- > Final users, who live on our flooring and sports surfaces on a daily basis: make no compromise between price, design (visual aspect), performance (comfort, resistance, acoustics, safety, easy maintenance) and respect for health and the environment.

Our CSR / sustainability ambition is expressed by "Doing Good. Together.". The objective is to go beyond simply "doing better" through improvements to the existing model, to actually "doing good" by building a sustainable business model that integrates the challenges of tomorrow's world. This approach is based on the main constituents of Tarkett's sustainable development approach: Designing for life, Closing the loop, Driving collaboration, Supporting communities, and Developing talents.

In 2015, the United Nations adopted the 2030 Agenda for Sustainable Development along with a set of 17 Sustainable Development Goals. This framework defines a blueprint to achieve a better and more sustainable future for all by spurring local and global ecological, social, and humanitarian changes. The action plan aims to address key issues in areas such as poverty eradication, environmental protection, and economic development. Through its ambitious CSR approach implemented since 2010, Tarkett contributes to several of the UN Sustainable Development Goals.

Tarkett contributes to several of the United Nations Sustainable Development Goals (SDG) through our "Doing Good. Together." Approach

- > **Designing for life:** respect the planet's natural capital by reducing our environmental footprint (SDG 15) and fighting climate change (SDG 13); develop products that contribute to people-friendly spaces, with good health and well-being in working, leisure, and living spaces (SDG 3).
- > **Closing the loop:** building a circular economy based on programs and business models that encourage take-back, reuse, recycling and elimination of waste (SDG12).
- > **Driving collaboration:** inspiring others to join us in "Doing Good. Together." Through education, collaboration, transparency, and communication (SDG17).

- > **Supporting communities:** contributing to the development of communities and territories where we operate, and making sure our business is inclusive by bringing together various stakeholders, including suppliers, and encouraging them to take part in our responsible value chain (SDG 11).
- > **Developing talents:** involving and engaging each employee, which we consider crucial for the successful implementation of our projects, therefore creating a safe, respectful, inclusive and rewarding work environment (SDG 8).



3.1.4 Tarkett Sustainability Journey: Our progress in 2019



RESPECTING RESOURCES THROUGH CIRCULAR ECONOMY



RENEWABLE, ABUNDANT OR RECYCLED MATERIALS

67%

of raw materials do not contribute to resource scarcity

2020 objective: 75%



FLOORING TAKE-BACK

105,000

tons of flooring collected from 2010 to 2019 by Tarkett ReStart® take-back and recycling program in Europe, Brazil and North America



RECYCLED RESOURCES

126,000

tons of recycled materials in production

12%

of our raw materials in purchased volumes are recycled materials

2030 objective: 30%



WATER CONSUMPTION

-50%

versus 2010 (intensity l/m²)

FIGHTING CLIMATE CHANGE



RENEWABLE ENERGY

28%

of energy consumption comes from renewable energy



CO₂ EMISSIONS

-15%

versus 2010

(Scope 1 & 2 intensity kg CO₂e/m²)

2020 objective: -20% vs 2010

2030 objective: -30% vs. 2020

243,000 tons CO₂ (2019 CO₂ emissions, scope 1 & 2)

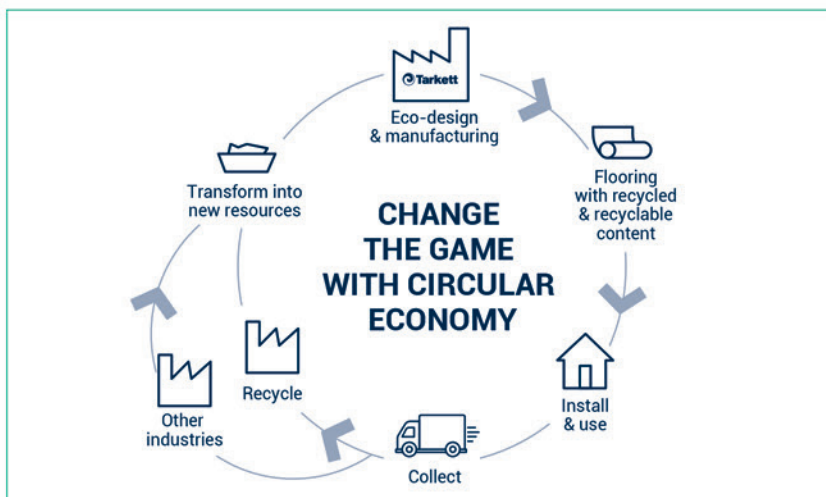


CO₂ SAVINGS THANKS TO RECYCLED RAW MATERIALS

~270,000

tons of CO₂ avoided* corresponding to ~126,000 tons of recycled resources instead of using virgin raw materials and sending waste to incineration.

(*estimation for part of scope 3)





USING GOOD MATERIALS FOR PEOPLE'S HEALTH AND THE ENVIRONMENT



C2C MATERIALS ASSESSMENT

98%

of our raw materials are third-party assessed for their impact on people's health and the environment based on Cradle to Cradle® criteria

2020 objective: 100%



RESPECTING AND DEVELOPING TEAMS



SAFETY

2.19

injury frequency rate (Recordable Lost Time Accident Frequency Rate FR1t)

2025 objective: 1.0



SUPPORTING LOCAL COMMUNITIES AND GLOBAL INITIATIVES



TARKETT CARES

1,400

employees involved in 180 community initiatives, representing 920 days and €700,000 contributions**



INDOOR AIR QUALITY

98%

of flooring have low VOC (levels of volatile organic compounds emissions)

2020 objective: 100%



INTERNAL MOBILITY

65%

of management positions filled by internal candidates

2025 objective: 70%



TARKETT ACADEMY

31,000

professionals or students trained as professional installers or in flooring installation techniques from 2012 to 2019



HEALTHY INDOOR ENVIRONMENT / PHTHALATE-FREE

100%

of our vinyl production sites in Europe, North America, Serbia and China use phthalate-free plasticizer technology* (end 2019)

74%

of our vinyl flooring are phthalate-free on a global level*

2020 objective: 100%



DIVERSITY

27%

of women among managers

30%

among senior executives



Contribute to the Sustainable Development Goals defined by the United Nations



Comply with the 10 United Nations principles



Build a circular economy model

* Except recycled content for certain products and countries

** Tarkett Cares contribution: values of financial and product donations and employee hours donated

3.2 CSR governance

3.2.1 Our CSR governance integrated at all levels of the Group

With our new Change to Win strategy, Tarkett has made the transition to a circular model a central and key element of its new strategic plan with the strong ambition to "change the game with circular economy". This constitutes the highlight of the "Care for the people and the planet" pillar of the plan announced in June 2019. Governance of the execution of this plan and of CSR in general is likewise central, being led by the Executive Management Committee, deployed by the divisions, animated by support functions and delivered by the concerted effort of all our employees:

- > **Execution of our Change to Win strategic plan and associated CSR strategy is monitored by the CEO and the Executive Management Committee**, involving the divisions' Presidents (EMEA & LATAM, TNA, TEE, Sports) and the functions' Executive Vice Presidents / Chief Officers. The Executive Management Committee meets monthly to review the Group's operational and financial performance and to discuss progress on the main strategic objectives and other key business matters.
- > **The strategy is rolled-out, driven and implemented at divisions, functions, sites and networks level** in every country where we operate. The divisions' and functions' management committees develop and monitor roadmaps depending on priorities and specificities of the concerned sites, countries and divisions and on the Group's Change to Win objectives.
- > **A new organization for innovation program management** was implemented in November 2019 to accelerate on innovation and to leverage synergies for delivering on the Change to Win Strategy. Global program managers were nominated to lead the seven priority programs which include 'Circular Economy and Recycling' and 'Health and Well-being'.
- > **The dedicated environmental committee**, created in 2011, also participates in the definition and implementation of the environmental strategy and of best practice sharing. This committee consists of a network of environmental / sustainability experts from the divisions and of members from different functions (research and innovation, operations/WCM, communication, marketing). The proposals of this committee, notably in terms of objectives and indicators, are presented to the Executive Management Committee for validation.
- > The Change to Win strategy and associated CSR objectives, along with initiatives and achievements, are **shared with company employees**, in particular via the internal newsletter (special edition on Change to Win in July 2019), intranet news, and communications and training organized at divisions' level. Progress and challenges are also shared with the senior executives as part of quarterly results presentations and during the annual "Focus" meeting.

- > Our commitment and results are also **presented to the shareholders and the financial community** during the annual Shareholders Meeting, and to all our stakeholders via our different publications (the annual Universal Registration Document with the non-financial statement / annual CSR report, Tarkett in brief brochure and on Tarkett internet website).

Furthermore, two committees support the Supervisory Board and are involved in our CSR approach:

- > **The Audit, Risk and Compliance Committee** ensures the effectiveness of risk-monitoring and internal control procedures, which cover CSR-related topics;
- > **The Nominations, Compensations and Governance Committee** determines and regularly reviews the compensation and benefits awarded to the Company's top executives, for whom some CSR objectives have been included in the criteria for awarding variable compensation. For example in 2019, safety (transformation of the Group's safety culture, and a decrease in the number of lost-time accidents), the circular economy (development of the Waalwijk, the Netherlands, carpet recycling center project, increase in ReStart® collection volumes, definition and action plan of CSR 2030 objectives) and the organization and talent management were included in the variable criteria for the CEO. For other members of the Executive Management Committee, objectives were set depending on their areas of responsibilities.

Example

Sharing the new strategic plan "Change to Win" with our teams across the globe

For maximum success, our teams needed to understand and engage with our strategy and what it means for them. With this in mind, our CEO, Fabrice Barthélemy, visited each division to exchange with local teams and answer questions, including about his vision on sustainability and Tarkett's commitment to a circular economy. He began by visiting four plants and the main head offices of Tarkett North America in the US. Subsequently he visited plants and offices in Russia starting with a visit to the Otradny vinyl production site where he discussed with managers and employees on site, and where a video-conference was organized with teams from Serbia, Ukraine and Kazakhstan. He went on to our offices in Moscow, then our laminate and wood plant in Mytishchi (Russia) exchanging with a further 300 managers and employees. He continued with further one day sessions at production sites and offices in Poland, the Netherlands, Germany, Luxembourg and France. In total, he shared the plan with around 1 000 managers and key employees during his tour, which was completed with an online video translated to 12 languages, a newsletter and cascading tool kit.

3.2.2 Our robust reporting process to drive CSR performance

The reporting process of CSR / sustainability indicators is managed and consolidated since 2018 by the Financial department with the support from the different relevant functions (including Operations/WCM, HR, Legal, Research & Development...), divisions and sites. The CSR report (Non-financial statement), managed by the Communication & CSR department, is included in the annual Universal Registration Document. The reported indicators and the CSR report are audited by a third-party independent organization (see section 3.9.4 Report of Independent Third-Party Organization).

A detailed, rigorous and audited reporting process: Since 2017, the reporting process has been strengthened with the drafting and diffusion of an accurate and comprehensive CSR reporting guide, which provides the Group with a foundation of common knowledge shared by all people involved in CSR reporting at all levels of the organization. This guide describes in detail CSR reporting principles, the scope, the definition of indicators, as well as the tools / calculation methods and controls carried out by contributors at the local level, and consolidation of data at the Group

level. The process and the indicators are audited by internal audit teams and by a third-party independent organization. This formalization of the reporting process with the existing rules demonstrates the commitment of the Group to being rigorous and transparent towards its stakeholders.

Dashboards that allow accountability and management of CSR performance at each level: The Group follows a dashboard, which notably includes environmental indicators for which 2020 objectives have been defined as early as 2012. Divisions and functions also have dashboards with all indicators, allowing the different entities to drive their performance and focus their efforts on the material challenges associated with their activities. The analysis of indicators over time is crucial to measure progress achieved, identify room for improvement and the challenges which still need to be tackled, and implement ambitious and pragmatic action plans.

Progress review meetings are also jointly organized at different levels: Group, divisions, functions and sites, and as part of "networks" (WCM, HR, etc.).

3.2.3 Our CSR approach aligned with international standards

Tarkett's commitment, as well as the CSR report, the indicators dashboard, the 2020, 2025 and 2030 objectives and the strengthened reporting process, meet the European and French regulatory obligations, and are in line and consistent with the requirements of internationally recognized standards:

- > the European Union Directive and the French regulations on non-financial statement, known as the extra-financial performance declaration ("déclaration de performance extra-financière" or DPEF);
- > the French duty of care ("Devoir de Vigilance") and anti-corruption law ("Loi Sapin 2"), which are applicable in France since 2017 and 2016 respectively;
- > the Global Reporting Initiative (GRI) Standards – see in particular Section 3.9.3 "GRI and DPEF concordance table";

- > the ten principles of the United Nations Global Compact (UNGC), to which we communicate our results to comply with the "Advanced" level standard;
- > several Sustainable Development Goals (SDGs) defined by the United Nations;
- > the Task-force on Climate-related Financial Disclosures (TCFD);
- > the Carbon Disclosure Project (CDP) climate change questionnaire;
- > the calculation and reporting of greenhouse gas (GHG) emissions in line with the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI) GHG Protocol;
- > the AFEP-MEDEF recommendations, notably regarding corporate governance and the DPEF.

3.2.4 Our commitment to high ethical standards

3.2.4.1 Ensuring business ethics and integrity

Among our most important company assets are our reputation and credibility for high standards of ethics and integrity. We consider that adherence to these principles as well as compliance with applicable laws and regulations are "non-negotiable" and central to how we do business every day and in every country. This corporate responsible commitment is evident in our core values, and we urge every Tarkett employee to follow and act according to these principles.

These principles are transcribed in **several Group's Codes and Policies**, for example:

- > **The Code of Ethics** was originally developed in 2009. It defines essential principles which guide employees, as well as fundamental principles which should not be infringed, in terms of fair competition, selection of suppliers and service providers, conflict of interest, safeguarding of company property and information, and truth and accuracy of accounts.
- > **The Anticorruption Code of Conduct** was deployed from 2018 in replacement of the Anticorruption Policy which was in effect since 2012 (see Section 3.2.4.2 "Preventing corruption"). At the end of 2019 only Germany and Belgium have yet to complete deployment which is planned for the first quarter of 2020.

Our commitment to high ethical standards

- > **The Competition Policy** complements the Code of Ethics on the topic of compliance with competition laws. It provides essential principles and rules to be respected in terms of relationship with competitors (horizontal agreements, exchange of information, membership and participation in trade associations), relationships with suppliers and customers, good practices to avoid abuse of dominance, misleading advertising, etc.

To ensure that all Tarkett employees are aware of and respect the values and behaviors that we wish to share, we have implemented **several training and monitoring programs**:

- > **Compliance training:** the new compliance training program initiated in 2018 focuses on fair competition and anti-corruption. The program consists of customized 15-minute e-learning modules which are organized each year for all Tarkett employees who have computer access (covering approximately 6,500 employees worldwide). The topics covered on anti-corruption deal, for example, with bribes, relations with intermediaries, gifts and invitations, donations to charities and the whistleblowing system. Those on fair-competition deal, for example, with horizontal (competitors) and vertical (suppliers and sub-contractors) competition restraints such as the participation to professional trade organizations. Face-to-face training sessions have also continued in 2019 via dedicated compliance workshops tailored to groups more exposed to the previously mentioned risks, notably teams in France, Asia and Serbia, the sales and procurement functions, and those performing more stringent controls, such as the internal audit team and the legal department.
- > **Participation in trade associations:** Guidelines of good behavior practices when joining trade associations and more generally when attending meetings where competitors are present were developed in 2018 and are now included in the training sessions.
- > **Code of Ethics training:** The new compliance e-learning program comes in addition to the existing training program on the Code of Ethics, which has to be completed every other year by all Tarkett employees (either via e-learning or face-to-face session).
- > **Cybercrime and fraud training:** We have also implemented training sessions to raise awareness and empower teams on cybercrime and fraud.
- > **Whistleblowing system:** While a professional whistleblowing system, the Ethics Hotline, was already available for our activities in North America, we introduced in 2018 a second similar tool, the Compliance Hotline for other countries. This system, hosted by a third-party provider, enables Tarkett's employees and business partners to raise their concerns and/or report potential violations they may witness within Tarkett, including in an anonymous way if they wish to. Deployment of the system is subject, in certain countries, to the approval of local works councils (this has been completed in all cases, except for Belgium and Germany where it is programmed for first quarter of 2020). These whistleblowing systems are presented and explained in all the compliance training modules and whistleblowing procedures.

Example

Our Compliance Hotline: a tool for conveying concerns to Tarkett

- > Easy access on the internet and the company intranet or by phone from 103 countries in 52 languages.
- > Accessible to Tarkett's employees and business partners (suppliers, clients, etc.).
- > To report any type of violation, for example regarding accounting, anti-trust, conflict of interests, corruption, fraud, harassment, discrimination, environmental damage, etc.
- > Presented for consultation to Tarkett's Works Councils and Health, Safety and Working Conditions Committees in countries where local law enforces it.
- > Supported by a Whistleblowing Procedure to ensure the protection of whistleblowers.
- > Guaranteeing the confidentiality of cases.

The compliance section of Tarkett's intranet was updated and completed in 2018 to provide all employees who have intranet access with readily available information on ethics, competition, anti-corruption, the whistleblowing procedure and Tarkett's professional alert mechanisms (Compliance Hotline and Ethics Hotline). Similar information has moreover been publicly disclosed on Tarkett's website, including in 2019 Tarkett's supplier Code of Conduct.

Compliance risks have been included in the controls and work programs of the internal audit department, with all internal controllers and auditors trained on compliance issues.

Data privacy: The Group is committed to ensuring the fair use of all personal data it processes, in compliance with applicable regulations, in particular the EU General Data Protection Regulation ("GDPR"). The Group has deployed a Data Privacy Compliance Program under the supervision of the Group Legal Department, covering notably:

- > Insertion of standard clauses to ensure the confidentiality and security of personal data communicated to business partners;
- > Implementation of internal records of personal data processing activities performed by the Group;
- > Deployment of a Privacy Impact Assessment (PIA) when required;
- > Information to customers and employees on the processing of their personal data by Tarkett;
- > Reinforcement of awareness-raising actions and in-person training for employees most exposed to personal data protection issues.

Cybersecurity: The Group uses complex information systems (notably for production management, sales, logistics, accounting and reporting), which are essential for conducting its commercial and industrial activities. Recognizing that a failure of any one system could have a material adverse effect on the Group's business, financial position, results, or prospects, Tarkett has procedures, tools and trainings in place to continually strengthen the security of its information systems, as detailed in Chapter 6 "Risk factors and internal control" of the 2019 Universal Registration Document.

Responsible tax practices: As part of its activities, Tarkett does not resort to complex financial arrangements aiming at obtaining a tax benefit conflicting with the purpose or the aim of applicable tax law. Tarkett does not have legal entities in any of the eight countries of the European Union (EU) black-listed tax havens, which include countries refusing to engage a dialogue with the EU or to remedy shortcomings in terms of good tax governance. With regard to the 32 countries of the EU grey-listed tax havens, which include countries committed to comply with international standards but having signed less than twelve agreements, Tarkett has commercial legal entities in two countries (Australia and Turkey) and one production subsidiary in Australia. The list of these countries, updated as of 8th November 2019, is available at the following link: https://ec.europa.eu/taxation_customs/sites/taxation/files/eu_list_update_08_11_2019_en.pdf.

In the EU, Tarkett operates in Luxembourg since 1961 (where it has a vinyl flooring manufacturing site and a research and development center employing over 500 employees) and in the Netherlands (where it has two carpet manufacturing sites and sales activities employing close to 400 employees). Finally, it is specified that the Tarkett Group has not signed any tax rescript with tax authorities in its different countries of operation.

Further details on tax practices and associated fiscal risks are provided in Chapter 6 "Risk factors and internal control" of the 2019 Universal Registration Document.

3.2.4.2 Preventing corruption

In line with the requirements of the French anti-corruption law ("Loi Sapin 2") and the guidelines of the Anticorruption French Agency (AFA), Tarkett has implemented a Corruption Prevention Program, which provides a framework to our teams and business partners globally and which includes the following components:

- > **A corruption risk mapping** exercise was initiated in 2017 for Tarkett activities. The risk identification and assessment process was based on interviews of 70 internal stakeholders covering the whole range of Tarkett activities worldwide. The risk mapping is continually expanded and updated annually based on elements gathered through additional interviews and/or potential alerts or incidents and/or NGO reports we have been informed about. The granularity of the assessment is thus refined as these elements are collected by Tarkett. In 2019, an important update of the corruption risk mapping was undertaken to identify and then assess risks in a more refined and relevant way. 17 new people were interviewed in France, Spain, Ukraine and China, including country managers, purchasers, financial controllers, supply chain managers, IT and sales managers, identifying new mitigation actions.
- > **The Anticorruption Code of Conduct**, which was developed and rolled-out in 2018 in replacement of the Anticorruption Policy, defines clear guidelines allowing our teams to understand, identify and prevent inappropriate behavior in terms of corruption and influence peddling. This code lists prohibited practices (illegal payment, facilitation payments and political contributions), practices governed by strict rules (gifts and invitations, donations to charities, interest representation and/or lobbying action), and required internal practices (proper and exact accounting, declaration of conflict of interest) and with our business partners (anti-corruption contractual clauses, implementation of due diligence procedures, use of intermediaries).
- > **The Whistleblowing system** implemented with the Compliance Hotline in 2018 complementing the Ethics Hotline which was deployed earlier in 2016 in the United States and in Canada. The system is supported by the Whistleblowing Procedure to enable employees and business partners to report any corruption-related concern.
- > **The assessment of our business partners:** Tarkett performed an assessment of its suppliers as part of our **Responsible Sourcing Program** (see Section 3.7.1.1 "Promoting good and positive practices along the supply chain") as well as anticorruption due diligences on its intermediaries. In 2019, Tarkett retained a specialized service provider to assist with the anticorruption evaluation of 115 of its business partners.

- > **Control procedures** on corruption risks are included in the work program of the internal audit department with additional controls on gifts and invitations added in 2019. We also prepared in 2019 the introduction of a new accounting controls procedure which defines our practices to prevent and fight corruption.
- > **The new compliance training program**, initiated in 2018 and targeting all Tarkett employees who have internet access, includes three annual e-learning modules on corruption, covering anti-corruption practices in general,

and reminding our teams of good practices in this regard, with a particular focus on use of intermediaries, gifts and invitations, and donations to charities. Anti-corruption workshops have moreover been delivered to specific publics.

- > Every employee is fully informed that non-compliance with any one of the provisions listed in the Anticorruption Code of Conduct may give rise to **disciplinary sanctions**, including dismissal.

3.3 CSR risks and opportunities

At our scale and with our resources, we are committed to positively contributing to tomorrow's changes and challenges:

World's Changes	Challenges Tarkett can contribute to
By 2050, one in six people in the world will be over age 65 (16%), up from one in 11 in 2019 (9%) according to the UN, and nearly two thirds of this population will live in cities, according to the United Nations.	Increase of the population and of the share of elderly people in the cities , along with expectations and challenges regarding quality of life (indoor air quality, healthy spaces, comfort, acoustics, spaces flexibility and modularity, etc.).
With a global population expected to reach 9.7 billion people by 2050, according to the UN, and aspiring for a better quality of life, the pressure on natural resources will continue to rise and become an even greater critical issue in the future. The United Nations Environment Program (UNEP) 2019 Resource Panel report found that global resource use has more than tripled since 1970 to reach 92 billion tons in 2017 and projects that without action resource use will more than double to 190 billion tons by 2060.	Scarcity of natural resources and waste management , issues which challenge the linear economy model (based on production, use and disposal of a product) and call for the development of a circular economy model , where waste becomes a resource, and where a product can be reused or transformed into a new resource.
In 2015 the UN COP21 set out a course of action (Paris Agreement) aimed at keeping the rise of global temperature below two degrees. The 2018 Intergovernmental Panel on Climate Change (IPCC) Climate Report set out the clear benefits to people and natural ecosystems of limiting global warming to 1.5°C compared to 2°C which could go hand in hand with ensuring a more sustainable and equitable society. The UN Secretary General called for urgent and far more ambitious action, to cut emissions by half by 2030 and reach net zero emissions by 2050, noting that alternative building materials along with other innovations can have a major role in reducing greenhouse gas emissions. The Circularity Gap Report launched at the World Economic Forum in 2019 underlined that 62% of global greenhouse gasses are emitted during extraction, processing and production of goods.	Reduce greenhouse gas emissions , not only in our production cycle, but also along the whole value chain, by transitioning to a circular economy model, notably by using more recycled materials which are less energy intensive than extraction and transformation of virgin materials, by fostering waste recycling, and by having production sites close to our clients (thus reducing transportation requirements).
The society is constantly evolving, and so are its expectations, with the Millennials and Generation Z living in a hyper-connected world with growing concerns, notably about the climate and environment, diversity, ethics and the importance of having a positive impact on society, etc.	Play an active role in responding to societal challenges, such as in building a circular economy , respecting ethical and compliance values, and promoting transparency and proximity with local communities, and the development and diversity of talents.

As one of the world's leading flooring and sports surfaces companies, Tarkett is committed to contribute, at its scale, in achieving the fundamental changes required to address these challenges, which generate various risks and opportunities.

3.3.1 Our risk identification and assessment process

Tarkett identifies CSR risks primarily through our company risk mapping process, which is managed by the internal audit department and which covers the range of financial and extra-financial or environmental, social and governance (ESG) related risks applicable to our activities. This mapping exercise, initiated in 2011, is updated every other year. The process for identifying risks uses a three-step method:

- > the Internal Control and Audit Department, sometimes in collaboration with external experts, interviews members of the Executive Management Committee and key employees holding strategic positions at the Group and Division level in order to identify risks within their areas;
- > the qualification and quantification of risks according to the following areas: precise definition, possible causes, impact assessments (financial, operational, strategic, legal, or reputational) and the degree of control by the Group;
- > the review and validation of the risk mapping by the Executive Management Committee and presentation to the Audit, Risk and Compliance Committee.

In 2019, the biennial update involved the interview of 17 Group and Division managers and experts to individually reassess each risk in the risk mapping and to consider any potential new risks. Each risk was reviewed to assess:

- > the extent to which they had materialized over the past two years;
- > the state and effectiveness of controls and mitigation efforts and
- > the level of the potential absolute and residual impacts.

The feedback from other operational initiatives to identify and evaluate risks are also taken into account:

- > At manufacturing sites, Health, Safety and Environmental (HSE) risks are identified and evaluated as part of the World Class Manufacturing program (which includes annual site audits by a third-party consultant – ERM) and of the management systems for health and safety (OHSAS 18001 / ISO 45001), environment (ISO 14001) and energy (ISO 50001), which are implemented at most of our sites;

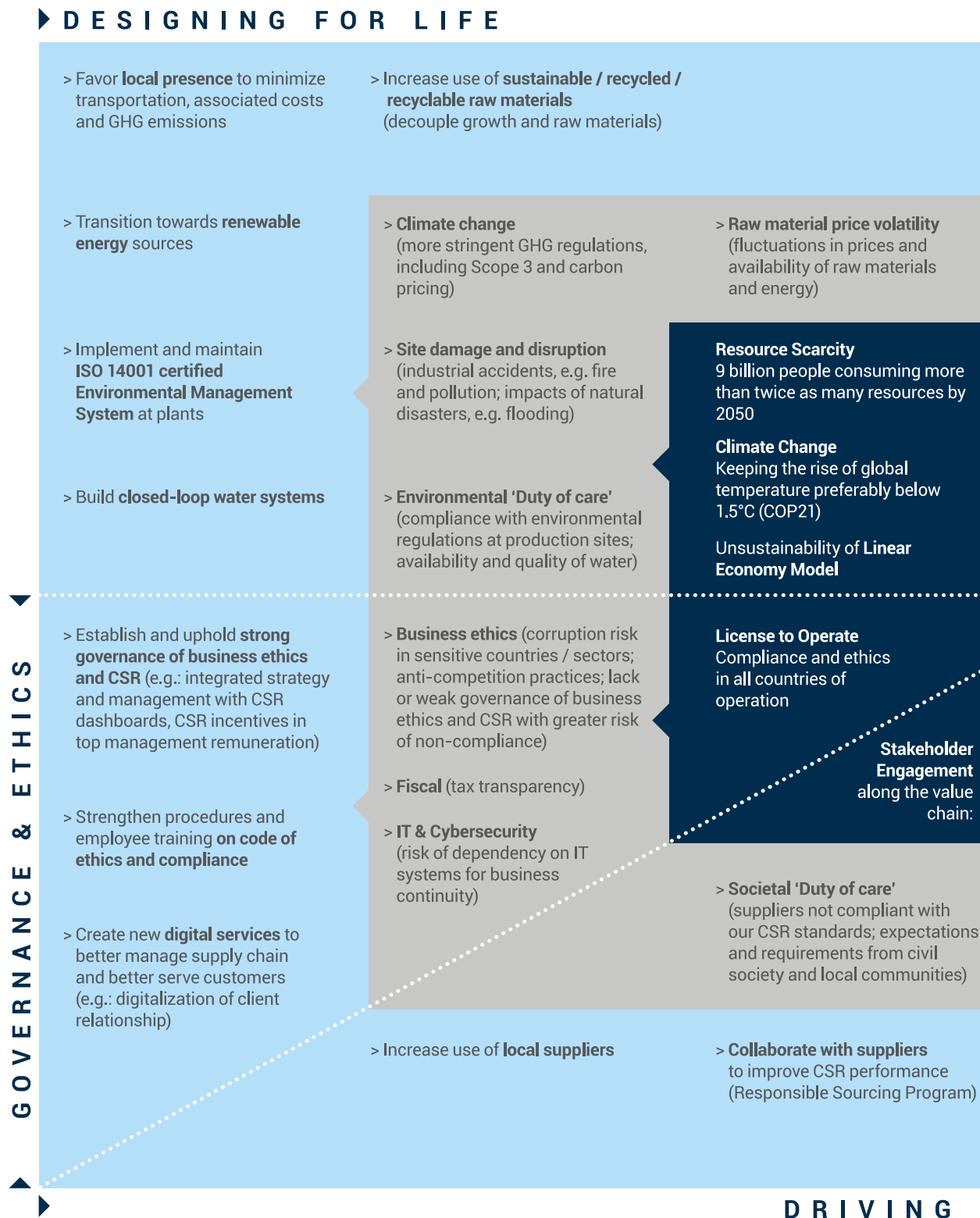
- > At supply chain level, a procurement CSR risk mapping covering the vast majority of our suppliers was completed in 2018 in partnership with a company specialized in sustainability ratings and supply chain intelligence (see Section 3.7.1.1 "Promoting good and positive practices along the supply chain");
- > A specific corruption risk mapping, developed in 2017 in line with the requirements of the "Loi Sapin 2" was reviewed and updated in 2019 (as previously described in Section 3.2.4.2 "Preventing corruption");
- > Finally, Tarkett participated in an assessment, conducted by Trucost (S&P Global) in 2018, of its performance in light of the Sustainable Development Goals (SDG) defined by the United Nations. This provided insight to our exposure, risk mitigation and positive impact regarding the most relevant SDGs for our activities.

In 2019 the company risk mapping was also completed with an evaluation of the probability of each risk materializing in the next five years to further qualify the materiality of the risks in accordance with the EU Prospectus Regulation (EU 2017/1129) and the European Securities and Market Authorities guidelines published in 2019. The risk mapping identified 16 material risks, which are presented in Chapter 6 "Risk factors and internal control" of the 2019 Universal Registration Document, including 5 ESG risks (business ethics, climate change, circular economy regulatory and market requirements, chemical substance acceptance and duty of care) and a number of other ESG-related risks (e.g. fiscal, site damage and disruption and safety) which are also covered in this CSR report.

Our mapping of key challenges, risks and opportunities

3.3.2 Our mapping of key challenges, risks and opportunities

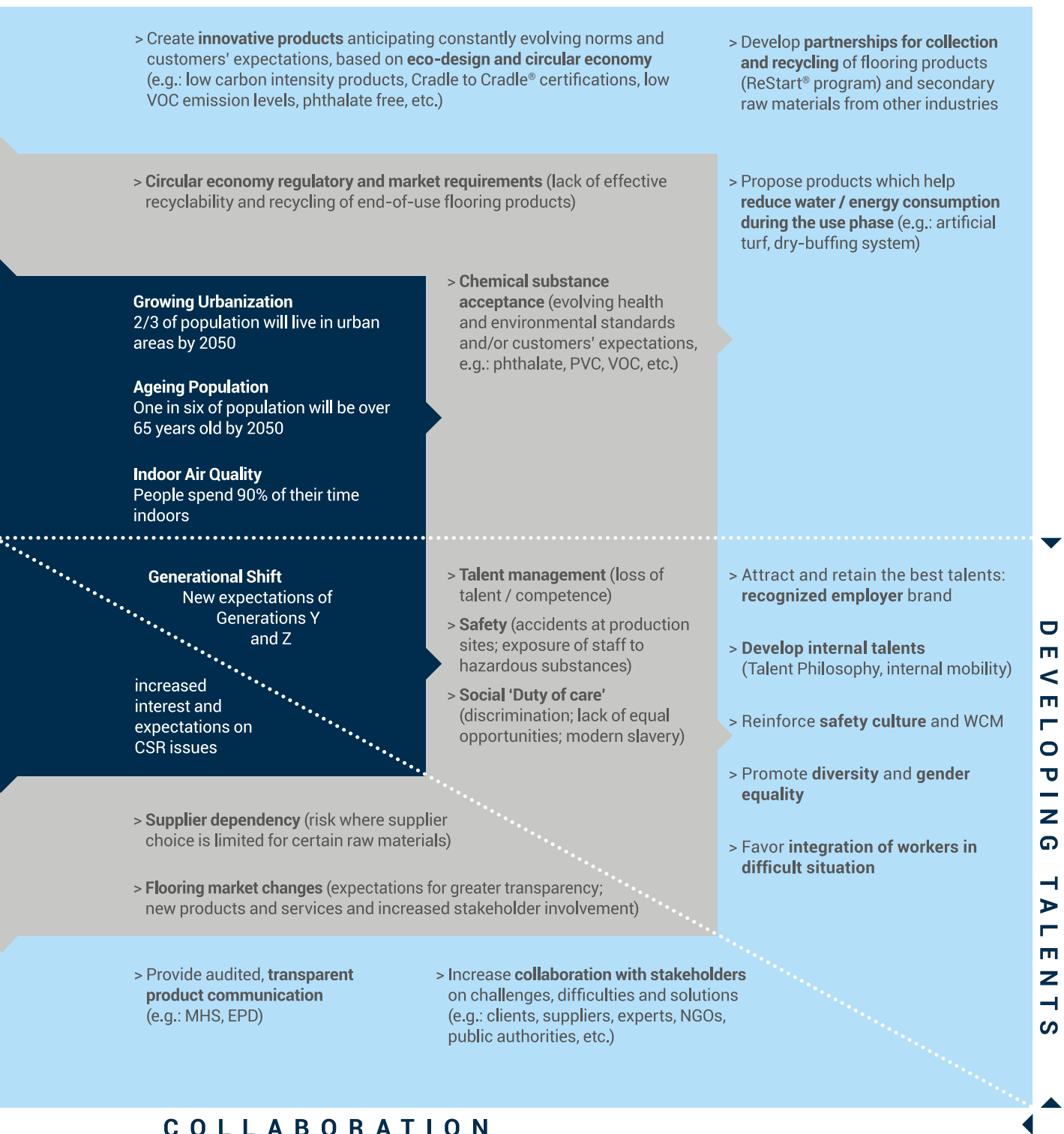
Mapping of major challenges, risks and opportunities



The main worldwide challenges and ESG and ESG-related risks applicable to Tarkett (as identified by Tarkett's Risk Mapping and other risk identification and evaluation initiatives previously described), along with resulting opportunities, are summarized in the above infographic.

Worldwide Challenges
 Risks for Tarkett
 Opportunities for Tarkett

CLOSING THE LOOP ◀



3.3.3 Our risk management process

Our systematic and integrated approach towards risk management, which includes CSR risks, is based on the following steps:

- > Presentation of the biennial update of the Tarkett's Risk Mapping to the Executive Management Committee for approval and empowerment;
- > Regular presentation to the Audit, Risk and Compliance Committee, which is in charge of ensuring the effectiveness of risk-monitoring and internal control procedures;
- > Integration of the review of risks and controls into the work programs of the internal audit department.

The Group CSR strategy and policies developed to manage our material CSR risks and challenges are defined at the Executive Management Committee level, then implemented at Division and function level, and finally at the level of sites/networks in each country. Different programs are implemented in order to deploy these CSR policies, such as World Class Manufacturing (WCM) for operations, Cradle to Cradle® (C2C) principles for eco-design, Innovation and ReStart® programs for circular economy and take-back and recycling, or Talent Philosophy for talent management.

Our policies and initiatives intended to manage CSR risks and challenges, their objectives and results, and the related key performance indicators are described in detail in the relevant sections of this CSR Report 2019, namely:

- > Section 3.2 "CSR governance", for risks and issues related to governance and business ethics;
- > Section 3.6 "Designing for Life and Closing the Loop": creating a healthy circular economy, for risks and issues related to the environmental and health impacts of our products along the value chain (from raw materials supply to end-of-use of flooring products, through manufacturing and use of our products);
- > Section 3.7 "Driving Collaboration" in value chain and in communities, for risks and issues related to our suppliers and our activities within local communities;
- > Section 3.8 "Developing Talents": Developing our human capital, for risks and issues related to our employees.

Concerning the risk "flooring market changes", our policies and actions intended to manage the risks and opportunities related to ESG aspects of this risk are described throughout this chapter and in particular detailed in the following sections:

- > Expectations for greater transparency: Section 3.6.2 "Our careful choice of materials and our commitment to product transparency"
- > New products and services: Section 3.6.1 "Our engaged and collaborative approach to transitioning to a circular economy", complementing Section 1 "Presentation of the Group"
- > Increased stakeholder involvement: Section 3.5 "Stakeholder engagement"

Example

Focus on our World Class Manufacturing (WCM) operational excellence program

World Class Manufacturing (WCM), is a continuous improvement program inspired by lean manufacturing, focused on improving employee's safety, reinforcing customer service and quality, reducing the impact of the Group's operations on the environment while optimizing resource management, and improving industrial performance.

WCM is applied globally in almost all our plants and distribution centers using a proven methodology, with structured tools, a central dedicated team at Group level which defines objectives and provides the required support, through coaching, training and sharing of best practices, to the WCM network for on-site deployment of the program. Completion of internal WCM audits enables the teams to monitor the progress of production sites and to define action plans.




3.3.4 Our materiality assessment

The materiality assessment helps identify and specify the material CSR issues and challenges for Tarkett, in other words the most important issues in the context of the Group's activities, their impact on our business model and our stakeholders' expectations.

In 2016, a survey was completed to determine the material topics for Tarkett and ensure that our CSR strategy and our objectives were aligned with them. A stakeholders' mapping was completed followed by a survey that was sent to both external stakeholders (customers, suppliers, sales partners, NGOs, trade organizations, experts, research and educational institutions, etc.) and internal stakeholders (members of the Tarkett Supervisory Board and the

Executive Management Committee, Tarkett employees). The survey involved stakeholders based in France, Germany, the Netherlands, Serbia, Sweden, Russia, the United Kingdom and the United States. The survey covered key topics included in the GRI Standards and Cradle to Cradle® principles, organized into five categories: the environmental impacts of production, responsible products, work, human rights, and societal issues.

Four specific issues emerged from the 2016 survey and are still considered to be among the most material CSR topics for Tarkett: health and safety at work, health and safety related to products and materials, the environmental impact of products, and responsible use of materials and resources.

	 Environmental impacts of production	 Product Stewardship	 Labor, Human Rights & Societal issues
Priority topics for both external and internal stakeholders, and relevant for Tarkett's activities		Environmental impact of products Health & Safety of products and materials Resource and material use	Health & Safety at work Child Labor (a key priority for external stakeholders, but not a potential risk for Tarkett activities)
Other priority topics for internal stakeholders	Energy Consumption Production waste	Cradle to Cradle® principles Recyclability of products	Training and talent development Anti corruption
Other topics of importance	Air emissions from production Waste water from production Assessment of suppliers on environmental topics	Transparent marketing communication	Support for local job and income Assessment of suppliers on human rights Forced Labor Diversity, equality, non-discrimination, labor rights

When comparing the materiality matrix with our CSR risk mapping, it is clearly visible that priority topics and other topics of importance identified by the materiality assessment in 2016 are covered by and consistent with the identification of our CSR risks and opportunities.

3.4 Duty of Care / Vigilance Plan

In line with the requirements of Article L. 225-102-4 of the French commercial code ('Code de commerce'), Tarkett develops and implements a vigilance plan to identify risks and prevent serious violations towards human rights and fundamental liberties, health and safety of people, and the environment. This vigilance plan must cover the Company's activities, as well as activities of our subcontractors and suppliers with whom an established commercial relationship is maintained. At Tarkett, the vigilance plan is incorporated into the Group's CSR strategy and policies, as described hereafter.

Risk mapping

Our CSR risk identification process and mapping are described in detail in Section 3.3 "CSR risks and opportunities". Tarkett's Risk Mapping covers risks related to environment, health and safety, and human rights as follows:

- > At manufacturing sites, HSE risks are identified and evaluated as part of the WCM program and the management systems implemented at most of our sites: OHSAS 18001 / ISO 45001 for health and safety aspects, ISO 14001 and ISO 50001 for environmental aspects. Human rights risks have not been assessed as significant for activities at our production sites to date. We are however aware that current geopolitical trends can generate new risks (e.g. risk of modern slavery due to the influx of migrants in Europe), which we endeavor to identify and take into consideration as they appear.
- > At supply chain level, a procurement CSR risk mapping covering the vast majority of our suppliers was completed in 2018 in partnership with a company specialized in sustainability ratings and supply chain intelligence, and includes environmental, health and safety risks, as well as those related to a potential violation of human rights, among others (see Section 3.7.1.1 "Promoting good and positive practices along the supply chain").

Assessment procedures

At manufacturing sites, the assessment of HSE risks are conducted internally on a continual basis via our WCM program (see Section 3.3.3 "Our risk management process"). In addition, all our sites are audited annually by a third-party (ERM), and most of our sites are subject to surveillance and re-certification audits for OHSAS 18001 / ISO 45001, ISO 14001 and/or ISO 50001.

At supply chain level, the evaluation of our suppliers started in 2019 as part of our responsible sourcing program based on the outcomes of the procurement CSR risk mapping, in parallel to the deployment of a new Supplier's Code of Conduct (see Section 3.7.1.1 "Promoting good and positive practices along the supply chain").

Alert mechanism

The Compliance Hotline implemented in 2018 and accessible from 103 countries, and the Ethics Hotline deployed in 2016 in the United States and in Canada, enable Tarkett's employees and all third parties (including our business partners and suppliers) worldwide to raise any concerns and/or report potential violations they may witness within Tarkett, in particular regarding human rights, environment, health and safety (see Section 3.2.4.1 "Ensuring business ethics and integrity").

Actions and monitoring scheme

Our objectives and actions / initiatives implemented to prevent risks covered by the vigilance plan, as well as the related key performance indicators enabling to assess the efficiency of implemented measures and their results, are described in detail in the relevant sections of this CSR Report 2019, namely:

- > Section 3.6 "Designing for Life and Closing the Loop": creating a healthy circular economy, for risks and issues related to the environmental and health impacts of our products along the value chain (from raw materials supply to end-of-use of flooring products, through manufacturing and use of our products);
- > Section 3.8 "Developing Talents": Developing our human capital, for risks related to our employees' health and safety;
- > Section 3.7 "Driving Collaboration" in value chain and in communities, for risks related to our suppliers.

3.5 Stakeholder engagement

"Driving Collaboration" is a key feature of our "Doing Good. Together." CSR approach: we seek to enhance internal and external collaboration by building partnerships and dialogue that help us achieve our objectives and by collaborating with key stakeholders, including NGOs, experts and public institutions, to tackle global challenges together and find innovative solutions, notably for building a more circular economy.

This stakeholder engagement and collaboration approach is summarized in the table below for 2019.

Stakeholder Groups	Examples of engagement and collaboration in 2019 on CSR topics	CSR Report section
Shareholders / Investors	<ul style="list-style-type: none"> > Shareholder's Annual General Meeting > Financial statements / Universal Registration Document > New Strategic plan (Change to Win) including circular economy ambition, presented to the financial community (Investors Day in June 2019) > Roadshow presentations to investors – around 45% of the 130 meetings conducted in 2019 included environmental, social and governance (ESG) topics demonstrating the growing importance of ESG issues amongst investors. This year the questions and dialogue focused mainly on governance, recycling and circular economy. > Response to investor questionnaires on ESG topics (e.g. Dorval AM, BlackRock, AXA IM) > Regular roadshows and presentations to asset management companies such as Française Asset Management, Sycomore and Amundi 	-
Socially Responsible Investment (SRI) Community	<ul style="list-style-type: none"> > Participation in SRI rating agencies analysis: Vigeo, Gaïa, MSCI, etc. > Participation in 2018 Trucost (S&P Global) UN SDG assessment > Biennial response to the Carbon Disclosure Project (CDP) questionnaire 	-
Employees	<ul style="list-style-type: none"> > Biennial employee feedback survey > Group Intranet Tarkett-Inside > Global Safety Day > 'Embrace sustainability practices in workplace' program launched in Tarkett Eastern Europe, mobilizing teams on sustainability to generate savings, limit waste and raise awareness of practical solutions > Recycling program at Tarkett North America headquarters (Solon, Ohio), initiated by the local sustainability committee and involving employees, aiming to eliminate all non-recyclable plastics and reduce landfill waste. The project engaged and educated our local employees with results including more than 1.3 tons of food waste being composted. > Internal newsletter 'Experiences' (including a special edition on Change to Win strategic plan in July 2019) > Relationship / dialogue with trade unions, including Tarkett Forum in Europe > Tarkett Awards, recognition program to reward employees' best contributions > Annual meeting for senior executives (« Focus Meeting ») and quarterly conference call on financial, safety and environmental results 	3.9.1 3.9.4.4 3.9.5.1 3.9.5.2

Stakeholder Groups	Examples of engagement and collaboration in 2019 on CSR topics	CSR Report section
Customers / End-Users	<ul style="list-style-type: none"> > Transparent product information, via Material Health Statements (MHS), specific Environmental Product Declarations (EPD in Europe, FDES – Fiche de Déclaration Environnementale et Sanitaire in France, GreenTag in Australia), Environmental tags in Europe > Certifications and labels meeting customer's expectations, e.g. Cradle to Cradle® (C2C – which positively contributes to achieving LEED certification), asthma and allergy friendly®, Living Product Challenge Imperative, etc. > Tarkett Academy to train professional installers and architects > Green Tours presenting our sustainability approach and initiatives on our production sites in Narni (Italy), Clervaux (Luxembourg), Ronneby (Sweden), Sedan (France), Waalwijk (the Netherlands) and Otradny (Russia) > Showrooms, such as Tarkett Atelier in New York City (US), Madrid (Spain), Atelier Tarkett in Paris (France) or San Francisco (US) > Participation in conferences and exhibitions, e.g. C2C Summit at C2C Lab in Berlin (Germany) and C2CPII Design & Innovation Forum in Stockholm (Sweden), nationwide procurement summit organized by the Recycling Council of Ontario in Ontario (Canada), Metropolis Perspective Sustainability event in Los Angeles (US), Green Chemistry & Commerce Council annual Innovators Roundtable in Cincinnati (US), Greenbuild in Atlanta (US), Stockholm Furniture Fair (Sweden), Commercial Flooring Trends Seminar & Acoustics Continuing Professional Development Training at FRONT construction exhibition in Sydney (Australia), Revestir Exhibition and Circular Economy Seminar (Sao Paulo, Brazil) > ReStart® program for take-back and recycling of post-installation and post-use flooring > Responding to customers growing expectations for sustainable solutions, receiving customer awards, e.g. Tarkett UK received the most sustainable partner award in 2019 (Willmott Dixon's Mandated supplier award), Tarkett Brazil was recognized as supplier "A" regarding Environment/ Sustainability, after a local audit by Leroy Merlin > Marketing events, such as the Tarkett Show in Russia for retailers and distributors in 20 different cities to present new products and inform on Tarkett C2C approach and Russian eco-label Green Leaf 	<p>3.7.2.2</p> <p>3.7.4.3</p> <p>3.8.2.2</p> <p>3.9.4.1</p>
Suppliers	<ul style="list-style-type: none"> > Responsible sourcing program > Suppliers involved in materials selection, e.g. work with suppliers to provide phthalate-free plasticizers in the US and in Russia > Suppliers involved in materials assessments and C2C approach, e.g. partnerships with suppliers to propose C2C flooring maintenance and installation option; assessment of coloring agents with key suppliers in 2019 	<p>3.7.2.2</p> <p>3.8.1.1</p> <p>3.8.1.2</p>
Industrial Partners	<ul style="list-style-type: none"> > Purchase of recycled or recovered materials from industrial partners for use as secondary raw materials, e.g. Econyl® fibers from Aquafil in Italy and calcium carbonate from a drinking water distribution company in the Netherlands for carpet, recycled PVB (Polyvinyl butyral) safety films from windshields and used protective glass in the US and in Europe > Collaboration with logistical / transport partners for development of ReStart® program, e.g. with Veolia in France, Kuijs transport in the Netherlands, Verhoek in Germany 	<p>3.7.1.1</p> <p>3.7.4.2</p> <p>3.7.4.3</p>

Stakeholder Groups	Examples of engagement and collaboration in 2019 on CSR topics	CSR Report section
Public Institutions / Standardization Groups	> Participation in European Commission consultations and in standardization work on topics such as hazardous substances, waste or plastics in circular economy	3.7.1.3 3.7.2.1
	> Contribution to a panel at European Commission stakeholder conference on Circular Economy, sharing Tarkett's challenges and achievements, with a focus on transparency and the concept of material passport's role in support of a transition towards a healthy circular economy	3.7.3.1 3.8.2.4
	> Dialogue with EU institutions, Finland's Presidency of EU Council, OECD and NGOs on product transparency and circular economy	
	> Participation to EU Circular Plastics Alliance through Tarkett's membership of Vinylplus, European Carpet and Rug Association and European Plastics Converters	
	> Participation, through French and Brazilian national standardization bodies, to the work of ISO TC323 on ISO Circular Economy standard – Standardization in the field of circular economy to develop requirements, frameworks, guidance and supporting tools related to the implementation of circular economy projects	
	> Participation to the work of the French National Institute on Circular Economy and its paper on the "Promotion of a new circular economy strategy"	
	> Participation in Almedalen Week, Sweden's biggest political meeting, during which sustainability and circular transition / circular economy were at the heart of the discussions	
Academic Institutes / Experts	> Work with EPEA (Environmental Protection Encouragement Agency) scientific institute for material health assessment and C2C certifications	3.7.2.2 3.7.2.3
Associations / Organizations	> Tarkett maintains an active dialogue through membership or other collaborations with various associations / organizations, where we contribute to discussions, working groups and other initiatives on sustainability, circular economy and wellness:	3.7.1.3 3.7.3.1 3.9.3
	> Circular Economy 100 (CE100) initiative of the Ellen MacArthur Foundation – Tarkett co-lead work on Mass balance for chemical recycling co-project	
	> European Plastics Converters (EuPC), the professional representative body of plastics converters in Europe, and the Vinyl Foundation to support VinylPlus®, the sustainable development program of the European PVC industry	
	> Ecopreneur.eu, the European Sustainable Business Federation based in Brussels which encourages a circular economy in Europe	
	> Creation of the ERFMI (European Resilient Flooring Manufacturers' Institute) Circular Economy Platform to develop the collection, identification and traceability of used flooring materials and address specifically used vinyl floors through ERFMI's REVINYLFLOOR platform	
	> EU Business @ Biodiversity Platform, a dialogue and policy interface with the aim to help businesses integrate biodiversity considerations into business practices	
	> Natural Capital Coalition, an international collaboration to conserve and enhance natural capital	
	> Cradle to Cradle Products Innovation Institute (C2C PII), a non-profit organization created to guide product manufacturers and designers in making safe and healthy products	
	> Carpet America Recovery Effort (CARE) in the US, an organization that fosters recycling of carpets and rugs	
	> Chair of the V-Cycle PVC recycling initiative of the Vinyl Sustainability Council in the US, to enable value chain wide recycling efforts	
	> U.S. Green Building Council (USGBC), an organization committed to transforming how buildings are designed, constructed and operated through LEED (Leadership in Energy and Environmental Design), the most widely used green building rating system in the world	
	> International Living Future Institute (ILFI), participation to the annual Living Future unconference in Seattle (US) and at the Living Product Expo in Nashville, Tennessee (US), a forum for leading minds in the green building movement to make strides toward a healthy future for all	

Stakeholder Groups	Examples of engagement and collaboration in 2019 on CSR topics	CSR Report section
	<ul style="list-style-type: none"> > Green Chemistry and Commerce Council (US), participation to the Annual Innovators Roundtable speaking on Circular economy & green chemistry > Circular Sweden and Cireko, two networks promoting recycling and circular business in Sweden > Asthma and allergy organizations in various countries such as the Asthma and Allergy Foundation of America the leading organization for people with asthma and allergies in the US; Asthma Australia, a not-for-profit body dedicated to supporting & educating Australians suffering from Asthma & Allergies to help people to breathe so they can live freely > Design Museum Foundation, Boston (US) a partnership to develop and implement "We Design project" on diversity and inclusivity 	
Non-Governmental Organizations (NGOs)	<ul style="list-style-type: none"> > Dialogue with organizations Changing Markets and Zero Waste after the publication of several reports on the issue of waste in the carpet industry. This engagement dealt with ecodesigning products for disassembly, transparency and use of healthy materials in products. It includes recommendations for the development of regulatory tools for implementing systems of extended responsibility for carpet producers within the EU, based on best practice, modulated fees and support of green public procurement measures to accelerate the market growth for truly circular solutions. 	-
Local and Worldwide Communities	<ul style="list-style-type: none"> > Initiatives and donations as part of Tarkett Cares, e.g. partnership with Habitat for Humanity in the US; flooring donations in US, Serbia and India; volunteering during World Clean Up Day in Italy and Turkey; volunteering to help at children's hospital in Brazil; education and support around asthma and allergy issue in Australia > Support to development and climate change projects worldwide, e.g. REDD+ Tambopata Project in Peruvian Amazon, partnership with EarthEnable in rural Rwanda and Uganda 	3.8.2.3 3.8.2.4
Schools / Universities / Potential Candidates to join Tarkett	<ul style="list-style-type: none"> > Partnerships with local schools / universities, e.g. Bačka Palanka with the Faculty of Forestry and the Faculty of Applied Arts at the Belgrade University (Serbia); Clervaux with the Ecole des Mines de Nancy (France); Sedan with the university IUT (Institut universitaire de technologie) Reims-Châlons-Charleville (France) where two employees give lessons on purchasing and exports; Narni (Italy) with 4 universities, the High Specialization Academy and 4 local secondary schools, with local managers giving lessons on environmental sustainability, circular economy and production process > Participation in job fairs, e.g. in events organized by schools in Champagne-Ardenne region around Sedan plant (France) to introduce students to Tarkett; Kedge Business School Forum in Talence (France); IESEG (Institut d'Économie Scientifique et de Gestion) Forum and Forum Group IGS (Institut de Gestion Sociale) at La Défense (France) and in the US > Tarkett Positive Legacy Design Award with the University of Melbourne (Australia) to support the most sustainable project of the year developed by university students 	3.9.4.1

3.6 Designing for Life and Closing the Loop: creating a healthy circular economy

Our policies and actions, along with their objectives and results / key performance indicators, aiming to manage risks and respond to opportunities related to the environmental and health impacts of our products along the value chain (as identified in Section 3.3 "CSR risks and opportunities") are summarized in the table below and detailed in the sub-sections of this chapter.

Opportunities / Risks	Policies / Actions	Key Performance Indicators	2019	2018	2017	Objective 2020	CSR Report section
Environmental 'Duty of Care' (compliance with environmental regulations at production sites; availability and quality of water) Site damage and disruption (industrial accidents, e.g. fire, pollution; impacts of natural disasters, e.g. flooding)	> World Class Manufacturing (WCM) program > ISO 14001 certified Environmental Management System > Emergency response plans implemented at production sites > Environmental yearly audits and follow-up of industrial sites by third party (ERM)	Percentage of production sites certified to ISO 14001	85%	89%	89%	-	3.4
	> Implementation of closed-loop water systems at production sites	Percentage of production sites equipped with closed loop water circuits (or not using water in their process)	66%	68%	67%	100%	3.6.5.1
	> Materials selection as part of New Product Development Process (NPDP)	Percentage of raw materials not contributing to resource scarcity (abundant, rapidly renewable or recycled)	67%	70%	71%	75%	3.6.2.1
Raw material price volatility (fluctuations in prices and availability of raw materials and energy)	> Maximize recycled content in our products: post-installation/ post-consumer flooring; secondary raw materials from other industries	Percentage of recycled raw materials ¹	12%	10%	12%	30% in 2030	3.6.4
	> Energy consumption per m ² of manufactured product	Energy consumption per m ² of manufactured product	4.09 kWh/m ²	4.05 kWh/m ² ²	3.92 kWh/m ² ²	-	3.6.5.2
	> Percentage of energy consumption coming from renewable energies	Percentage of energy consumption coming from renewable energies	28%	23% ²	24% ²	-	3.6.5.3

¹ Recycled materials: Materials that would otherwise have been sent for waste disposal; internal post-manufacturing recycled volumes are included.

² Restated – see methodological note for details

Opportunities / Risks	Policies / Actions	Key Performance Indicators	2019	2018	2017	Objective 2020	CSR Report section
Circular economy regulatory and market requirements (effective recyclability and recycling of end-of-use flooring products)	<ul style="list-style-type: none"> > New Product Development Process (NPDP) to ensure recyclability of new flooring products > Post-installation and post-consumer flooring take-back and recycling (ReStart® program) > Maximize recycled content in our products: post-installation / post-consumer flooring; secondary raw materials from other industries 	Tons of collected post-installation and post-consumer flooring through the ReStart® program	3,300 tons	3,300 tons	4,100 tons	38,000 tons	3.6.4.3
Climate change (more stringent GHG regulations, including Scope 3 and carbon pricing)	<ul style="list-style-type: none"> > Scope 1 & 2 GHG: energy efficiency projects, development of renewable energies > Scope 3 GHG: increasing the share of pre- and post-consumer recycled origin in raw materials, developing post-installation and post-consumer flooring take-back and recycling (ReStart® program) > Annual audits and follow-up of industrial sites by third party (ERM) 	Percentage reduction of Scope 1 & 2 GHG emissions per m² of manufactured product compared to 2010	-15.3%	-10.5% ¹	-11.1% ¹	-20% in 2020 and -30% in 2030 vs 2020	3.6.6
Chemical substance acceptance (evolving health and environmental standards and/or customer's expectations for flooring products, e.g. phthalate-free plasticizers, alternative to PVC, VOC ⁴ emission levels; expectations for greater product's transparency)	<ul style="list-style-type: none"> > Systematic materials assessment based on C2C criteria > Transparent product information, e.g. Material Health Statements, Environmental Product Declarations > C2C certifications of our products 	Percentage of raw materials third-party assessed for their impact on people's health and the environment based on C2C criteria	98%	98%	96%	100%	3.6.2.2 3.6.2.3
	<ul style="list-style-type: none"> > Materials selection and assessment as part of NPDP to develop products with low levels of VOC emissions 	Percentage of flooring with low VOC emission levels	98%	97%	96%	100%	3.6.3.1
	<ul style="list-style-type: none"> > Use of phthalate-free plasticizer technology for our vinyl flooring 	Percentage of phthalate-free vinyl flooring ²	74% ³	65%	57%	100%	3.6.3.1

¹ Restated – see methodological note for details

² At the end of 2019, 100% of our vinyl production sites in Europe, North America, Serbia and China use phthalate-free plasticizer technology

³ Except recycled content for certain products

⁴ Volatile Organic Compounds

3.6.1 Our engaged and collaborative approach to transitioning to a circular economy

The circular economy is a regenerative business model in which resources are continuously reused and recycled, thus limiting the use of virgin raw materials and the impact on our planet. Our long-term vision is that in the future flooring will be recyclable and recycled. To do so and to become a truly circular company, we have to design and manufacture products with more and more recycled materials and we also have to build circular solutions in partnerships with our customers and suppliers. We set an ambitious goal in 2019 to drive this approach – for our products to contain on average 30% of recycled materials in 2030, compared to 10% in 2018. There are two main routes to reach this objective:

- 1. Increase the use of secondary raw materials**, either with recycled post-manufacturing waste from within our industrial process or by sourcing recycled materials from other industries. Secondary raw materials are recycled materials that can be used in manufacturing processes instead of or alongside virgin raw materials. The use of secondary raw materials presents a number of advantages, including increased security of supply, reduced material and energy use, reduced impacts on the climate and the environment, and reduced manufacturing costs¹.
- 2. Grow our ReStart® program to take-back and effectively recycle flooring**, not only off-cuts from installation, but also after use.

3.6.1.1 Working collectively towards a circular economy

Our **R&D teams** are rethinking the design and formulation of our products, looking to use more recycled materials without compromising technical and visual performance. They are reflecting on ways to design products that will be easy to disassemble and on the development of new technologies to recycle post-use products.

- > For example, we are starting up in Sweden a new in-house solution to recycle all Tarkett homogeneous vinyl flooring produced from 2011 onwards, expanding the recycling options we offer to customers. This innovation was announced at the Milan Design Week in April 2019 while showcasing our new iQ Surface vinyl flooring. Tarkett teams at the plant in Ronneby (Sweden), where the iQ Surface is produced, had been investigating new techniques to recycle post-use homogeneous vinyl flooring as part of our strive to develop circular solutions. After months of research and development, the team

managed to establish a customized process using low-risk chemicals to remove glue and other residues from the used flooring before shredding and creating vinyl granules that can be integrated into new homogeneous flooring. Key to the research, the granules offer the same properties and deliver the same performance as virgin raw materials, conserving natural resources and creating a lower impact on the environment, compared to using virgin raw materials. The challenge remains to scale up the process to an industrially viable level. The local sales networks are constantly searching for projects where material can be recycled. The biggest project so far is a hospital in Skellefteå (Sweden) where 1500 sqm of Tarkett homogenous vinyl floor from 2013 was taken out due to renovation and successfully cleaned and recycled in Ronneby.

Our **Purchasing teams** are looking to extend their supply sources of secondary or innovative raw materials working with multiple industries, thus reducing the use of virgin or fossil-based materials, and the exposure to the price volatility of fossil-based materials.

- > For example, in 2019 Tarkett announced the sourcing of BIOVYN™, the world's first commercially available grade of bio-attributed² vinyl by INOVYN, using a supply chain recognized by The Roundtable on Sustainable Biomaterials (RSB). The Roundtable on Sustainable Biomaterials (RSB) is a global, multi-stakeholder independent organization that drives the development of a new world bio economy through sustainability solutions, certification, and collaborative partnerships. BIOVYN™ is made using bio-attributed ethylene, a renewable feedstock derived from non-food biomass. BIOVYN™ is recognized by RSB as delivering a 100% substitution of fossil feedstock in its production system, enabling a greenhouse gas saving of over 90% compared to conventionally produced vinyl. Sourcing BIOVYN for a new flooring collection to be launched in Europe in 2020 is a key step in our journey to shift toward a circular economy model and respond to climate challenges.
- > Other examples include sourcing upcycled chalk, recycled PVB³ and recycled post-industrial medical blister packs and mobile phone SIM cards (for more detail see >ection 3.6.4.2 "Using secondary raw materials from other industries").

Our **Manufacturing teams** are adapting to create and use various types of secondary raw materials (recycled waste) while delivering efficiency and quality performance.

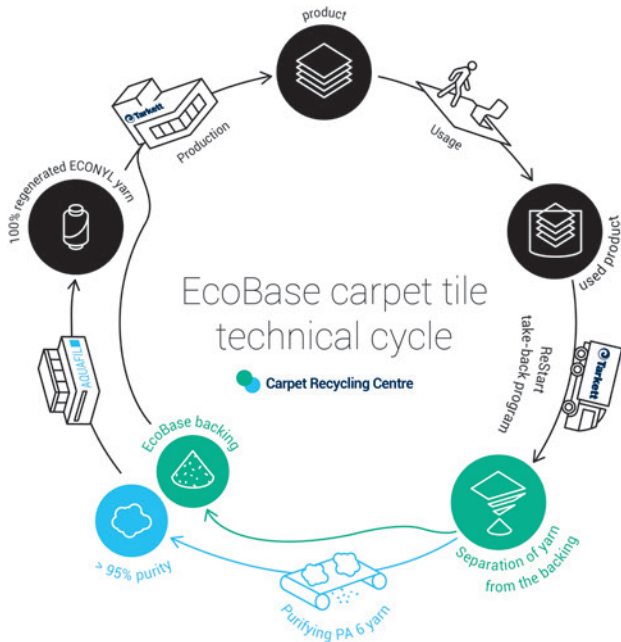
¹ Source: EU Strategy for secondary raw materials 2016

² Bio-attribution measures the extent to which fossil fuel-derived feedstocks have been substituted by renewable or bio-feedstocks

³ Polyvinyl butyral

Our engaged and collaborative approach to transitioning to a circular economy

- > For example, our vinyl flooring recycling center at our Clervaux site (Luxembourg) which recycles post-installation flooring along with post-manufacturing waste to produce secondary raw materials which are used on-site to produce underlayers. These underlayers are then incorporated in the production of finished flooring products at Sedan (France), Konz (Germany) and Lenham (UK) as well as at Clervaux (see also Section 3.6.4.1 "Managing production waste – reduce, reuse, recycle, recover").



Example

Innovative partnership to close the loop on the life cycle of commercial carpet tiles in Europe

In 2019, Tarkett has made a major breakthrough for the circular economy by fully closing the loop on the life cycle of commercial carpet tiles in Europe through a pioneering partnership with Aquafil. This breakthrough is the result of several years of intense collaboration between the two companies.

Tarkett has made significant investments in its production site and carpet tile recycling center in Waalwijk, the Netherlands. The new recycling center can now generate two material streams (yarn and carpet tile backing), which can then be recycled and transformed into high quality secondary raw materials for the production of new carpet tiles.

In effect, Tarkett has developed an innovative technology to separate the two main components of carpet tiles - the carpet backing and the yarn - while maintaining more than 95% yarn purity. This level of purity is vital to ensure that the polyamide 6 (PA6) yarn can be recycled

Example

by Aquafil and later transformed into regenerated ECONYL® nylon yarn. The carpet tile consisting of an EcoBase® backing and PA6 nylon yarn is now 100% recyclable. Furthermore, recycling carpet tiles made of EcoBase® backing and ECONYL® yarn reduces CO2 emissions by 84% compared to incineration¹.

Tarkett has sourced PA6 and ECONYL® nylon yarn from Aquafil for more than a decade and uses ECONYL® in its Desso AirMaster carpet tiles, for example. Tarkett is thus the only carpet manufacturer in Europe to have verified evidence of circular economy production of carpet tiles, as documented by the Environmental Product Declarations (EPDs) for carpet tiles with EcoBase® backing.

In this context, Tarkett has increased its production capacity for EcoBase® carpet backing at its Waalwijk site in order to meet the growing customer demand for this sustainable product. Tarkett has invested approximately 15 million Euros in this set of initiatives to successfully close the loop for carpet tiles in Europe.

his major step towards the circular economy in the flooring industry falls also within the framework of the European Commission's "European Green Deal", which promotes recycling and encourages the use of sustainable materials, thus accelerating the transition to the circular economy.

Our Marketing and Sales teams are working together with the supply chain to develop and implement cost-efficient take-back and recycling services for our customers through our ReStart® program.

- > For example, our teams in Germany in 2019 have worked on simplifying and improving the ReStart® collection process with the supply of appropriate containers (big-bags, intermediate bulk containers, lattice boxes), the use of existing logistic partners and routes as well as the streamlining of order handling with SAP. This project has seen our internal expertise grow at the same time as improving customer service. Various communication materials (flyers, posters, leaflets) to inform and promote the ReStart® service to our local customers were also developed.

Our experts are also engaging with our customers, our suppliers, our business partners, with public authorities and NGOs, to advocate for greater collaboration in identifying and trialing solutions and in the necessity to develop a political and economic framework in favor of a circular economy.

- > For example, our teams in Europe and North America are sharing knowledge and building collaborative approaches with the Ellen MacArthur Foundation's Circular Economy 100 (CE100) program (for more details see Section 3.6.1.3 "Building a circular economy together").

¹ Based on end-of-life stage only at Tarkett's Carpet Recycling Center, for the same product, externally verified by Bureau Veritas

3.6.1.2 Applying principles, methods and tools to design for a circular economy

Tarkett applies Cradle to Cradle® (C2C) principles for the design of its products, from material selection and product manufacturing, to installation, use, maintenance, end of use and product recovery. Tarkett has developed a “closed-loop circular design” eco-design methodology which strives, right from the upstream phase of a design process, to integrate various aspects – economical, performance, respect for the health and the environment – throughout different stages of the product’s life cycle¹. All impacts on health and the environment are studied and assessed and the approach requires the engagement of many functions within the company: research & development, marketing, procurement, production and quality, among others.

Our New Product Development Process (NPDP), which has been in place for several years, includes sustainability and circular economy questions right from the initial design phase. These criteria, in line with the Cradle to Cradle® methodology, have been integrated from the design and development phase of a new flooring product. This process encourages on the one hand the selection of “good” raw materials (i.e. positively defined according to C2C assessment) for the product composition, and on the other hand the product design to ensure it is recyclable and potentially “ReStart® ready” (i.e. eligible to post-installation and post-consumer collection as part of our ReStart® program, to be later recycled in one of Tarkett’s recycling centers). Following these NPDP requirements allows us to target potential C2C certification right from the outset.

We also use **life cycle analysis (LCA)**, one of the methodologies to assess the environmental impact of a product. This standardized method (ISO 14040 and ISO 14044) identifies and compares the environmental impacts of a system throughout its lifecycle, from extraction of raw materials through its fabrication and processing up to its end-of-life or end-of-use (landfill, recycling...) including use phases, maintenance and transportation. Our EMEA division is equipped with dedicated software to systematically perform LCA and develop specific environmental product declarations.

All these principles, methods and tools applied by Tarkett are part of the same concept and are based on the following pillars:

- > Good materials: selecting materials that respect health and the environment (e.g. recycled, renewable, not contributing to resource depletion);

- > Resource stewardship: promoting optimized, sustainable use of resources in all phases of production, while protecting the environment (minimization of use of water and energy, and of generation of waste during manufacturing; reduction of scope 1 to scope 3 greenhouse gas emissions);
- > People-friendly spaces: contributing to the health and well-being of people during the product use and maintenance phase (e.g. products with low VOC emissions, phthalate-free);
- > Recycling: recycling no longer used products (e.g. post-installation / post-consumer flooring wastes, wastes from other industries) to eliminate waste, while helping to design new products with quality recycled materials.



The ultimate purpose of this approach is to design products which contribute to the health, comfort, well-being and safety of people while also preserving the natural capital of the planet.

3.6.1.3 Building a circular economy together

The drive towards a circular economy involves many technical, logistical and economic challenges. Tarkett is convinced that the best way to achieve our circular economy ambitions, and to overcome the complexity of these challenges is to work together with other organizations in a collaborative approach.

We work closely with institutions, such as the EPEA (Environmental Protection Encouragement Agency) scientific institute, companies and organizations specialized in the field such as Veolia in France for our ReStart® program, Carpet Recycling UK, the AGPR in Germany, a recycling site for used vinyl flooring, or Carpet America Recovery Effort (CARE) in the United States, a non-profit trade organization that fosters recycling of carpets and rugs, and of which Tarkett is a founding member.

¹ Standard NF X 30- 264 Environmental management – Assistance to the implementation of an eco-design approach, 2013.

Our engaged and collaborative approach to transitioning to a circular economy

Example

Sharing knowledge and building collaborative approaches with the Ellen MacArthur Foundation

Tarkett joined the Ellen MacArthur Foundation's Circular Economy 100 program (CE100), in 2013 as one of the first companies, when it was created following the publication in 2012 and 2013 of two reports on the circular economy by the Foundation, the second of which identified possible savings of 700 billion US dollars from the circular economy of raw materials¹.

The CE100 network provides opportunities to learn, share knowledge, and build new collaborative approaches. Tarkett participates to the work of CE100 in different co.projects and workshops. Co.Projects leverage the CE100 network with the aim of exploring opportunities and overcoming challenges which are commonly and collectively faced by organizations making the transition to a circular economy, and which organizations may not be able to address in isolation. One co.project was on "circular business competencies building" where Tarkett participated alongside other companies and universities. This co.project set out to identify key knowledge and skills needed for certain business functions to bring circular economy ideas into their line of work. Tarkett also contributed to the co.project "Circular Business Models for the built environment" which published its paper in January 2019 and to the co.project "Enabling a circular economy for chemicals with the mass balance approach" which also produced a white paper.

Moreover, Tarkett participated to two Acceleration Workshops, the first in Barcelona, on Circular Models and the second in Stockholm, on circular Economy Enablers. These workshops provide an opportunity to share knowledge, to learn from expert input, build new relationships, and progress collective approaches.

In North America, Tarkett participated to the CE100 Spring Event in Portland, Oregon (US) on Materials and Circular Design and in September in Niagara, Ontario (Canada) on Circular Economy Enablers.

During 2019, with our new strategy Change to Win and its focus on "changing the game", our teams brought renewed energy and conviction in advocating for a transition to circular economy:

At the **European level**, we are actively involved in a number of different fora to share our expertise, experience and also our acute understanding of the challenges, with the aim of promoting solutions and frameworks that will aid a quicker transition to a circular economy. **For example:**

- > Contribution to the work of the French Institute on the Circular Economy (INEC) in preparing input for the Finish presidency of the EU council and new European Commission on promoting the circular economy as a key opportunity to mitigate climate change.
- > Participation to a panel at European Commission stakeholder conference on Circular Economy in Brussels (Belgium), sharing the challenges and achievements for a healthy circular economy.
- > Support to the Circularity Database Initiative (www.circularitydataset.lu) launched by the Ministry of the Economy of Luxembourg, an initiative which aims at developing an industry standard at European level for circular data on products throughout the whole value chain, from raw materials to finished products, from the use phase to recycling. The project addresses the difficulty for industry and consumers to access reliable data on the circular properties of a product.
- > Collaboration with Ecopreneur.eu, the European Sustainable Business Federation based in Brussels which encourages a circular economy in Europe.
- > Chairing of the European Plastics Converters market session on Building & Construction at the Circular Future with Plastics conference in Berlin (Germany).
- > Involvement in the EU Circular Plastics Alliance through Tarkett's membership of Vinylplus, European Carpet and Rug Association and European Resilient Flooring Manufacturers' Institute. The Circular Plastics Alliance gathers public and private stakeholders in the plastics value chains to promote voluntary actions and commitments for more recycled plastics with a target to ensure that 10 million tons of recycled plastics are used to make products in Europe in 2025, which represents an increase of more than 150% compared to 2016.
- > Creation of the European Resilient Flooring Manufacturers' Institute (ERFMI) Circular Economy Platform. The aim of the platform is to develop the collection, identification and traceability of used flooring materials.

¹ Source: Ellen MacArthur Foundation "Towards the Circular Economy Vol. 2: opportunities for the consumer goods sector", January 2013

In **Sweden**, Tarkett actively participated to **Almedalen Week**, in July, in the city of Visby, Gotland. This event is a combination of a political meeting place and an open, democratic forum with the gathering of industry, public organizations, politicians, media and NGOs to discuss current societal topics. For its third participation, Tarkett organized a round table discussion as well as a Circular Mingle in collaboration with Circular Sweden, a network that promotes circular economy across industries with NCC, Ikea, H&M, SSAB and others. The round table discussion was dedicated to the way of increasing demand of recycled content in new products, a key topic for Sweden to become a circular society. Subject matter experts then discussed how the industry can work together with public and private sector to achieve the best conditions for a circular transition. More than 200 people participated in the Circular Mingle which brought together people from different parts of Swedish society to discuss solutions to building a circular economy. Finally, Tarkett was invited, as expert, to contribute in other on-stage discussions on plastics recycling. Overall, the 2019 event underlined the need for public authorities to facilitate and drive the circular economy, for example, by creating an appropriate regulatory framework and through stricter public procurement criteria. It was also clear, further collaboration amongst actors is vital to develop practical solutions for a circular transition.

In the **US**, Tarkett joined a panel discussion on Circular Economy and Green Chemistry, at the Green Chemistry & Commerce Council annual Innovators Roundtable in Cincinnati. Tarkett underlined the importance of a holistic approach with material assessment using the C2C Certified™ process to enable future recycling.

In **Canada**, Tarkett participated to a nationwide procurement summit in Ontario organized by the Executive Director of the Recycling Council of Ontario. Some 200 people from provinces across Canada participated. The aim of the summit was to help the government purchasing agents learn about best practice circular economy. Tarkett participated to a panel session on facility and building management to discuss the Circular Economy.

In **Brazil**, Tarkett participated to the Circular Economy Seminar in Sao Paulo, with the biggest Brazilian plastics companies, educational institutions and public authorities. The aim of this seminar was to discuss challenges and opportunities to plastics industries regarding the transition to a circular economy.

Example

An international ISO standard to provide a framework and guidelines on the circular economy

In 2019 the International Organization for Standardization (ISO) launched a new committee (ISO/TC323) to work on developing a circular economy standard. Tarkett contributed as part of the French national organization for standardization (AFNOR) delegation as the committee convened in Paris with 47 countries and 120 experts. The original idea for the committee came from AFNOR, ISO's member for France, where business leaders from many sectors including Tarkett, have developed the AFNOR standard on circular economy project management XP-X30-901 to support and provide guidance to shape projects ensuring a move from a linear to a circular economy model while addressing the effects of resource and biodiversity depletion, climate change and the social aspects of consumption patterns. An expert from Tarkett currently chairs AFNOR's standardization committee on the circular economy. The ISO Technical Committee 323 covers standardization in the area of the circular economy with a view to developing requirements, frameworks, guidelines and support tools for the implementation of circular economy projects. Tarkett's experts in Brazil are also participating to the work as a member of the Brazilian National Forum for Standardization (ABNT).

Tarkett was the first French company to adopt perennially the Cradle to Cradle® principles which embody a circular approach, signing in 2010 a long-term partnership agreement with the German Environmental Protection Encouragement Agency (EPEA) founded by Prof. Dr. Michael Braungart who co-developed the Cradle to Cradle concept. In September 2019, Tarkett's CEO gave a keynote speech at the C2C Summit in Berlin, presenting Tarkett's ambition to "change the game with circular economy" as a key part of our new Change to Win strategy. Representatives from the construction and design sector, the economy and the political sector discussed topics such as innovation and building, best practice examples and the future of construction. Tarkett's CEO underlined the importance of the C2C philosophy and how it can help and guide the building industry. Tarkett also sponsored 250 square meters of flooring at the new Berlin "C2C Lab", including C2C Certified™ products AirMaster® carpet tiles, Linoleum Essenza, parquet and iD Revolution.

Our careful choice of materials and our commitment to product transparency

3.6.2 Our careful choice of materials and our commitment to product transparency

3.6.2.1 Selecting good materials to preserve natural resources

Choosing quality materials is one of the pillars of our eco-design approach according to Cradle to Cradle® principles, with the objectives to respect people's health, preserve resources and protect the environment.

From an environmental point of view, Tarkett strives to conserve natural resources by designing for life, prioritizing healthy materials that can be recycled and that are sourced from abundant sources (for example calcium carbonate), rapidly renewable (such as cork or faster-growing wood species e.g. pine and spruce) and recycled (including waste from other industries), so that the materials used for our products do not contribute to resource scarcity.

Specifically on recycling, with Tarkett's strengthened commitment to a circular model, we are taking a holistic approach focusing on closed loop recycling (collecting and recycling Tarkett post-industrial and post-use materials), open loop recycling (sourcing post-industrial and post-use materials from other industries as well as procuring raw materials with recycled content) and the circular design of products (how to re-design products and processes to increase the uptake of recycled material).

Concerning renewable origin materials, wood is the main renewable material procured by Tarkett for parquet, laminate and linoleum flooring as well as for certain indoor sports surfaces. Linoleum also uses other renewable materials such as linseed oil, pine resin, jute and cork. Another example is the Eco Shell rubber flooring developed in North America, which includes as a component, leftover walnut shells from local walnut tree culture. For outdoor sports surfaces, Tarkett's FieldTurf offers a growing range of alternative renewable material performance infill layers such as PureFill which uses organic cork granules and sand, PureSelect which uses locally sourced olive cores in the United States and PureGeo which uses coconut peat and cork. In Europe, FieldTurf now also proposes PureSelect with a European sourced olive core-based infill. In addition to these renewable alternatives FieldTurf in Europe proposes infills composed of recycled materials such as ProMax HydroFlex which incorporates 30% recycled polyethylene sourced from end-of-life pitches and other various infill solutions made from recycled rubber granules from tires which would otherwise have been landfilled.

Example

First field with organic infill in US to obtain FIFA Quality Pro certification

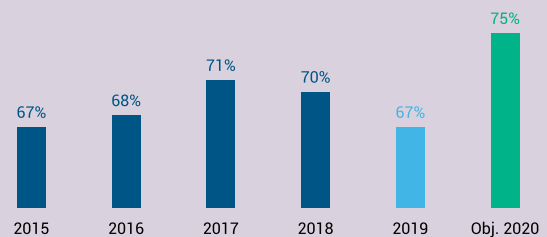
The City of Hartford (Connecticut, US) partnered with FieldTurf to design and install the new home surface for Hartford Athletic, a new professional club in the United Soccer League. The city opted for FieldTurf CORE with PureGeo infill, using coconut peat and cork materials. The facility is the first field with organic infill in the U.S. to obtain FIFA (Fédération Internationale de Football Association) Quality Pro certification, the governing body's highest standard.

Zoom on key indicators

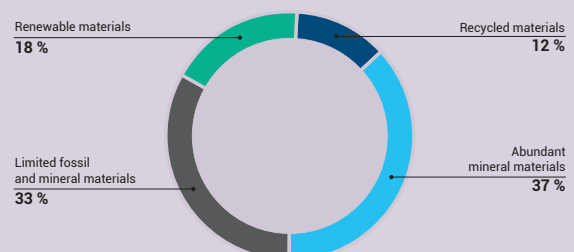
Selection of quality materials

In 2019, 67% of our raw materials did not contribute to resource scarcity (being abundant, rapidly renewable or recycled). This is slightly down compared to 2018 (70%) mainly due to the impact of the closure of Laminat Park where most of the volume of raw materials for the laminate production was renewable. The share of recycled materials has however progressed to 12%, compared to 10% in 2018.

Share of raw materials which do not contribute to resource scarcity (%)



Breakdown of raw materials used in 2019 (%)



Furthermore, Tarkett is committed to the responsible use of PVC (polyvinylchloride), a plastic resin of which the building industry is the first consumer. Since 2010, we have initiated a transparent dialogue with various stakeholders on the topic, defining conditions for sustainable design and production, usage and recycling of PVC for long-term applications such as flooring.

Our current approach is to develop the use of phthalate-free plasticizers, to favor suppliers using newer, less polluting manufacturing technologies, and to promote the recycling of PVC-containing flooring notably through our ReStart® program.

In Europe, Tarkett is participating to the Platform MORE (MONitoring Recyclates for Europe) which was launched in 2019, establishing a unified, digital platform to monitor the use of recycled polymers in the European plastics converting industry. MORE is helping the plastics industry to become more circular by collecting the volume of recycled polymers that is used by plastics converting companies to create new products, and by stimulating a higher uptake of recycled polymers. The platform was created by the European Plastic Converters trade association EuPC in collaboration with its member organizations, and in support of the European Commission's Plastics Strategy and the Circular Plastics Alliance with the aim to register 10 million tons of recycled polymers reused in products annually by 2025.

3.6.2.2 Assessing materials and their impact on health and the environment

Tarkett works closely with the EPEA (Environmental Protection Encouragement Agency), a research institute founded in 1987 **which promotes the Cradle to Cradle® design methodology**. The goal is to evaluate our products and materials based on health and environmental impact criteria, so as to optimize the composition and manufacturing of our products. The results of these assessments enable us to better understand the impact of our products and to more carefully select our raw materials by sharing our specifications with our suppliers. In 2019 progress continued on optimizing product composition with for example work at the vinyl production site at Sedan (France) leading to the substitution for better alternatives of heat stabilizers in vinyl products.

With 33 plants worldwide and an active pipeline of new and improved products, there are always new materials that we need to evaluate. In 2019, we completed a pre-assessment of laminate materials related to our production site in Mytishchi (Russia) and made good progress in the assessment of coloring agents. Further assessment was also conducted of yarns for carpet as well as continuous assessment of new raw materials for wood, linoleum, rubber and some PVC and carpet plants.

Zoom on key indicators

Material assessment

98% of our raw materials (representing more than 3,000 materials) are third-party assessed (by EPEA) for their impact on health and the environment based on Cradle to Cradle® criteria. New assessments compensated the loss of raw material assessments associated with the production at Laminate Park, Eiweiler (Germany) which closed in 2019.

Challenges to material assessment include when information is at tier 2, tier 3 level of the supply chain or when we are procuring very small quantities of raw material from larger suppliers.

This materials assessment work with the EPEA is the origin of the **creation of a new transparency tool, the Material Health Statements (MHS)** launched in 2016 in North America and expanded to Europe in 2018. More than a simple list of ingredients, an MHS accurately describes the composition of a product and provides information related to ingredient concentration (chemical molecules), their role in the product, and any health or environmental risks in case of exposure to these substances, notably for the user of the flooring and for those who install the floors. The MHS process encompasses several steps:

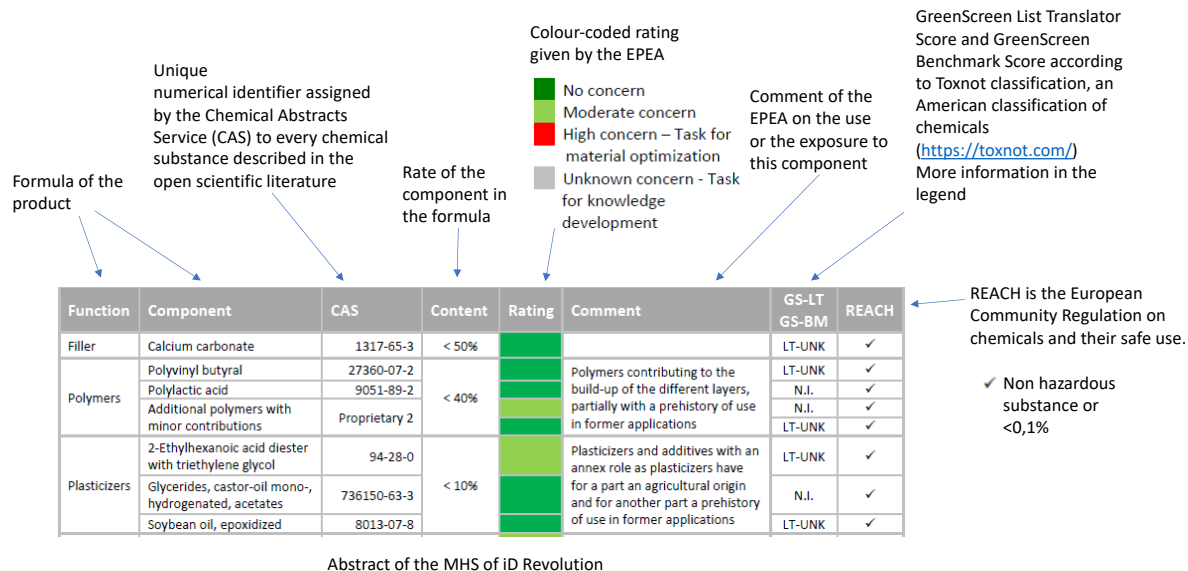
- > **Material inventory:** in collaboration with our suppliers, we compile an inventory of the raw materials used in our products, down to 100ppm (parts per million/0.01%).
- > **Material Screening:** the hazard rating of individual chemicals is analyzed according to European REACH and CLP¹ regulations, the Green Screen List Translator (GSLT), and based on more than 100 other chemical hazard lists and scientific sources of toxicological information used by EPEA.
- > **Material assessment:** materials are assessed over their lifecycle including sourcing, production, use and post-use handling. The safety of every chemical ingredient is assessed using eco-toxicological information, scientific literature, supplier data and analytical testing. The chemical role in the finished product and its effect on occupant exposure is also evaluated.
- > **Verification:** MHS are verified by an independent third-party organization.
- > **Optimization:** we then strive to reformulate our products using Cradle to Cradle® principles, by selecting materials that are safer and healthier for people and the environment and can be recycled.

¹ REACH: Registration, Evaluation, Authorization and Restriction of Chemicals; CLP: Classification, Labelling and Packaging of substances and mixtures

Our careful choice of materials and our commitment to product transparency

The MHS tool was developed to promote total product transparency, by providing our customers with information tools that are easy to read and understand.

How to understand and use the MHS



Since the launch in North America we have published MHS for a range of products and references, including vinyl flooring, vinyl tiles and strips, carpet, linoleum and rubber. Following the deployment to Europe of the MHS information tool in 2018, Tarkett has been continuing to establish MHS for its range of products, with a further 4 published in 2019 bringing the total to 17.

We also use other product information and transparency tools, depending on the regions and countries where we operate:

- Environmental Product Declarations (EPDs) are developed in Europe on the basis of life cycle analysis (LCA), according to a standardized framework and process for development, verification and communication. There is a strong demand for EPDs in Europe, in particular because it enables the clients to earn points for sustainable building labels (such as BREEAM®, LEED, HQE). Generic EPDs have been issued by professional associations based on consolidated information from manufacturers since 2013. In 2018 Tarkett started developing specific EPDs for some of its products so as to provide more specific and transparent information: by end of 2019, 18 specific EPDs had been issued for various vinyl, linoleum, laminate and carpet products.

- In France, upon request the EPDs are made available as Health and Environmental Product Declaration (Fiches de Déclaration Environnementale et Sanitaire - FDES), adding health information to the environmental ones.
- In Russia, Tarkett uses the Vitality Leaf ecolabelling program, an ecolabel (type I) in accordance with international standard ISO 14024, which is a member of the Global Ecolabelling Network. Tarkett joined the program in 2009, completing the voluntary certification procedure which included a full life-cycle analysis of products. Tarkett received the ecolabel for all its branded vinyl and laminate collections. In 2019 Tarkett kicked off a new retail campaign to promote its Vitality Leaf ecolabelled products.
- In Serbia, in 2019, Tarkett was awarded an eco-label (type I) for parquet flooring as the product and company met criteria on reducing resource consumption, reducing energy consumption, reducing emissions of pollutants into the environment, reducing waste generation and ensuring product recyclability. Tarkett received the award from the Serbian Minister of Environmental Protection at the International Fair of Environmental and Natural Resources in Belgrade.

Our careful choice of materials and our commitment to product transparency

- > In Australia, Tarkett utilizes the Global GreenTag certification tools such as LCARate which scores products against six main Sustainability Assessment Criteria and more than twenty other life cycle and social criteria and the EPD program which is compliant with ISO 14025 as well as the green building programs LEEDv4® and BREEAM®.
- > Since 2011, most of our products in Europe moreover have an environmental labeling system, which specifies the percentage of recycled content, the absence of plasticizers containing phthalates, as well as the total VOC emissions. This has also been extended to China since 2016.



3.6.2.3 Obtaining product certifications

Within the scope of product assessments carried out by EPEA, Tarkett has obtained several Cradle to Cradle® certifications. The C2C – Cradle to Cradle® Certified™ validates the eco-design approach on the basis of five criteria: material health, material reutilization, renewable energy and carbon management, water stewardship, and social fairness. Each criterion is given a score from Basic to Platinum (from the lowest to the highest: Basic, Bronze, Silver, Gold and Platinum) and the lowest ranked criterion defines the global score.

Tarkett was notably one of the first flooring manufacturers to obtain C2C Gold level certifications for certain product categories. In 2019 three new carpet tile AirMaster products were certified C2C Gold. With AirMaster®, the concentration of fine dust particles in the air is as much as eight times lower than with hard floors and four times lower than with standard carpet. The fine dust particles are trapped by the unique threads in the carpet until it is time to vacuum clean again, contributing positively to indoor air quality. The AirMaster Nazca, AirMaster Salina and AirMaster Tierra are all made with good materials, 100% Econyl® yarn (100% recycled content) and have EcoBase® carpet tile backing specifically designed with disassembly and recycling in mind.

In 2019, Tarkett had 21 C2C certifications covering a wide range of product categories, including carpet, linoleum, rubber, wood and artificial turfs. 6 of these C2C certifications achieved Gold level, the most in the flooring sector. The detailed list of products covered by C2C certifications is provided in appendix to the CSR report.

Some of our products also hold other certifications, such as Living Product Challenge Imperative in North America. We moreover ensure that Tarkett obtains a range of third-party certifications to prove that our products can help architects and project developers reach the highest standards in green building – whether LEED (international), BREEAM® (UK), or HQE (France).

Example

Cradle to Cradle® Platinum level Material Health Certificate for Eco-Ensure™ soil protection

Tarkett's Eco-Ensure™ soil protection technology, a fluorine-free chemistry based on a mixture of common organic elements found in the natural environment has received the Cradle to Cradle® Platinum level Material Health Certificate. This innovative surface treatment is now used on all Tarkett-branded soft surface products in North America. For example, the new Interleave modular carpet for commercial environments integrates Eco-Ensure™ soil protection technology. It is available on the ethos® Modular with Omniccoat Technology™ backing, which earned the International Living Future Institute (ILFI) Living Product Challenge Imperative certification as well Cradle to Cradle Certified™ Silver.

The Living Product Challenge (LPC) is a rigorous certification encouraging manufacturers to use healthy materials, optimize the chemistries of products, create environments that promote well-being, drive circular economy, and support a just and sustainable world. The LPC is organized into seven performance areas called Petals: Place, Water, Energy, Health & Happiness, Materials, Equity, and Beauty. Each Petal subsequently has more detailed requirements, called Imperatives. Imperative certification requires the achievement of at least seven of the twenty imperatives.

As well as the ethos® Modular carpet backing, our rubber tile collection also earned the ILFI LPC Imperative certification, both collections being able to achieve twelve of the twenty imperatives. **In North America, Tarkett is thus the first flooring manufacturer to achieve an LPC Imperative certification for both resilient and soft surface flooring products.**

Our flooring products contributing to healthy and people-friendly spaces

3.6.3 Our flooring products contributing to healthy and people-friendly spaces

3.6.3.1 Contributing to healthy spaces and indoor air quality

Flooring with low VOC emissions

For the past twenty years, both new and renovated buildings are more and more effective in terms of insulation, and consequently in terms of energy efficiency. One consequence of this progress is a possible degradation of indoor air quality, if provisions are not made to counterbalance the insulation levels that do not foster renewal of air. Yet, we spend nearly 90% of our time indoors, which makes indoor air quality a major public health issue. Tarkett is committed to designing products which help create healthy indoor spaces and preserve indoor air quality. This challenge is especially critical for the most sensitive populations such as the elderly, young children, or people with allergies or asthma.

Since 2011, Tarkett has been a pioneer in developing flooring with low or ultra-low levels of Volatile Organic Compounds (VOC) emissions in nearly all of its product ranges. Tarkett offers products with total VOC emissions that are 10 to 100 times lower than the most stringent world standards, at levels that are so reduced they are non-quantifiable¹. This effort had been recognized by several certifications:

- > The modular vinyl Starfloor Click was recommended by the Swedish association against asthma and allergies in 2015;
- > The Asthma and Allergy Foundation of America (AAFA) awarded the asthma and allergy friendly[®] certification to all FiberFloor[®] vinyl ranges as well as to other products (iD Inspiration[®], Acczent, and several laminated ranges);
- > In 2018, several linoleum ranges manufactured in the Narni factory received the label Allergy UK Seal of Approval from the British association Allergy UK, which is valid in 135 countries;

Several vinyl and linoleum ranges manufactured in Europe are subject to regular plant audits by Eurofins (an international laboratory network conducting consumer product testing) to ensure that our products have low or very low levels of VOC emissions (Tarkett labels « Indoor Air Quality Gold » and « Indoor Air Quality Platinum »).

Phthalate-free flooring

Phthalates are mainly used in the plastics industry, in order to give the plastic a certain flexibility. The potential impact on human health of certain phthalates in this group of chemical products is the subject of scientific debate and is regularly featured in regulatory news and general public news stories, notably through work carried out by health agencies that assess the impact of substances on health and the environment (ANSES in France and EFSA at the European level); at the level of ECHA (European Agency for Chemical Products), within the framework of evolutions in REACH and CLP regulations²; or in information campaigns run by health and environmental protection non-profit organizations.

Since 2010, Tarkett has been proactively seeking alternatives to phthalate plasticizers in collaboration with its suppliers. We have considerably invested in research and development and consequently have been able to modify our formulas and our processes to manufacture vinyl flooring with phthalate-free plasticizer technology. Phthalate-free plasticizer technology was first introduced by Tarkett in North America in 2010 and in Europe in 2011, then gradually deployed in Brazil, Ukraine and Serbia since 2016, and finally at the Otradny site in Russia in 2019 and 2020.

At the end 2019, 100% of our vinyl production sites Europe, North America, Serbia and China use phthalate-free plasticizer technology³. In addition, our vinyl production plant in Russia continued in 2019 testing formulations to gradually transform production to phthalate-free in the course of 2020.

At some sites (North America and Brazil), we also use recycled contents in addition to virgin raw materials for some products which may then contain traces of phthalate plasticizers. At the end of 2019, our European sites produce 100% phthalate-free vinyl flooring, recycled content included.

The entire flooring industry gradually follows our example in the interest of flooring customers and users: for example, in North America, certain DIY and decoration retailers, such as Menards and Home Depot, have changed their supplier specifications to exclude phthalate products.

¹ Total VOC at 28 days < 100 µg/m³ or even < 10 µg/m³

² REACH: Registration, Evaluation, Authorization and Restriction of Chemicals; CLP: Classification, Labelling and Packaging of substances and mixtures

³ Except recycled content for certain products

Zoom on key indicators**Indoor air quality:**

Our 2020 objective is to reach 100% of our flooring with low total VOC emissions (<100 µg/m³). In 2019, the percentage of m² of products with low VOC emissions rate made a step closer to this goal reaching 98% compared to 97% in 2018.

Phthalate-free flooring:

Our 2020 objective is to reach 100% of phthalate-free vinyl flooring (except recycled content). At the end 2019, 100% of our vinyl production sites in Europe, North America, Serbia and China use phthalate-free plasticizer technology. At a global level, we reached 74% in 2019, compared to 65% in 2018 and 57% in 2017. This good progress reflects the efforts to continue to deploy the phthalate-free plasticizer technology in Russia, Ukraine, Serbia and Brazil taking into consideration that deployment also depends on availability of plasticizers alternatives (in volumes and in quality).

Dust retaining flooring

Tarkett has developed carpet tiles which retain dust particles: the AirMaster® carpet tile combined with the EcoBase® backing range is designed using a patented technology which retains four times more fine dust particles than traditional carpets. Since 2015, this product is the first worldwide to be certified with a GUI Gold Plus Label, the highest possible accreditation awarded by GUI (Gesellschaft für Umwelt- und Innenraumanalytik), Germany's leading independent air quality testing organization.

Example**Healthy schools for healthy kids – promoting indoor air quality in educational facilities, Australia**

In October 2019, Tarkett Australia launched a campaign for the education and childcare segments 'Healthy Schools for Healthy Kids' with Asthma Australia, a non-profit body dedicated to supporting and educating Australians suffering from asthma and allergies to live their lives and breathe easily. This campaign, which went out to over 2 000 schools and childcare centers nationally, raises the importance of indoor air quality in educational facilities to assist in managing asthma and allergies. The campaign included a competition for schools to win a 15 000 Australian dollar flooring transformation with Tarkett flooring. 28 education centers submitted entries on how they would improve indoor air quality to make a safer and healthier school environment for kids with asthma and allergies.

3.6.3.2 Participating to people's well-being

Tarkett products have the qualities to create pleasant spaces, contributing to people's well-being and comfort.

Designing for elderly care

Through in-depth field research, interviews with the senior care community, and years of expertise in flooring solutions we have developed clear recommendations on what the right choice of flooring in care homes can contribute to residents' well-being. Our aim is to support those who design and manage elderly care facilities, to ensure the well-being of all involved. This means helping residents feel comfortable and at home, preserving their autonomy and independence and limiting factors that can lead to anxiety or confusion. It also means helping carers do their jobs more easily and effectively, and helping facility owners and managers keep a handle on their budgets so their facilities can continue to offer the best service possible.

In 2019 Tarkett published a white paper¹ following a study to explore and better understand the impact of design on the well-being of elderly people and on the importance of understanding the problems posed by ageing, both with and without dementia. Furthermore Tarkett in the UK adopted the Virtual Reality Empathy Platform (VR-EP), a tool endorsed by the leading experts in dementia design, which provides an evidence-based dementia filter enabling architects, building or interior designers to create homely and familiar environments that could reduce accidents, lessen anxiety and help those living with dementia live more independent lives by better understanding how color, contrast, texture and material play a key role.

Already in 2012, Tarkett carried out a scientific study involving doctors and Alzheimer's specialists, in order to analyze the sensory and psychological impact of flooring on patient quality of life. In addition to hygiene, safety and other regulatory aspects, the patterns and colors of flooring provoked emotions that can stimulate or calm patients with Alzheimer's disease, thereby helping to better manage the effects of the disease. Flooring also influences the biological rhythms and acoustic comfort of patients².

¹ <https://designingfordementia.tarkett.co.uk/>

² https://professionals.tarkett.com/en_EU/node/designing-facilities-for-alzheimer-s-and-dementia-patients-830.

Our flooring products contributing to healthy and people-friendly spaces

Color perception

Tarkett products created for educational organizations (schools, day-care centers, etc.) and nursing or retirement homes are specifically designed with colors and patterns that stimulate mobility and cognitive capacities.

A 2017 study, carried out by Tarkett in collaboration with color specialists, designers and educational specialists, focused on the impact of colors on the development and well-being of children, in educational environments. The results of the study show that children and adolescents develop their learning capacities differently depending on their ages but always with a strong interaction with the world surrounding them, and with the colors of which it is composed. Hence, for example, memory capacities are 55 to 78% greater when the child is in an environment where he or she likes the colors¹.

Lighting and Acoustics

Tarkett has developed carpet products which help improve the lighting and acoustic environment of buildings: the Desso Light Reflection Master® carpet has the ability to enhance brightness on interior walls and ceilings by up to 14%, leading to reductions of as much as 10% in artificial lighting; while the Desso SoundMaster® carpet can improve impact sound insulation by up to +10 dB² compared to standard carpets.

Health and Safety

In areas with a high risk of hospital-acquired infections - such as operating theatres, medical laboratories and cleanrooms - floors must meet the highest hygiene standards to ensure infection control and air cleanliness. To this end, our floors provide sealed surfaces and fewer joints, and are resistant to stains and chemicals. They also prevent electrostatic discharges, so that the risk of equipment malfunction or discomfort during surgeries is drastically reduced. Our solutions, including several homogeneous vinyl products from our iQ range and our static control linoleum products, thus offer durable and easy-to-maintain flooring options that meet the health and safety requirements of the healthcare sector.

Tarkett has also developed seamless, anti-slip vinyl flooring solutions specially designed to reinforce health and safety conditions in bathrooms ("wet room System").

In the sports area, Tarkett develops artificial turfs for sports grounds with the objective to improve quality gameplay and athlete safety.

Example

Meeting the multiple requirements of the health care segment at Boston Medical Center (US)

The 100-year-old Boston Medical Center's vision is to make Boston the healthiest urban population in the world by 2030 and to achieve carbon net zero by 2020. The 514-bed Boston Medical Center is a private, not-for-profit, academic medical center where 57% of patients are from under-served populations. The Center recently undertook renovation work, including the creation of new spaces at the facility, setting stringent criteria for their flooring surfaces with health and wellness as the guide. This center required phthalate-free products, durable, easy to maintain and asthma and allergy certified. Tarkett's vinyl flooring products: iQ Optima, iD Freedom and Acczent; as well as the Millwork wall finishing fulfilled these requirements and were chosen, with 6 000 sqm of flooring installed in 2019.

¹ <http://kidsstudy.tarkett.co.uk/>

² A 10 dB decrease in the sound pressure level will be perceived by human's hearing as a halving of the loudness.

3.6.4 Our commitment to limiting waste and building a circular economy

3.6.4.1 Managing production waste- reduce, reuse, recycle, recover

Tarkett is firstly committed to avoiding the generation of waste through its World Class Manufacturing program, which applies the 4 R's approach: reduce – reuse – recycle – recover. The continual monitoring and where possible the direct reuse of production scraps helps limit waste generation. Then priority is given to closing the loop through recycling, first internally, where possible, and then externally. When recycling is not feasible, waste recovery can be a solution either on-site or externally.

Recycling initiatives at Tarkett started as early as 1957, with vinyl production recycling at the Ronneby plant (Sweden). Currently 15 plants reprocess and internally recycle their post-manufacturing waste using various techniques such as regrounding and reformulation to produce a secondary raw material. These processes avoid having to send the waste for external recycling, recovery or disposal and enable the material to be used in production in the place of virgin raw material. In 2019 a post-manufacturing recycling project was completed at Bačka Palanka (Serbia) following studies and tests with investment now approved to acquire and install the necessary equipment to recycle vinyl waste material for reuse in the production process. A similar solution is being analyzed for the vinyl production at Tarkett's Kalush plant in Ukraine and Otradny plant in Russia.

Where post-manufacturing waste cannot be recycled and used on-site then it may be sent to another Tarkett site where the facilities and capacity exist to process and reincorporate it into production. For example, our recycling center at Clervaux (Luxembourg) received approximately 10 000 tons of post-manufacturing waste and semi-finished products for recycling in 2019 from other Tarkett plants at Sedan (France), Konz (Germany), Bačka Palanka (Serbia), Lenham (UK) and Ronneby (Sweden).

At our wood parquet manufacturing facilities, sawdust waste is recovered and used as a biomass fuel for heating avoiding fossil fuels or externally sourced biomass. With the opening of the new wood parquet flooring line at Mytishchi (Russia), the site quickly implemented a solution to recover the sawdust and produce pellets for use as a biomass fuel for heating saving approximately 6 MWh of energy a year. This solution is also applied at Hanaskog (Sweden), Orzechowo (Poland), Kalush (Ukraine) and Bačka Palanka (Serbia).

Where production waste cannot be recycled on-site or at other Tarkett sites or recovered internally, then Tarkett sends it for external recycling and use, or for recovery in other industries. This includes other industrial waste (such as metal, paper, cardboard, electronic waste, used oils, etc.) which are sorted and sent preferably for external recycling or recovery, with disposal to landfill being the last resort.

Zoom on key indicators

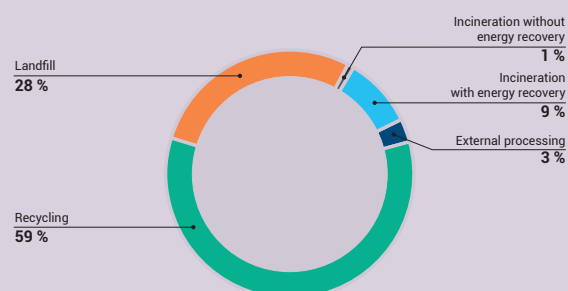
Waste

59% of our industrial waste is effectively recycled, and a third of our industrial sites in 2019 did not dispose of any waste to landfill.

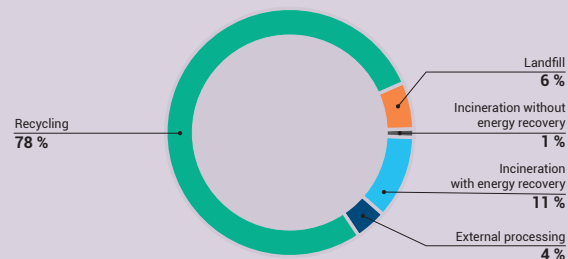
Compared to 2018¹, the quantity of industrial waste (including hazardous waste) disposed to landfill has increased in 2019, from 16,400 tons to 27,300 tons, mainly due to continued operational and waste recycling difficulties at one of our sites in North America. If we exclude this particular site (which alone accounts for 85% of the Group's waste disposed to landfill), the total volume of industrial waste disposed to landfill by all the other production sites of the Group in 2019 amounts to 4,200 tons. For the same scope, the share of waste sent for recycling increased slightly to 78%.

Despite our continual efforts, reaching our objective of zero production waste to landfill by 2020 will be challenging, primarily due to the lack of recycling facilities or other alternative options than landfilling in some countries where we operate.

Share of industrial waste (hazardous and non-hazardous) by destination (%)



Share of industrial waste (hazardous and non-hazardous) by destination (%) – excluding one of our sites in North America



¹ Restated – see methodological note for details

Our commitment to limiting waste and building a circular economy

3.6.4.2 Using secondary raw materials from other industries

More and more, our teams are looking to procure secondary raw materials to reduce our exposure to the price volatility of fossil-based materials and to meet our circular economy ambitions. We are sourcing recycled materials from a number of different partners in different industries. These include Econyl® fibers from Aquafil, an Italian company, which are composed of 100% regenerated nylon threads from pre and post-consumer nylon waste, such as discarded fishing nets, textile scraps and used fiber waste from our Desso® carpets; upcycled chalk from a drinking water distribution company in the Netherlands, which is used in our EcoBase® carpet backings; recycled medical blister packaging and mobile phone SIM cards which are incorporated into our vinyl tiles in Brazil and recycled PVB from safety glass used in resilient flooring in Europe and in carpet backing in North America.

One of the main challenges of initiatives to promote the use of recycled materials is to trace the precise composition of materials that we incorporate into our manufacturing processes, and to guarantee their health and environmental quality. In addition to recycling our own products, we only work with partners able to provide this traceability, and which can guarantee a consistent level of quality in line with our specifications.

At our Jacareí plant in Brazil, we locally source waste medical blister packaging and mobile SIM cards, which we recycle and incorporate into our VCT (vinyl composite tile) product formulation and in the core layer of LVT (luxury vinyl tile). These two waste streams were identified by our local production and engineering teams who were able to develop an industrial solution to reprocess and recycle the material into a high grade secondary raw material suitable for use in the production of our LVT and VCT flooring. Since 2015 we've recycled more than 4 000 tons of this post-industrial waste material at our Brazilian plant, replacing equivalent quantities of virgin raw materials.

Example

EcoBase® carpet backing with upcycled chalk – an example of collaboration and determination on the part of our teams to develop solutions for the transition to a circular economy

In the Netherlands, we established a partnership a number of years ago with drinking water companies to upcycle waste chalk into a stabilizer for our Cradle to Cradle Gold-certified Desso EcoBase® carpet backing. This solution was identified thanks to our open dialogue on our circular economy ambition. We shared our approach to circular innovation with other companies from multiple industries at Cradle to Cradle events organized at our Waalwijk site. At one such event, the head of a local water company approached us to explain that he had a significant amount of chalk residues available from converting ground water to drinking water. This was the beginning of an unlikely collaboration that completely transformed the way we source raw materials for this backing. Tarkett was sourcing virgin chalk from a mine in northern France. Turning the idea into reality required commitment, resources and funding which both Tarkett and AquaMinerals BV (an association of drinking water companies in the Netherlands) readily provided to create value from the water treatment waste. Tarkett engineers partnered with other companies including Brabant Water and Water Maatschappij Limburg, as well as industrial minerals specialist Sibelco, to achieve the exact composition and size of chalk particles for use in our backing and manufacturing processes. Difficulties were overcome, for example, initially the particles were so hard that they blunted the blades of our carpet-cutting machinery. The EcoBase® carpet backing contains at least 75% chalks, derived from 100% positively defined recycled materials. In other words, every material used within EcoBase® backing has achieved a Green (low risk) or Yellow (moderate risk) Cradle to Cradle assessment rating for material health. Our circular collaboration played a key role in EcoBase® achieving its Cradle to Cradle Gold certification in 2015 and AirMaster EcoBase® Cradle to Cradle Gold certification in 2019. Importantly, EcoBase® can be 100% safely recycled within our own production process. In 2019, we used 19,450 tons of chalk from this waste stream for our carpet tiles, and we have used around 80,000 tons to date. We have continuously invested in expanding our EcoBase® production facility in order to boost its production and replace traditional bitumen-based carpet backing in all our carpet tile ranges.

Example**Circular airline carpet from upcycled stewardess uniforms**

Through our long-term partnership with Dutch airline KLM, the airline sought our sustainability expertise back in 2013 to help advance its own commitment to sustainable aviation. We worked with renowned Dutch designer Hella Jongerius, who was creating a fresh look for interior of the company's aircraft, and textile recycler Texperium, to create the Wilton carpet incorporating upcycled stewardess uniforms. Today we continue to work with Texperium, the Open Innovation Centre for High-quality Textile Recycling, and with Frankenhuys a specialist in sustainable processing of textiles in Haaksbergen, The Netherlands to deliver this 'circular' woven carpet for KLM, which since its launch has been fitted within 110 aircraft of KLM's passenger fleet, in both economy and business class. Furthermore, Tarkett collects and reprocesses the end-of-life carpet which in aviation must be replaced every 12-20 weeks due to intensive use. Since 2012, over 270 tons of carpet have been collected via Tarkett's ReStart® take-back and recycling program for co-processing.

Example**Using recycled post-use polyvinyl butyral (PVB) from safety glass in our floorings**

Polyvinyl butyral (PVB) resin is a tough, clear, adhesive, and water-resistant plastic film. PVB is primarily used as a raw material for laminated safety glass in car windshields, buildings and solar panels.

Tarkett has worked closely with two innovative companies to incorporate post-use recycled PVB instead of virgin material in its product formulation. These European companies both developed a treatment process to clean and recycle post-use PVB, transforming this once unrecyclable material into a high-quality secondary raw material that could be used by the automotive, construction and plastics industries. Working closely with one company, Tarkett's European teams conducted four years of tests to ensure a high quality, consistent product formulation that met our rigorous quality and environmental criteria, including very low VOC (Volatile Organic Compounds) levels. The result a circular economy post-use recycled material for our iD Revolution resilient modular tiles.

Example

Importantly, recycled PVB has a carbon footprint that is 25 times lower than virgin PVB, so it helps us to reduce our scope 3 greenhouse gas emissions. iD Revolution, a Cradle to Cradle certified™ Gold resilient modular flooring, achieves Cradle to Cradle® Platinum level for material health. More than 83% of the materials used to make iD Revolution are either recycled, mineral or bio-sourced, helping to conserve natural resources. This includes 24% recycled PVB, 11% bio-plastic (PLA) and 49% chalk, a mineral found abundantly in nature. In 2019 this product received various rewards including the FX Award for floor coverings organized by interior design FX Magazine in the UK and the Prize for the Environment in the category "Products" from the Federation of Luxembourgish Industrials (FEDIL - Fédération des Industriels Luxembourgeois). FEDIL noted that the prize winners met the criteria set in the Environment Prize regulation, namely ecology, innovation, practical realization and economic efficiency, showing that the concepts of circular economy, responsible use of resources and energy, and the reuse of recycled products are already a reality in companies.

In the US, through a similar long-lasting cooperation with another company, we incorporate recycled post-use PVB in our ethos® Modular with Omniccoat Technology™, a high-quality soft surface floor solution made from healthy, safe materials, including 33% post-consumer recycled PVB. In 2019 it received the Relfocus Sustainability Innovation Award in the Design category from the Plastics Industry Association and the Society of Plastic Engineers Sustainability Division. The awards are designed to recognize the companies that are pushing the boundaries of innovation, driving environmental advantages in product design, sustainable materials and end-of-life recovery. From 2004 to 2019, we reused around 29,000 tons of PVB films from 28.2 million windshields.

Zoom on key indicators**Recycled Materials**

In 2019, we used more than 126,000 tons of recycled materials¹ as an alternative to virgin materials, which represents over 12% of our raw materials in purchased volumes. Our new objective set as part of our Change to Win strategy is to triple the 10% share we had in 2018 to 30% by 2030.

¹ Recycled materials: Materials that would otherwise have been sent for waste disposal; internal post-manufacturing recycled volumes are included.

Our commitment to limiting waste and building a circular economy

3.6.4.3 Collecting and recycling post-installation et post-consumer flooring waste

Developing capacity and solutions for recycling flooring waste

In addition to recycling post-manufacturing waste, we have developed our capacity to recycle post-installation flooring scrap and post-used flooring materials in our own manufacturing processes, which required developing on-site recycling units.

Tarkett has **eight recycling centers** on its production sites all over the world: Florence (US), Dalton (US), Ronneby (Sweden), Clervaux (Luxembourg), Waalwijk (the Netherlands), Narni (Italy), Otradny (Russia) and Jacaré (Brazil). For instance, the recycling center located in Luxembourg, on the Clervaux site, treats both post-manufacturing waste from other European sites, and flooring post-installation scraps. The backing produced using this recycled material is used at several vinyl flooring manufacturing sites in Europe and on the vinyl production line in Clervaux.

In the United States, the Tarkett "Dalton Environmental Center" operates on the same principle and its recycled products are used to manufacture "ER3" backings for carpets. Clervaux and Dalton recycling centers are moreover certified for their recycling process (EuCertPlast certification for Clervaux, SCS Recycling Facility certification for Dalton).

We continue to conduct research and to trial new recycling techniques with the quest to develop technically and economically feasible solutions for recycling flooring waste.

- > For example we are operating in Sweden an in-house developed solution to recycle Tarkett homogeneous vinyl flooring produced from 2011 onwards, expanding the recycling options we offer to customers and making a further stride towards promoting circular solutions (for more details see Section 3.6.1.1 "Working collectively towards a circular economy").
- > Also in Sweden, where wooden flooring makes up one third of the flooring market, we have successfully recycled 1,000 square meters of solid parquet to create a wooden flooring with a wear layer made entirely of recycled oak, the first of its kind. This is an exciting project which responds to growing customer demand and will allow us to increase the volume of recycled materials we use in our products, thus helping to conserve natural resources and create energy savings, compared to sourcing virgin oak. The pilot project concerned the removal and recycling of solid oak parquet flooring that had been installed in the 1970s in an industrial site operated by Les 3 Suisses near Lille (France). Firstly, we removed nails, metal or wood affected by moisture from the parquet. We then applied a

special process to convert the remaining oak wood into a wear layer, adapted to our new design. Among the Tarkett customers who welcomed this new flooring was leading Swedish property development business AMF Fastigheter in Stockholm, where 500 m² were installed in one of their office blocks in 2019. Following this trial, we are now seeking more post-use wooden flooring to help us achieve the steady supply of secondary raw materials we need for the production of this new collection, called Fenix, named after the mythological bird symbolizing rebirth.

Example

Finding technical solutions to build a circular economy – recycling old end-of-life PVC¹ flooring

Tarkett is an active member and promoter of the EU project "Circular Flooring", aimed at developing environmentally friendly recycling of post-consumer PVC floor coverings. The project is managed by the Circular Flooring consortium consisting of eleven companies and research institutions from Austria, Belgium, France, Germany and Greece and led by the Fraunhofer Institute for Process Engineering and Packaging IVV in Freising (Germany). The project is focused on the recovery of a PVC compound from post-consumer PVC floor coverings and the separation of legacy plasticizers in order to create a recycled material for the manufacturing of new PVC floor coverings.

End-of-life flexible PVC floor coverings potentially contain 'legacy plasticizers' which may no longer be used today for reasons of consumer protection (EU REACH requirements) and which in the meantime have been replaced in the EU by safer alternatives. State-of-the-art recycling of such flooring with recovery of PVC in virgin-like quality therefore requires a technically sophisticated separation of these 'legacy plasticizers'. The new EU project Circular Flooring will meet this challenge with the innovative plastics recycling process CreaSolv[®], which is patented by the Fraunhofer Institute for Process Engineering and Packaging IVV. The objective is to carefully recycle end-of-life PVC floor coverings by dissolving and removing respective substances in order to achieve a high-quality virgin-like PVC material that is processed into granules. These are ready for re-use in new floor covering products which are compliant with current EU legislation and meet consumer expectations regarding a circular economy. The aim of the EU project Circular Flooring is to elaborate on the technical and commercial feasibility of this recycling process for PVC floor coverings at an industrial scale. Life cycle analysis will be applied to compare the impact of different technologies.

¹ Polyvinyl chloride

Collecting and recycling post-installation and post-consumer flooring: the ReStart® program

ReStart®, a flagship Tarkett program for flooring waste collection and recycling, meets a double goal:

- > increasing the collection of post-installation and post-consumer Tarkett flooring (or in some cases from other flooring manufacturers), to obtain a growing volume of secondary raw materials and limit the need for virgin resources, thus developing a circular model with quality and economically viable products; and
- > offer our customers a responsible, cost-effective, circular solution to contribute to safeguarding the world's natural resources, protecting the environment and avoiding incineration or landfilling.

Flooring taken-back via ReStart® is primarily meant to be reinjected into our manufacturing cycle, but we also evaluate other "open-loop" recycling opportunities when relevant.

At the end of 2019 the ReStart® program exists in several formats in different countries in Europe (Sweden, Norway, Finland, Denmark, France, United Kingdom, Belgium, Netherlands, Luxembourg, Germany, Italy, Spain and Poland), Brazil and North America:

In **Europe** we are mainly collecting vinyl installation off-cuts and post-use carpet tiles. We are now proposing the ReStart® take-back and recycling service for vinyl at no cost to our customers in an effort to encourage them to join and participate to the transition to a circular economy. For vinyl flooring, Tarkett provides big-bags and organizes the collection of post-installation or post-use (currently for post-consumer homogeneous flooring installed since 2011) materials which are sent to our recycling centers either at Clervaux (Luxembourg) or Ronneby (Sweden). In France we also use PVC Next network operated by Kalei for the recycling of other types of post-use vinyl flooring materials. They are sent to Germany to the AGPR (Association for the Recycling of PVC Floor-Coverings). We are developing local partnerships with logistical operators to carry out the waste collection and in some cases preliminary sorting. Once at our recycling centers the waste is sorted then assessed before processing and reintegration into our production process. For carpet flooring, Tarkett provides a support to facilitate the on-site collection, then the waste flooring is sent to our carpet recycling center in Waalwijk (the Netherlands) for recycling. We are also taking back linoleum for recycling at our Narni site (Italy) and following a successful trial looking to collect used solid wood parquet flooring for recycling in Sweden. In the UK, one of Tarkett's strategic customers, a family owned national construction company (Willmott Dixon), awarded Tarkett with its Sustainable Partner award, notably for Tarkett's ReStart® take-back and recycling service.

Example

Sensations in Strasbourg real estate program with on-site collection of flooring waste

Tarkett was retained to equip the floor and organize ReStart® collection and recycling of on-site installation off-cuts from the new Sensations apartments in Strasbourg (France). This real estate program, realized by Bouygues Immobilier, is part of the Ecocity "Strasbourg Métropole Deux Rives" addressing climate issues, proposing low-carbon housing programs and improving the quality of life of residents. The program achieved the highest level of certification from the Low Carbon Buildings Association (BBCA) which measures 4 pillars: construction, exploitation, carbon storage and circular economy. Tarkett's vinyl iD Inspiration® 55 range, with very low VOC and phthalate-free emissions, containing 32% recycled material, was selected by the contracting authority. Another critical factor was iD Inspiration®'s recyclability and the ReStart® take-back and recycling service. The installers gathered off-cuts in big-bags which were then collected and sorted by Veolia, Tarkett's ReStart® partner in France, before being processed and reintroduced into the production cycle at Tarkett's Clervaux plant in Luxembourg.

In **Brazil**, we launched ReStart® in 2019 following a pilot phase in 2018. Tarkett takes back post-installation material for vinyl composite tiles, luxury vinyl tiles, as well as homogeneous and heterogeneous resilient flooring from clients close to our site at Jacareí for recycling.

In **North America**, the program has existed since the end of the nineties for collection and recycling of carpet tiles and was expanded to vinyl flooring in 2010. ReStart® collection and recycling has been and still remains predominately post-use rather than post-installation. The challenge is to develop logistics solutions, notably finding the right logistical partners, to collect and recycle larger volumes of post-use products and the small quantities of post-installation flooring waste as well as re-introducing materials into existing products.

Our commitment to limiting waste and building a circular economy

Zoom on key indicators



Flooring collection and recycling program ReStart®

From 2010 to 2019, Tarkett has collected more than 105,000 tons of flooring (post-installation and post-consumer flooring: vinyl, linoleum, carpet). In 2019 3,300 tons of installation scrap and used flooring were collected through the ReStart® program, on a par with 2018 (3,300 tons).

Encouraging progress was made in Europe with more countries proposing the take-back service to our clients at no extra cost to organize the collection of post-installation vinyl offcuts. Furthermore, with the new carpet recycling center in the Netherlands now operational, more post-use carpet flooring will be collected and recycled. In North America, the volumes of post-consumer carpet that are still low today are expected to increase in the coming years when our newer products designed for recycling will have reached the end of their useful life and become available for collection and recycling. See below for more explanations and details on the challenges of flooring collection and recycling.

Tarkett is committed to building a circular economy and understands the challenges and the obstacles that it needs to overcome to achieve the desired transformation. In 2019 we announced as part of our Change to Win strategy the need to “change the game” and this has energized our efforts on all fronts:

1. **Developing practical solutions and finding the right partners for collection and sorting in each market to facilitate take-back.** For example, Veolia in France, Kuijs transport in the Netherlands and Verhoek in Germany.
2. **Onboarding customers, with a simple, cost-effective ReStart® take-back and recycling service.** We are actively inviting our customers to join our ReStart® take-back program which help them manage their flooring waste while contributing to shifting to a circular economy model. As project owners are increasingly including site waste management in their calls for tender, ReStart® allows Tarkett's customers to sign up to a simple local take-back and recycling program for flooring. For example, Tarkett now proposes in Europe the ReStart® service for vinyl flooring at no extra cost.

In Germany Tarkett simplified its take-back service and developed communication materials to inform and promote the ReStart® service to its local customers (for more details see Section 3.6.1.1 “Working collectively towards a circular economy”).

3. **Collaborating, sharing experiences and contributing to the push for a circular economy friendly framework.** Tarkett contributes and participates in various platforms to share experience, learn from others and promote a framework that facilitates the transition to a circular economy (for more details see below Tarkett feedback and Section 3.6.1.3 “Building a circular economy together”).

Our commitment and our actions over the past several years have enabled us to understand and better grasp the challenges and opportunities for developing the circular economy on the ground. The volumes collected in 2019 are comparable with 2018. A number of factors can explain this situation:

- > First of all, the principle decrease in volume concerns North America, where collected volumes of post-use flooring have declined over the past few years. The main reasons being commercial (end of key client contracts), technical (difficulties for separating the different layers to be recycled, materials traceability and compatibility with the composition of new eco-designed products) as well as structural (reverse logistics, regulations lacking incentives, lack of client demand). The ethos® Modular carpet, which has been commercialized since a few years, can be recycled post-use and used in our current production. However, there is a certain time lag between marketing, installation and replacement by our customers, which further limits the potential volume of products to be recycled.
- > In Eastern European we are mainly supplying the residential market, meaning less opportunity for scaled post-installation collection. Furthermore, in these markets compared to western Europe, there is very limited stimulus for recycling by local authorities.
- > In Europe, until the development of our carpet recycling center in the Netherlands, we have had limited capacity to disassemble and recycle post-installation and post-use carpet tiles.
- > Finally, Tarkett is also faced with difficulties developing the collection and recycling of used artificial turf. In most markets there are no tried and tested solutions for recycling the old product and generating a useful secondary raw material. For example, in North America the cheapest solution remains landfill, making it hard to onboard cost-conscious local public authorities when proposing more costly alternative solutions to recover and recycle used artificial turf.

Example**Carpet replacement and recycling for Bank of America in the United States**

Bank of America has participated in Tarkett's ReStart® collection and recycling program since 2001 and to date (end of 2019) Tarkett has recycled as part of this program 590 tons of flooring. Flooring returned is recycled in a closed-loop process and used as secondary raw material for new ER3 floor coverings. Utilizing recycled carpet as a major component in new flooring such as ethos® Modular carpet tiles (with between 48 and 64% total post-manufacturing and post-use recycled content) greatly reduces the environmental impacts and the greenhouse gas emissions associated with raw material extraction, processing and transportation. As a result, the embodied energy of Tarkett modular flooring is 35% to 45% lower than industry average products made from virgin material (based on BEES database LCIA industry average data).

Example**Circular economy solution for artificial turf pitches in Rotterdam, the Netherlands**

Tarkett's FieldTurf won a call for tender from Rotterdam city public authority which was looking to find a circular economy solution to renewing its artificial pitches. Rotterdam has set an ambitious target to reach a circular economy for all its waste by 2050. The old artificial grass of the 3 fields was rolled up and processed in order to separate the different plastics. The waste fiber was then sent to our Absteinach MET site in Germany to produce ProMax Hydroflex infill which was then shipped to Rotterdam to be used in the new pitches. ProMax HydroFlex infill incorporates up to 30% of polyethylene from recycled artificial grass fibers from end-of-life pitches.

In summary, Tarkett is taking action to identify, develop and implement solutions in response to these current challenges and to progress on its transition to a circular economy.

Challenges	Potential solutions / Tarkett initiatives
1. Old post-use flooring not compatible as a secondary raw material for new generation flooring products	<ul style="list-style-type: none"> > Looking for other uses for recycled flooring and sports surface materials > Developing technologies and industrial processes to make vinyl flooring and carpets easier to recycle after use > The majority of Tarkett's current generation of product are better designed and more adapted to recycling > Tarkett's New Product Development Process includes steps to check to ensure design for recycling of future products
2. Technical and capacity difficulties to recycle old product	<ul style="list-style-type: none"> > Tarkett's carpet recycling center in the Netherlands is now operational > Trials with homogeneous vinyl flooring recycling in Sweden > Trials with solid wood parquet recycling in Sweden > Supporting the European project CIRCULAR FLOORING to scale up old PVC flooring recycling
3. Lack of structure and incentives to promote recycling and barriers related to the use of secondary raw materials	<ul style="list-style-type: none"> > Tarkett engaging in dialogue to share experiences and challenges with public authorities to promote a more favorable framework > Tarkett encouraging customers to join its ReStart® take-back and recycling program

Eco-designing the flooring installation system for easy removal and effective recycling

Tarkett endeavors to integrate easy removal right from the design stage, ultimately allowing more efficient collection, sorting and recycling. Beyond the flooring product itself, the challenge is to design flooring systems including products, installation and removal methods, which facilitate the collection of flooring at end of use while allowing the separation of different layers and materials.

For example, the modular vinyl ranges in freestanding installation and with clip-on system do not require any adhesives, enabling the flooring to be very easily removed.

Introduced in 2018, our Cementi Click category of premium mineral tiles and planks produced from 95% clay, also uses the click system for easy installation and removal. In North America, Tarkett has the modular range of flooring, ProGen™, which is waterproof, and resistant to shocks, traffic and heavy use, while being easy to install and remove thanks to a fast lock mechanism. Quick-Fix carpet tiles (produced in partnership with Velcro®) and the Tape+ / Tape products offer solutions so that carpets can be installed, re-installed, and recycled easily, without damaging the flooring surface. Our modular resilient flooring iD Revolution can also be installed with a tackifier, enabling quick installation and removal.

Our preservation of water and energy resources

Tarkett feedback: the challenges of collection and reuse of flooring

Following several years of experience with the ReStart® take-back and recycling program and circular economy initiatives, Tarkett has identified several key challenges and recommendations in terms of collection and recycling of flooring

> **Developing an enticing, economically viable ecosystem for the different stakeholders:**

- Urge the prime contractors or architects / designers to demand and prescribe floorings made from recycled and recyclable products, and compliant with established standards and labels;
- Encourage the installers or the construction managers to sort and carry away their waste rather than paying for it to be sent to landfill or incineration;
- Facilitate for the intermediaries the collection and sorting of waste to optimize the quality of volumes collected and ensure its traceability;
- Commit the flooring manufacturers to eco-design and use recycled materials on the one hand, and to train their sales teams and customers in collection and recycling on the other hand;
- Implement regulations and a taxation system favoring circular economy (at national and territorial levels): penalize landfilling and incineration, promote recycled, recyclable and/or reusable products in public tenders;
- Strengthen consistency between public policies related to circular economy, in particular regulations on waste management and chemicals (such as REACH), with product regulations;
- Develop research programs and inter-industry dialogue to transform waste from one industry into quality resources for another industry.

- > **Implementing reverse logistics** with a dense network of collection points, near building or renovation sites, to facilitate the process for customers sorting and returning their installation off-cuts and post-use flooring materials;
- > **Ensuring product traceability**, as well as that of collected and recycled materials. In view of recycling, it is essential to know exactly the composition of products that have been collected, in order to use good and healthy recycled materials. It is also with this in mind that Tarkett has developed MHS (see section 3.6.2.2 Assessing materials and their impact on health and the environment) and advocates for the introduction of "**material and product passports**".
- > Our approach on the circular economy is to be as open and transparent as possible on the quality of the materials that we use in our products. By transparency, we mean the disclosure and communication of the chemical content of materials by suppliers and component manufacturers along the supply chain, including to consumers and waste management actors. Our experience shows that material and product passports like the MHS can help turn the circular economy into a reality. Tarkett advocated for such transparency tools at the 2019 Circular Economy Stakeholder Conference in Brussels (Belgium) and at the G7 Alliance for resource efficiency workshop in Paris ("Tools making value chains more circular and resource efficient"). This information – about the product, its chemical composition, and the health and environmental risks associated with it – need to be available throughout the entire lifecycle of the product, particularly for construction products, which can last for decades.

3.6.5 Our preservation of water and energy resources

3.6.5.1 Reducing water consumption

Aware of the critical importance of preserving this vital resource, Tarkett has been managing water responsibly on its production sites for many years as part of its environmental strategy. Our 2020 water consumption goal is ambitious: all our industrial sites should not use water in their industrial process or should be equipped with a closed loop water system, in other words reusing a minimum of 98% of the water used.

In 2019, we kept working on improving water management at our production sites, for example:

- > The Dalton (US) carpet site further reduced its water consumption as it continued to eliminate the jet dying

processes, completing the work in August 2019. This brought significant savings in water consumption (96% reduction vs same month in previous year) as well as energy consumption (for more details see Section 3.6.5.2 "Improving energy efficiency").

- > At our Calhoun (US) carpet site, a new chiller system was installed bringing a 40% reduction in consumption compared to the previous year.
- > At Dendermonde (Belgium) due to the size and the complexity of the water systems it appears difficult to attain a closed loop water system, so our local teams are concentrating on improving water efficiency. Furthermore, measurements confirm that the on-site treated water leaves the plant cleaner than the water we discharge in.

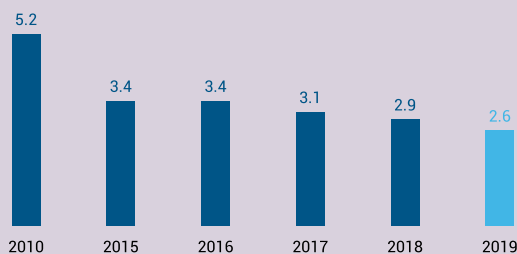
Zoom on key indicators

Water consumption

In 2019 we have made significant progress on water savings. Total water consumption is down 15% in 2019 vs 2018¹ (0.73 million m³ in 2019, against 0.86 million m³ in 2018¹) with water intensity measured as water consumption per m² of manufactured product also reduced by 10.5% (2.6 l/m² in 2019, compared to 2.9 l/m² in 2018¹).

The proportion of sites using closed loop water systems or not consuming any water in their manufacturing process decreased slightly in 2019 to 66% (compared in 68% in 2018), however overall, the share has increased from 57% in 2015 contributing to improved water intensity and to water savings.

Water intensity (l/m²)¹



Some of our flooring and sports surface solutions moreover contribute to reduce water and chemicals consumption **during the use phase of our products**.

For example, our iQ vinyl flooring range benefits from a unique surface restoration technology with dry buffing cleaning, where small scratches and surface wear traces are removed without using any chemicals or water, thus contributing to an improved indoor air quality and significant savings.

The use of our artificial turfs instead of natural grass for sports grounds also helps reducing water consumption by removing the need for watering, thus saving up to 4,000 m³ water per year and per field, in addition to eliminating the use of fertilizers.

3.6.5.2 Improving energy efficiency

Constantly improving energy efficiency is a key part of the WCM program, with monthly reporting, best practice sharing, audits and with the support of the central WCM team helping plants to identify new opportunities for optimization. Since 2011, the ISO 50001 standard recognizes companies' commitment to better energy management. In 2019, all Tarkett European sites that employ more than 250 people

are ISO 50001 certified. Tarkett's Florence East (US) plant achieved ISO 50001 certification in 2019, the first plant to be certified in North America. Independent from certification systems, some of our production sites already engage in practices that meet standards similar to ISO standards. This provides us with our own feedback and enables us to identify best practices to implement.

In 2019, as part of the WCM program, our production sites continued to optimize their manufacturing processes and improving their energy efficiency, in order to reduce their energy consumption per square meter of manufactured product, for example:

- > Our Sedan vinyl site (France) identified and implemented a heat recovery system by installing new heat exchangers to recover and reuse calories (heat) from exhaust gases. The recovered energy is reused both in the industrial process (ink drying) and for employee comfort (building heating). This brought savings of natural gas consumption of 3.4%, saving money and reducing associated greenhouse gases by approximately 140 tCO₂ per year.
- > Our sites at Bačka Palanka (Serbia), Mytishchi and Otradny (Russia) installed LED lightning. For example, Mytishchi also uses radio-frequency identification (RFID) to turn off lights where not necessary. The new LED lighting will save, for example, at Otradny 534 MWh electricity per year, avoiding the equivalent of 147 tCO₂e of greenhouse gas emissions.
- > Mytishchi (Russia) also made further energy savings by improving the dust aspiration system – the biggest source of consumption at the site. This was achieved by installing a frequency converter to turn off the system during down periods.
- > At our Otradny site (Russia), an energy workshop was organized by WCM to identify energy losses with some of the best experts in the group from Clervaux (Luxembourg), Narni (Italy) and Bačka Palanka (Serbia). The workshop applied a WCM methodology, successfully identifying and documenting solutions for heat recovery.

Example

More efficient dying processes for carpet manufacturing in US

At our Dalton carpet site (US) the elimination of the jet dying processes brought significant energy, water and cost savings. An in-depth review of the existing dying process and an evaluation of alternative solutions found the jet dying process to be overly energy, water and labor intensive as well as generating significant volumes of wastewater. New more efficient coloring processes are now used, either directly at our Calhoun extrusion site or in some cases for some smaller volumes at outsourced companies.

¹ Restated – see methodological note for details

Our preservation of water and energy resources

Zoom on key indicators

Energy efficiency

Energy consumption per m² of manufactured product remained relatively constant in 2019 at 4,09 kWh per m² compared to 2018¹ (4,05 kWh per m²) as overall energy savings were offset by the growing customer demand for more modular products which require more energy to produce compared to rolls products.

Furthermore, when production volumes decrease in a plant, energy consumption generally does not decrease at the same rate (due to structural consumption), thus deteriorating energy intensity. Despite these factors, Tarkett's World Class Manufacturing Program continues to search for and implement solutions to achieve energy savings. In 2019 12 plants saw their energy intensity improve, such as the vinyl production at Sedan in France (-12%) and at Bačka Palanka in Serbia (-13%) or the rubber tile production at Middlefield in the US (-10%).

Some of our flooring solutions moreover contribute to reduce energy consumption during the use phase of our products. For example, the Tapiflex, Acczent Excellence Premium and iQ collections, and the Linoleum xf xf² collections, contribute to reducing energy consumption during the use phase of our products thanks to surface treatments which limit scratches and the appearance of wear, thus delaying deep cleaning operations which are very energy demanding.

3.6.5.3 Developing renewable energy

Developing the use of renewable energy sources on our sites represents one solution to combat climate change. In this area, different initiatives have been implemented which continue to produce and use renewable energy:

- > Wood waste from our production is used as biomass for energy production at seven of our plants: Hanaskog and Ronneby (Sweden); Narni (Italy); Orzechowo (Poland); Kalush (Ukraine); Bačka Palanka (Serbia) and Mytishchi (Russia). The same energy consumption using natural gas would emit 15,7 ktCO₂e more scope 1 GHG emissions equivalent to 6,5% of total 2019 scope 1 & 2 GHG emissions.
- > Solar energy is used at our carpet sites in Dendermonde (Belgium) and in Waalwijk (The Netherlands), as well as at the linoleum site in Narni (Italy) which also uses geothermal energy.

In addition to on-site actions, Tarkett also encourages the use of green energy sources produced by third parties, such as hydraulic, wind or solar power, or for example, by purchasing certified renewable electricity.

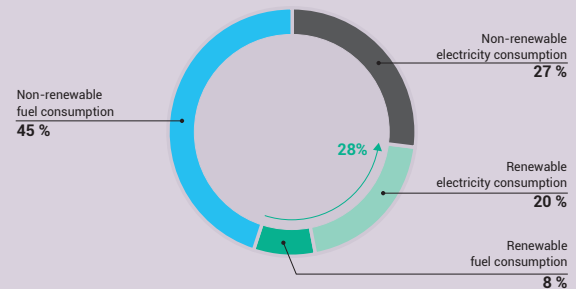
In 2019, our site at Clervaux (Luxembourg) began sourcing 100% renewable electricity, bringing the total to 8 plants that source 100% renewable electricity. The other plants are Chagrin Falls and Middlefield (United States), Narni (Italy), Dendermonde (Belgium), Waalwijk (The Netherlands) and Jacaré (Brazil). Collectively this prevents some 30,8 ktCO₂e per year of greenhouse gas emissions (base 2019 for these plants), the equivalent of 12,7% of total 2019 scope 1 & 2 GHG emissions. Our Serbian site at Bačka Palanka also signed an agreement to source 100% renewable electricity from 2020.

Zoom on key indicators

Renewable energies

Thanks mainly to a new renewable electricity contract at Clervaux (Luxembourg), the share of renewable electricity has increased in 2019 to 42% from 34% in 2018¹ of the Group's total electricity consumption. The share of other renewable energies, such as biomass, in Tarkett's energy mix is now lower following the closure of the laminate plant at Eiweiler (Germany), bringing the overall share of renewable energies to 28% in 2019. Overall, the use of biomass and the purchase of renewable electricity avoids the equivalent of some 46,5 ktCO₂e of GHG emissions, which corresponds to more than 19% of Tarkett's 2019 total scope 1 & 2 GHG emissions.

2019 energy consumption breakdown (%)



¹ Restated – see methodological note for details

3.6.6 Our commitment to tackling climate change

Industrial activity is only one of the main contributors to greenhouse gas (GHG) emissions. To achieve the objectives of reducing these emissions, defined at the national and international levels, industrial companies must go beyond the scope of their direct responsibility, and act on the entire life cycle of their products. This involves not only reducing energy requirements (production, transport, etc.) and increasing the use of renewable energy, but also eco-design, the use of recycled raw materials and the implementation of waste recycling in a circular economy approach. The importance of a circular economy and the more effective use of resources in contributing to efforts to limit greenhouse gas emissions and thus tackling climate change has gained large recognition by a number of institutions such as the UN, the World Economic Forum and the Ellen MacArthur Foundation.

Tarkett is committed to addressing the climate emergency, notably:

- > by reducing scope 1 and scope 2 greenhouse gas emissions through its WCM program on production sites and
- > by limiting scope 3 greenhouse gas emissions through its initiatives in favor of a circular economy, especially the sourcing and use of secondary raw materials instead of virgin material and the development of collection and recycling of end-of-use flooring.

It is also a responsibility for our governments to accelerate the development of ambitious and incentive-based regulations to achieve the transition to a circular economy by all economic actors, not only by manufacturers, consumers, but also public authorities through the promotion of public procurement incorporating circular economy criteria.

3.6.6.1 Reducing greenhouse gas emissions (scope 1 & 2) at our production sites

As detailed in sections 3.6.5.2 Improving energy efficiency and 3.6.5.3 Developing renewable energy, our approach to continually reduce our Scope 1 and 2 greenhouse gas (GHG) emissions from fuel and electricity consumption at our production sites is based on the following hierarchy:

- > Improve energy efficiency through changes and optimization of our manufacturing processes;
- > Develop on-site renewable energy production (e.g. biomass, geothermal, solar);
- > Purchase 100% renewable electricity.

Zoom on key indicators

Climate change

Our Scope 1 and 2 GHG emissions from fuel and electricity consumption at our production sites amounts to 242,677 tons CO₂e in 2019, a 10,3% decrease over 2018¹ in absolute value, mainly due to the increased purchase of renewable electricity. Compared to 2010¹, Tarkett records a decrease in absolute GHG emissions of 23,7% which corresponds to a reduction of more than 75k tons CO₂e.

Tarkett announced in June a new long-term GHG emissions reduction goal as part of our Change to Win strategy. The aim is to reduce Scope 1 and 2 GHG emissions intensity by 30% in 2030 compared to 2020 (per square meter of manufactured product, kgCO₂e/m²). This follows on from Tarkett's current objective for 2020 (-20% compared to 2010). In 2019, Scope 1 and 2 GHG emissions intensity reached 0.87 kgCO₂e/m², a 15,3% reduction over 2010.

Intensity of GHG emissions (kgCO₂e/m²)¹



3.6.6.2 Limiting greenhouse gas emissions through the value chain (scope 3)

A Scope 3 greenhouse gas (GHG) emissions assessment was undertaken in 2018 in order to obtain a better understanding of our impact on climate change across the entire life cycle of our products and our activities. Based on the methodology of the "GHG Protocol - Corporate Value Chain (Scope 3) Accounting and Reporting Standard", we estimated Scope 3 GHG emissions for the following categories:

- > Upstream: purchased goods and services, waste generated in operations, and business travel;
- > Downstream: transportation and distribution, processing (i.e. installation) of sold products, use of sold products, and end-of-life treatment of sold products.

¹ Restated – see methodological note for details

Our commitment to tackling climate change

Other categories such as employee commuting, leased assets, franchises or investments were excluded from the assessment, as they were determined to be either not relevant to Tarkett's activities or not material based on a preliminary analysis. Using actual and estimated Tarkett's activity data for 2015, and conversion factors from various sources (e.g.: generic datasets such as GHG Protocol, Ecoinvent, European Life Cycle database; or supplier specific data), Scope 3 GHG emissions were calculated for each category.

This work enabled Tarkett to identify (see table below) the main sources of Scope 3 GHG emissions along the value chain (emissions originating from the production of raw materials, the end-of-life disposal and the transportation of products as well as potential emissions associated to floor cleaning).

In 2019, we undertook work to better evaluate the contribution of our circular economy commitment to Scope 3 emissions reductions arising from the use of secondary raw materials instead of virgin raw materials. Using data from Tarkett LCAs via SimaPro Software and our GHG emissions reporting we estimate that the use of approximately 100 000 tons of recycled material avoids approximately 200 000 tons CO₂e emissions compared to the use of virgin primary raw materials. This is about the annual GHG emissions of a European town with 16 000 inhabitants. The scale of these GHG emissions savings further underlines the importance of increasing our efforts on our circular economy initiatives :

- > Product eco-design to ensure recycled content and recyclability;
- > Collection and recycling of post-installation and post-consumer flooring.

Overview of estimated scope 3 emissions¹ :

Scope 3 Category	Emissions (tCO ₂ e/year)	Share of Scope 3 Emissions (%)	Comments / Actions	CSR Report section
Raw materials purchases	1,200,000	20%	Upstream, Tarkett can have an impact on GHG emissions resulting from raw materials by increasing recycled content in our products, as recycled materials contribute less to GHG emissions compared to extraction and transformation of virgin materials.	3.7.2 3.7.4.2
End-of-use of sold products	1,000,000	17%	Tarkett contributes to reducing GHG emissions resulting from the end of use of its products through: <ul style="list-style-type: none"> > design to ensure recyclability of flooring products; > flooring take-back and recycling ReStart® program; > recycling of post-installation and post-consumer flooring (in our manufacturing process or by other industries). 	3.7.4.3
Transport and distribution of products	300,000	5%	<ul style="list-style-type: none"> > Favor local presence. > Use rail transportation (e.g.: Otradny in Russia). 	-
Cleaning of products sold (use phase)	2,900,000*	49 %	> The potential volume of GHG emissions arising from the cleaning of our flooring products during their life is all the more important as the use phase can be very long (estimated over 10 years). Nevertheless, we believe that Tarkett's influence on this stage remains very limited because floor cleaning is necessary regardless of the type of flooring. However, some of our products contribute to reduce water and energy consumption during the use phase through surface treatments (see sections: 3.6.5.1 "Reducing water consumption" and 3.6.5.2 "Improving energy efficiency")	3.7.5.3

* Estimated potential GHG emissions during the use phase include emissions related to the hypothetical use of water, detergent and electricity for cleaning, considering a 10 years lifetime of the flooring. However, many uncertainties underly this assessment (variability of conversion factors, assumptions on flooring lifetime, lack of conventional cleaning procedures, etc.) which can lead to very different results.

Furthermore, Tarkett has no control and limited influence on the type of equipment and cleaning protocol used by the various end users, so we do not consider this category of emissions as the most critical compared to other sources of emissions on which Tarkett has greater leverage.

¹ Based on 2015 activity data

3.7 Driving collaboration in value chain and in communities

Our policies and actions, along with their objectives and results / key performance indicators, aiming to manage risks and respond to opportunities related to our suppliers and our activities within local communities (as identified in section 3.3 CSR risks and opportunities) are summarized in the table below and detailed in the sub-sections of this chapter.

Opportunities & Risks	Policies / Actions	Key Performance Indicators	2019	2018	2017	CSR Report section
Supplier dependency (risk where supplier choice is limited for certain raw materials)	<ul style="list-style-type: none"> > Responsible sourcing program > Suppliers involved in materials selection, materials assessment and C2C approach 	Percentage of raw materials purchased from suppliers committing to United Nations Global Compact	69 %	76 %	74 %	3.8.1
Societal 'Duty of Care' (suppliers not compliant with our CSR standards; expectations and requirements from civil society and local communities)	<ul style="list-style-type: none"> > Diversification of supplier's portfolio and use of local suppliers > Tarkett Academy > Tarkett Cares > Support to worldwide development projects 	Percentage of targeted suppliers adhering to Supplier Code of conduct or equivalent Total value of contributions to Tarkett Cares community initiatives (financial, product and employee hours donations)	81 %	-	-	3.8.1
			710 k€	808 k€	508 k€	3.8.2.

3.7.1 Our responsible sourcing program and supplier engagement

3.7.1.1 Promoting good and positive practices along the supply chain

The commitment of Tarkett to shifting to a circular economy model, founded on the Cradle to Cradle® principles, necessarily depends on the engagement and cooperation of the different stakeholders throughout the entire value chain. To this end, we engage with suppliers with whom we can develop genuine partnerships and we also seek to develop long-term sales relationships with companies that share our ethical values. In particular:

- > We developed and launched in 2018 a responsible sourcing program in order to ensure and promote good and positive practices along the supply chain, focusing on three main pillars:
 - Sourcing healthy and sustainable materials;
 - Ensuring suppliers conduct their business ethically, with respect for human rights and fair treatment of a safe and healthy workforce;
 - Ensuring suppliers manage their operations with environmental responsibility.

- > Since 2011 we have committed our main suppliers to respecting the principles of the United Nations Global Compact (UNGC), which cover the themes of human rights, working conditions, the fight against corruption and respect for the environment.
- > We have established partnerships with wood suppliers that are either FSC® (Forest Stewardship Council®) and/or PEFC (Programme for the Endorsement of Forest Certification) certified, which enhances the sustainable management of forests and respect for human rights throughout the value chain. Since the late 1990s in EMEA we have annually maintained our Chain of Custody certification that today covers 12 production sites and sales subsidiaries; more than 60% of our wood is FSC® (FSC® C008972) or PEFC (PEFC/05-35-125) certified. In Eastern Europe division, 4% of the purchased wood is covered by FSC® certification. Finally, in North America, on the maple wood ClutchCourt range, used for production of basketball courts, we offer an FSC® certified product.
- > Our linoleum manufacturing plant in Narni (Italy) obtained the social responsibility SA 8000 certification in 2016 which was renewed for a second time in 2019.

Our responsible sourcing program and supplier engagement

Zoom on key indicators



Responsible suppliers

Following the launch of our Supplier Code of conduct in 2019, 81% of targeted suppliers (in number, focused on suppliers based on product categories of highest risk and based on Tarkett spend) have adhered to our

Code of conduct or equivalent. The code of conduct refers, among other things, to the 10 principles of the United Nations Global Compact.

While we began rolling out our new responsible sourcing program, we continued to track those suppliers committed to respect the principles of the UN Global Compact within the scope of our contractual terms and conditions.

In 2019 we purchased 69% of our raw materials from suppliers that respect the UNGC principles (compared to 76% in 2018 and 74% in 2017). This slight drop is explained by our new focus on the deployment of Tarkett's responsible sourcing program and the launch of the associated Supplier Code of conduct (which is in line with the Global Compact).

We continued the development and deployment, in 2019, of our **responsible sourcing program**, which includes the following components:

- > **A procurement CSR risk mapping covering the majority of our suppliers** (purchasing spend equivalent to 87% of our total purchase value) was performed in 2018 in partnership with a company specialized in sustainability ratings and supply chain intelligence. This allowed us to identify the main environmental, social and ethical risks along our supply chain, based on procurement categories, countries of operation, flexibility of our supplier panel and on our purchase volume, etc. This risk mapping sets the new starting point for our responsible sourcing program, which aims to limit the CSR risks in the supply chain and to encourage and accompany suppliers in adopting more responsible practices.

- > **The Code of Conduct for Tarkett Suppliers** provides a clear and common set of requirements relating to the three pillars of the Tarkett Responsible Sourcing Program and aims to promote continuous improvement. It is consistent with the UNGC principles and International Labor Standards as defined by the International Labor Organization (ILO) and includes social responsibility expectations on modern slavery, child labor, freedom of association, discrimination, health and safety, working conditions, business ethics, and environmental compliance. The Code of Conduct has been published on Tarkett's internet site and translated to 11 languages. We are progressively requesting our suppliers to sign our Code of Conduct or to demonstrate adherence to equivalent standards. As part of this process, we selected 385 suppliers based on product categories of highest risk and based on Tarkett spend. At the end of 2019, 81% of these suppliers have signed the Code of Conduct for Tarkett Suppliers.
- > **Supplier evaluation and control** through detailed supplier assessment and where appropriate supplier audits. Based on the findings of procurement CSR risk mapping, we initiated in 2019 a more detailed assessment of 176 suppliers considered to present the most risk in terms of social responsibility. The aim of the supplier social responsibility assessment is to measure the level of management in four areas: environment, labor and human rights, ethics and sustainable procurement. Suppliers are scored out of 100, based on their responses to a questionnaire and based on the supporting documentation they provide. Suppliers who have already completed the questionnaire for other clients will only need to approve sharing with Tarkett. Depending on the supplier assessment result, the supplier will be considered as either compliant, requiring improvement or non-compliant. Tarkett considers that compliance with any standard referred to in its Code of Conduct may require a process of gap analysis, corrective action planning, training for management and workers, capacity building and other measures. For this reason non-compliant suppliers will be given one year to demonstrate they have made sufficient progress before Tarkett decides to discontinue sourcing. These suppliers, along with suppliers requiring improvement will be re-assessed to measure progress. Suppliers considered compliant will be re-assessed every 3 years. At the end of 2019, 43 out of the 176 suppliers had been assessed, with the aim of completing all assessments by the end of 2020.
- > **Alert mechanisms** are in place via our Compliance Hotline and our Ethics Hotline (see Section 3.2.4.1 "Ensuring business ethics and integrity").

Example**Methodology and results of our procurement CSR risk mapping**

Tarkett appointed a company specialized in sustainability ratings and supply chain intelligence to perform a procurement CSR risk mapping covering most of Tarkett's suppliers worldwide. The results of this mapping have been shared and analyzed internally.

Their methodology covers 21 criteria across four themes: environment, fair labor & human rights, ethics (including corruption), and sustainable procurement. It is built on international CSR standards including the Global Reporting Initiative, the UNGC, and the ISO 26000, and uses a comprehensive database covering over 50,000 companies, 190 spend categories and 150 countries.

3.7.1.2 Involving suppliers in our eco-design approach

We involve our suppliers in the development and assessment of new materials, in line with the Cradle to Cradle® (C2C) principles or when we need data for the lifecycle analysis of our products.

In 2019, for example, we continued our collaboration with suppliers on the material assessment at portfolio level on inks, pigments, varnishes, yarns and latex.

From flooring product design to installation and maintenance, Tarkett does not limit its research to its products. Using a holistic approach, we also are interested in the entire system, in other words the impact of our products on health and the environment during the installation, use and maintenance phase. Within the scope of our C2C commitment, we strive to develop partnerships with other industrial firms engaged in the same approach so as to be able to recommend complete C2C product solutions, installation and maintenance.

In North America, for example, Tarkett has worked closely with supply chain actors to ensure that the adhesives we provide are assessed and have a C2C material health certificate.

3.7.2 Our involvement in supporting local communities**3.7.2.1 Contributing to local economy**

The nature of Tarkett activities, its development through acquisition of local companies and the Group's decentralized structure contribute to the development of local economic activity. Tarkett sells its products in over 100 countries and has a worldwide presence through its 33 industrial sites, its commercial networks and local branches, as well as its research and design centers. Products are manufactured in 17 countries (France, Italy, Luxemburg, United Kingdom, Poland, Belgium, Sweden, the Netherlands, Germany, Russia, Serbia, Ukraine, US, Canada, Brazil, China and Australia), located in the heart of commercialization areas to serve our highly fragmented and diverse customer base.

Tarkett develops relationships with local stakeholders including installers, sub-contractors, and distributors, while respecting local cultures: in its way, Tarkett is Russian in Russia, American in the United States and Chinese in China. While benefiting from a global presence, the Group has always striven to anchor its activities locally, favoring the quality and long-term nature of its customer relationships, in order to offer a local service. We adapt our products as well as their technical characteristics, in particular their designs (colors, patterns, formats, materials) to the tastes and local habits of our customers and to local regulations. In addition to our production sites, we have a solid distribution network to guarantee fast, efficient delivery and sufficient volumes to our local customers. From local

manufacturing sites in China and in Brazil, to customer service and distribution centers in Russia, as well as a strong presence in North America and Europe, the Tarkett network is the right choice for many flooring installation projects in the world, both for local customers and for key international accounts.

3.7.2.2 Sharing expertise: the Tarkett Academy

The Tarkett Academy trains professionals and future flooring installers in techniques for installing and laying floor coverings. The training programs are delivered at 12 Tarkett Academy centers in 8 countries: Australia, Brazil, China, France, Poland, Sweden, Russia and Serbia. The training is designed for both young professionals and experienced installers. Sessions last a few hours to a week and mainly focus on flooring installation and maintenance.

In North America, Tarkett experts directly train architects and designers, via their trade organizations, allowing them to earn a certain number of continuous education credits. In France, Tarkett Academy, created as early as 1993 in the Sedan factory, trains professionals or future professionals in vinyl, linoleum, wood and carpet flooring installation techniques. The training is validated by a degree (CAP flooring-carpet installer) recognized by the Ministry of National Education or a professional degree (flooring-carpet installer) recognized by the Ministry of Employment or an attestation of competence.

Our involvement in supporting local communities

Zoom on key indicators



From 2012 to 2019, Tarkett trained over 31,000 professionals and students in the flooring profession and in installation techniques at Tarkett Academy centers all over the world, including 8,229 people in 2019.

3.7.2.3 Engaging with and helping local communities : Tarkett Cares

Launched in 2016, the Tarkett Cares program formalized the Group's and employees' engagement with local communities in many countries. One of the main goals of this program is to help improve people's lives in communities in which we are based, and more generally to help meet local needs. Tarkett Cares is a flexible program that provides this support in different ways, corresponding to our corporate values and our sustainable development approach:

- > Volunteer work: Tarkett encourages each employee to spend up to two days a year of his or her work time on a charitable initiative and to share his time and expertise on a volunteer basis. This can be done individually or as part of a team;
- > Donations: Tarkett entities can also support local initiatives through making financial, material or product donations and involving employees in these projects.

There are many, diverse local initiatives: helping to build or enhance living areas, improving the quality of life and health of local populations, sharing expertise and developing talents, encouraging entrepreneurship or protecting the environment. For Tarkett teams, these voluntary initiatives offer invaluable opportunities to share common values, in particular generosity, solidarity, and team spirit.

Zoom on key indicators



Tarkett Cares in 2019 :

- > 2 days of volunteer activity for charity initiatives possible for all employees.
- > Over 180 initiatives worldwide, an increase of 8% compared to 2018.
- > More than 1,400 employees, corresponding to 11% of Tarkett staff, participated in 2019 an increase of 9% compared to 2018
- > 921 work days, the equivalent of 6,447 hours of work.
- > 19,800 m² of flooring donated.
- > A total value of more than €700k (values of financial and product donations and employee hours donated).

In 2019, Tarkett Cares supported many communities through different initiatives, a few examples of which are provided below:

- > In Italy, over 30 employees from our Narni plant volunteered on World Clean Up Day helping to clear up the city park in Narni Scalo.
- > In Luxembourg, employees from our site at Clervaux organized a toy collection for an emergency center for children.
- > In the Netherlands, Tarkett supports a non-profit organization called Jinc, which helps young people into the labor market despite tougher starting conditions, such as poverty and limited educational background. In 2019 Tarkett Netherlands' HR team provided training to 32 young people on job interviews techniques.
- > In Turkey on World Clean Up Day, 10 volunteers including family members from our local offices supported the "Let's Do It, Türkiye" organization, dedicating time clearing waste in one of the historical neighborhoods of Istanbul – Balat.
- > In Serbia, a volunteer team from Tarkett installed floor donated to the Kolibri Kindergarten school (140 children) in Macvanski Prnjavor in partnership with the Novak Djokovic Foundation and 25 employees from Bačka Palanka volunteered for an ecological project cleaning up green areas, planting flowers and collecting plastic waste.
- > In India, 11 employees from our local teams installed luxury vinyl tile (LVT) flooring donated by Tarkett in the consultation room at the Narayan Seva Sansthan Hospital in Udaipur in northwestern India. The hospital is run by an NGO and provides free care to underprivileged people irrespective of caste, creed or religion.

- > In Brazil, 18 volunteers from Tarkett's teams gave their time to help out at the São José hospital for Children with Cancer (Grupo de Assistência à Criança com Câncer). The hospital is only funded by donations, so the team were pleased to have been able to contribute.
- > In Calhoun, US, 16 FieldTurf employees participated in the Susan G. Komen Race, organized by Susan G. Komen, a non-profit organization dedicated to saving lives and ending breast cancer.
- > In Orlando, US, Tarkett's North American sales and marketing teams donated their time during their annual sales meeting to 3 local NGOs. In total 300 employees assisted with 3 community programs: Sleep in Heavenly Peace: where employees built bunk beds for children in need, A Gift for Teaching: where employees assembled school supply bags for children who cannot afford to purchase them and Soldiers Angels: where employees assembled hygiene kits and lunch boxes and made blankets for soldiers and veterans.
- > In Cleveland, US, Tarkett North America donated flooring, installed by Tarkett volunteers, at local Boys & Girls Clubs. For example, in Cleveland (Ohio) Tarkett donated over 370 square meters of product to support the development of the All-Star Digital Arts Suite at Boys & Girls Clubs of Cleveland's East Tech Teen Center.
- > Tarkett North America also donated material and employees time to "Military Makeover" a television series, which enlists companies, designers, contractors, and other home improvement professionals to transform the homes and lives of military families across the country and make a difference in their communities.

Example

Tarkett North America supports Home Builders Blitz organized by Habitat for Humanity

In North America Tarkett continued supporting the Home Builders Blitz organized by Habitat for Humanity, a non-governmental organization committed to helping families obtain safe, decent and affordable housing. The Home Builders Blitz is a week-long initiative each year that enlists help from thousands of professional home builders who, working alongside Habitat homeowners, volunteer their time and talents to construct, repair, and renovate homes. A total of US\$ 150,000 of product and freight were donated to the nonprofit housing organization, contributing to building, renovating and repairing 230 homes during the builders' blitz in 76 communities across 30 states. The total contribution of Tarkett to Habitat for Humanity, in product donation to date is US\$ 550,000 following the donation of flooring products worth approximately US\$ 400,000 in 2018.

3.7.2.4 Supporting projects worldwide

The Group and its employees also get involved in economic and social development projects worldwide.

Example

Combating climate change and improving livelihoods in the Peruvian Amazon

Tarkett is supporting a sustainable agro-forestry project in the Peruvian Amazon as part of the REDD+ Business Initiative. The Tambopata-Bahuaja Biodiversity Reserve project aims to protect by 2021, local biodiversity (including over 30 high conservation value species such as jaguars, giant river otters and spider monkeys), conserve endangered forests in a 591,951 ha area – an area which represents the size of Los Angeles – and restore 4,000 ha of damaged land, while supporting the livelihoods of 288 farmers by cultivating high quality cacao in a sustainable way – offering them a better income and avoiding further deforestation. Stopping deforestation is one of the most effective measures in the fight against climate change. Tarkett and more than 30 other companies are supporting this project which is expected to avoid 4 million tons of carbon emissions by 2021.

Example

Contributing to health and well-being in Africa

Since February 2018, Tarkett has partnered with EarthEnable, a social enterprise that aims to improve health and housing in low-income communities in rural Rwanda and Uganda. Tarkett provides its flooring expertise to help EarthEnable replace dirt floors with affordable, sanitary flooring that can be washed, cleaned and used to create healthy home environments.

3.8 Developing talents

Our policies and actions, along with their objectives and results / key performance indicators, aiming to manage risks and respond to opportunities related to our employees (as identified in section 3.3 CSR risks and opportunities) are summarized in the table below and detailed in the sub-sections of this chapter.

Opportunities / Risks	Policies / Actions	Key Performance Indicators	2019	2018	2017	Objective 2025	CSR Report section
Safety (safety at production sites, exposure of staff to dangerous substances)	> World Class Manufacturing Program (WCM)	Percentage of production sites certified to OHSAS 18001 / ISO 45001	67 %	69 %	69 %	-	3.9.1
	> OHSAS 18001 / ISO 45001 certified Health and Safety Management System	Recordable Lost Time Accident Frequency Rate (FR1t ¹) for all employees	2,19	2.18	2.07	1.0	3.9.2
Social 'Duty of Care' (non-discrimination, diversity and equal opportunities)	> Non-discrimination policies	Percentage of management positions filled by women	27 %	27 %	27 %	-	3.9.3
	> Promotion of gender equality						
	> Employment of people in difficulty (e.g. with disabilities, long-term unemployment, immigrants)						
Talent management (management of talent / competence, attraction, retention)	> Recognized employer brand	Percentage of employees trained at least 1 day during the year	58 %	60 %	56 %	-	3.9.4
	> Talent Philosophy	Percentage of permanent employees who had a Performance & Development Review (or equivalent) during the year	55%	53 %	56 %	-	3.9.5
	> Performance and Development Review						
	> Learning and development programs						
	> Internal mobility						
	> Tarkett Awards	Percentage of open management positions filled by internal candidates	65 %	53 %	52 %	70 %	
	> Biennial employee feedback survey	Absentee rate (employees)	2.6 %	2.7 %	2.5 %	-	
		Permanent employee turnover rate	17 %	16 %	13 %	-	

¹ Number of accidents with lost time more or less than 24 hours per million hours worked for all employees

"One Tarkett, Agile and Performance-driven"

We have developed our Human Resources 2021 Vision based on four pillars: Tarkett recognized employer brand, Entrepreneurial leaders, Organizational agility, and High-performance culture. Our objectives are to increase our ability to accelerate our development and to strengthen our customer centric capability by being "One Tarkett, Agile and Performance-driven", with four priority actions:

- > Apply our Talent Philosophy;
- > Promote and develop Tarkett's seven entrepreneurial leadership traits: Think business, Accountable, Risk for

results, Kind to customers, Empowers collaboration, Talent developer and Thorough;

- > Have the best talents in critical positions; and Implement a compelling employee value proposition, based on three promises: "Expand your horizons, Change the game, Design the future of society. Together."

Our 2021 Vision is translated into actions through a Group roadmap and a detailed action plan, while a dashboard of Tarkett HR indicators has been developed to monitor progress and measure performance..

3.8.1 Our employees' safety is our number one commitment

Beyond regulatory compliance, the Tarkett Group considers safety as its number one commitment, constantly working to ensure that all employees, contractors and visitors are committed to safe work practices and procedure, every day and everywhere. These principles are displayed throughout the business and form the basis of Tarkett's commitment to safety culture.

Important progress in terms of safety has been made over the last years, significantly reducing the number of accidents (48 recordable lost time accidents in 2019 vs 148 in 2010). This has been achieved through the commitment of all employees, from managers and supervisors to operators, and from the implementation of the safety pillar of our World Class Manufacturing (WCM) program. This program brings methodologies, procedures, objectives and key performance indicators and provides training and sharing of best practices. The feedback survey covering all employees completed in 2018 showed that 84% of our employees consider that Tarkett provides a safe working environment. In addition, 83% of the latter consider that managers lead by example in the area of safety (a 9% improvement over 2016).

This progress is encouraging but Tarkett is committed to doing more to attain a stronger safety culture.

To achieve this Tarkett's Executive Management Committee renewed its commitment to safety in 2018 with an action plan to strengthen safety measures and mobilize all employees around safety. The main actions are the following:

- > **Safety Pledge:** The top 100 leaders of the Group signed a Safety Pledge in December 2018: "Safety is our #1 commitment. Every day. Everywhere".

- > **Global Safety Day:** An annual Global Safety Day is organized at all Tarkett plants worldwide each year following the first such day in December 2018. In 2019 the Global Safety Day took place in November with a video message from the Chief Executive Officer and the Executive Vice President for Operations and R&D where they emphasized the importance of safety as our number one commitment at Tarkett. The objective of the Global Safety Day is to strengthen safety culture, awareness of risks, abidance to safety procedures and rules and to empower employees to identify and report risk areas for themselves and for their colleagues.

- > **Safety action plan:** A strict action plan in each plant, notably concerning the assessment of risks specific to Tarkett production lines. This plan is monitored at Executive Management Committee level. In 2019 this included the review and improvement of the protection of nip points at all sites. A nip point is any point at which it is possible for a person or part of a person's body to be caught between moving parts of a machine.

- > **Safety procedures and rules:** Continuous review and improvement of WCM safety procedures and standards and their application. In 2018 particular attention was given to personal protective equipment, clothing rules, hazardous installations and machine guarding. In 2019 a focus was made on continuing to deploy the "lock-out tag-out" (LOTO) procedure designed to ensure safe maintenance of equipment, on implementing solutions to secure safety at crossings between vehicles and pedestrians as well as the action plan on nip points.

Our employees' safety is our number one commitment

- > **Safety training:** Continuous organizational learning at all levels, with in September 2019 a dedicated training session for Tarkett's Executive Management Committee held at its Dendermonde site in Belgium. Tarkett's WCM Director animated the day using the Gemba Walk approach. Gemba walk is an essential part of the lean management philosophy, coming from the Japanese term meaning actual place, in other words referring to 'where it actually happens', with the purpose being to observe the actual work situation, engage with employees, gain knowledge about the work process and the opportunities for improvement. In this case the Executive Management Committee observed first-hand the management and practices for ensuring safety on the shop floor.

Example

Tarkett's Global Safety Day

In November 2018, the Executive Management Committee dedicated one full day to safety in all Tarkett plants to raise employee awareness about safety risks. This initiative was renewed in 2019 with plants organizing their annual safety day in the first week of November. At every plant, the Safety Day opened with video messages from Tarkett CEO and Executive Vice President of Operations and R&D underlining the importance of safety as our number one commitment at Tarkett. This was followed by a presentation on the theme "think twice before acting", after which each plant conducted their own program of activities tailored to their specific location. A general focus was made on 12 safety basics, identifying danger points on production lines, discussing risk-reduction measures and creating safety checklists. Sales and other offices also participated to this initiative which provided new opportunities for dialogue between employees and management, with operators making many concrete suggestions for safety improvements.

The challenge to reinforce the safety culture and to train and empower each employee to have safe behavior at any time, in every situation is not limited to the plants, but applicable for all Group employees (sales force, offices, headquarters). In addition to the above initiatives, Tarkett continues with the measures already implemented at different levels of the organization, including:

- > **Top management are notified immediately following each accident**, as plant managers inform directly Tarkett's CEO, Executive Vice President for Human Resources & Communications, Executive Vice President of Operations and R&D and the corresponding Division President.
- > **Safety results (including fire risks) are monitored and analyzed during the Group's Executive Management Committee meetings**, as well as Tarkett's Supervisory Board.
- > They are also **presented and discussed with senior executives** as an introduction to each Quarterly Information Session, as well as at the annual senior management seminar (Top 100).
- > **The safety topic is evaluated by all employees** during the biennial internal employee feedback survey.
- > **The development of safety skills** at production sites is a major focus of the WCM safety pillar, through complementary measures: regular training, frequent audits of our sites' practices (via our Safety Management Audit Training – SMAT process), open and continuous dialogue between managers and employees on risks and safety behaviors at work stations, testing and implementation of best practices shared after annual site audits.
- > **An active global network of safety experts** facilitates knowledge sharing among sites and encourages dialogue on risk identification and reduction, audit conclusions and outcomes of measures tested and implemented in the field. This network also relays safety news and information to all plants. In addition to monthly conference calls, the extended safety network meets annually at the occasion of a global safety forum.
- > After each incident or accident, a **rigorous assessment of causes** ("root cause analysis") is carried out. Action plans are then developed and deployed, within the scope of our WCM continual improvement approach. Safety alerts summarizing the incident's causes, its outcomes and the corrective actions implemented to prevent re-occurrence are systematically prepared and shared with all manufacturing sites.

Our employees' safety is our number one commitment

By the end of 2019, 67% of the Group's manufacturing sites had obtained certification for either the OHSAS 18001 or the ISO 45001 health and safety standards. These international standards are benchmarks in managing workplace health and safety.

Example

Sharing best practices on safety through WCM Forums

WCM Forums provide unique opportunities for Tarkett professionals to share best practices and discuss practical solutions, while observing one plant's concrete action on WCM pillar topics such as safety. In 2019 Tarkett's Narni plant in Italy invited 79 production managers and maintenance managers from 15 plants to come and improve their safety knowledge and understand ways to work more efficiently on maintenance during two specific forums. The first forum covered the individual machine operators' activities, including how to effectively care for their machines and to interact with their working environment, notably adopting zero tolerance for unsafe behavior. The second forum emphasized that maintenance people should be ambassadors for safety, focusing on improper interaction with the machine, including nip points and safe behaviors to avoid incidents. These included, for example, Lock-out-Tag-out (LOTO) procedures, whereby maintenance operators use their own key to deactivate the machine, ensuring it cannot be turned on during repairs thus ensuring that energy sources (electrical, pneumatic, hydraulic, etc.) are properly shut off and isolated prior to starting work.

We also monitor accidents concerning our teams outside of factories (in administrative buildings and for the sales network). In 2018 Tarkett's WCM experts cooperated more closely with Division teams to share best practice and guidance on safety in the sales networks. In 2019 new safety rules for sales networks and offices were drawn up and shared. These set out mandatory and recommended behaviors for employees in sales networks and offices, covering visits to industrial sites, handling samples, driving, working in warehouses and offices. In EMEA the safety community dedicated for the sales network and offices continued their actions analyzing incidents, sharing best practices, communicating on new topics and monitoring indicators. In North America a Sales Safety Force was created to drive safety initiatives, e.g. organizing events around Fire Safety in October at all Tarkett North America plants.

Example

Promoting safer driving (EMEA)

Following the new safety rules for sales networks and offices, introduced in July 2019, the EMEA team developed training sessions to promote safer driving and reduce the risks of accidents. This training is recommended for all users of company cars and was delivered in 2019 to the sales networks in Germany, Portugal and Italy. In total around 500 employees will receive this training which consists of a theoretical part about the risks and a practical part to test car driver skills.

Zoom on key indicators

Safety

The Recordable Lost Time Accident Frequency Rate (FR1t) for all Tarkett employees was stable at 2.19 (compared to 2.18 in 2018). In June, as part of its Change to Win strategy, Tarkett announced a new goal of reducing this frequency rate to 1.0 by 2025.

This indicator (FR1t) measures the number of accidents with time off work less than or more than 24h, per million hours worked.

Our concern for the health and well-being of our workforce

3.8.2 Our concern for the health and well-being of our workforce

Professional health risks, such as exposure to hazardous materials, musculoskeletal disorders, etc. are identified and mitigated via the WCM program and the OHSAS 18001 / ISO 45001 certified health and safety management systems implemented at our manufacturing sites. The occupational illness frequency rate for Tarkett employees is 0,27 in 2019 with 6 cases (compared to 0.13 with 3 cases in 2018).

The way that work is organized on the Group's sites varies depending on the regulatory framework of the country and the specific needs of each production site. A large part of work organization is established through collective bargaining and agreements have been signed in areas such as working hours, part-time work and teleworking. However, beyond collective agreements, Tarkett is also concerned about psycho-social risks, and pays attention to sources of stress and issues related to work life balance.

Promoting health and improving wellbeing at work comes in addition to the measures related to occupational health and work-life balance. The initiatives are engaged locally and focus on raising the awareness of all employees through prevention and assistance programs in the areas of work-related stress, diet, physical activity, and tobacco use, among others.

The new head office for Tarkett's UK and Ireland team, inaugurated in 2019 close to our Lenham (UK) plant, was specifically designed to improve the wellbeing of the 43 employees and other visitors to the office. Our team worked with a workplace designer to create an environment that was friendly and inspiring with a good balance of task and

relaxation areas, taking employee wellbeing into account in design decisions. AirMaster carpet tiles were used for the flooring helping to achieve gold standard for the environmental SKA rating - an assessment method, benchmark and standard for non-domestic fit-outs.

Example

Flexible working and employee wellness (Australia)

Tarkett Australia proposes flexible working arrangements including working from home (remote working) and staggered working hours to help employees balance work and life. Remote and part-time work are also available for a transition period to employees unable to attend the office and to work full-time hours due to health restrictions. To facilitate remote working Tarkett is transitioning product information resources and administrative activities online.

As well as promoting the role of flooring in designing fit-for-purpose comfortable working environments to the architectural community, Tarkett Australia has taken steps in 2019 to encourage employee wellness for its own teams, introducing an online program educating and encouraging employees to make behavioral changes around nutrition, physical activity, stress management and sleep to contribute to improving their health and wellbeing.

3.8.3 Our respect for equality, diversity and non-discrimination

The fundamental principles of non-discrimination and equality are an integral component of our Code of Ethics and our Human Resources policies, for use on a daily basis by all employees. These principles cover issues including equality between men and women, respect for the rights of disabled people, age diversity, maternity rights and benefits, as well as non-discrimination on the basis of sexual orientation, ethnical background, nationality or religion.

Tarkett cares deeply about the principle of diversity and inclusion, and defends equal treatment for men and women.

We are striving to implement concrete measures in the field to further promote the role of women within the company, notably through internal mobility or during the external recruitment process where at least one female candidate is included in each recruitment shortlist. We track progress by monitoring the share of women among different categories of managers.

Tarkett also contributes to wider initiatives to promote diversity such our partnership with Women in Design & Construction in Australia, which is encouraging employment of females in the design & construction industry or our partnership with the Design Museum Foundation, Boston (US), to develop and implement the "We Design project" on diversity and inclusivity. "We Design" is a multimedia exhibition celebrating a variety of creative professionals — of differing ages, genders, backgrounds, ethnicities, sexual orientations, and abilities — showcasing their unique career paths through stories and photos, along with examples of their work. The exhibition also explores the need for more diversity in the design and innovation industries.

Zoom on key indicators**Parity between men and women**

Several indicators allow us to monitor the number of women managers in the company. We note a sustained increase in the share of women among senior executives since 2016 (30% in 2019, or 26 women out of 87 top senior executives for the Executive Management Committee and those reporting to them, compared to 27% in 2018, 24% in 2017 and 18% in 2016).

For the population of managers, the share of women is 27% (i.e. 464 women among 1,747 managers), a stable trend (27% in 2018 & 2017) considering that the industrial and building sectors generally attract fewer women than other sectors.

The share of women in the Supervisory Board is stable with 44% (in compliance with French regulations and AFEP-MEDEF Code). Following changes in 2019 in the Executive Management Committee, one female and two males joined (respectively the new Executive Vice President of Group Human Resources & Communications, President & CEO of Tarkett North America and President of EMEA & LATAM Division), bringing the share of women to 18% (compared to 27% in 2018).

In France, Tarkett calculated and published, in accordance with the new legislation on gender equality (French "Act for the freedom to choose one's future career"), the "Gender Equality Index" for two legal entities. The index is comprised of five indicators covering gender pay gaps, differences in individual salary rises, promotion differences, rates of promotion following maternity leave and female representation in the top 10 salaries. In 2019, Tarkett (corporate teams in France) scored 91/100 and Tarkett France (teams from flooring activities in France) scored 82/100. Tarkett is committed to continuing its efforts on gender pay equality. For several years, part of the pay rise budget in France has been allocated to reducing the pay gap between men and women.

Depending on the country, the local regulations permit or not the identification and tracking of people with disabilities within the company. For this reason, it is difficult to determine a unique global indicator to track progress in this area. In 2019, the share of Tarkett's disabled employees identified as such was 1%.

Tarkett is working to facilitate the integration of disabled employees in the work environment, through the implementation of concrete measures at the local level.

For example, Sedan (France) has established a partnership with CapEmploi, an unemployment agency specialized around the employment of disabled professionals. In 2019 CapEmploi visited the plant and Tarkett shared details with them on open positions. Next CapEmploi will propose candidates to Tarkett and assist with the interviews. The plant has also identified "a disability single point of contact person" who has been trained on their role by Agefiph (the French organization dedicated to employment of disabled people). At Clervaux (Luxembourg), we work with a state agency to help adapt the workstations for disabled employees.

At our Hanaskog plant in Sweden we have cooperated with government initiatives to facilitate the integration of long-term unemployed people, notably immigrants. Faced with an aging workforce the plant has been looking for opportunities to integrate younger generation workers. This was achieved through the government initiative which involved taking on individuals to gain practical work experience and training over a two-month period, before providing short- or long-term employment opportunities. In 2019, 18 individuals benefited from the program, with 8 being hired on a short-term contract and 2 immigrants coming from war zones being hired permanently. In a similar manner our Ronneby plant in Sweden has provided opportunities to immigrant workers (4 in 2019) with the assistance of a staffing and training company which is participating in the same government initiative to facilitate the integration of long-term unemployed people.

3.8.4 Our talent philosophy with continuous learning and promotion of internal mobility

3.8.4.1 Identifying and promoting talents

Tarkett's more than 12,500 employees are an essential asset and the leading actors in achieving our goals, making the Human Resources function highly strategic. While Tarkett has grown as a result of many acquisitions, the sense of belonging to the Group is very strong. This is the result of a Human Resources policy that has both preserved entrepreneurial spirit in the field, and the advantages of an international group.

To further support Tarkett's growth and talent development, we have strengthened our Human Resources management and talent development by reinforcing our **Talent Philosophy approach**, which is based on five main pillars:

- > Talent acquisition: systematically promote internal mobility, recruit outside high potential candidates, always foster talent diversity;
- > Accountability: to develop our people, to role model the values and drive performance;
- > Performance: expect and enable high performance with ambitious goals and regular feedback;
- > Differentiation: value high standards, where level of reward will reflect contribution; and
- > Development: promote continuous learning and anticipate developmental career moves.

A global talent team was created in 2019 led by the Group with talent directors in our EMEA, Eastern Europe and North American divisions. In a structured and very regular way the team shares best practices, works on new projects, initiates or contributes to the development and deployment of new tools. Nine Talent Forums were organized in 2019 (one per major function: Operations, Sales, Supply Chain, R&D, Legal, Marketing, IT, Finance and HR) focused on getting a better vision of the talents in the functions including high potential candidates, young talents and internationally mobile staff and on generating opportunities for internal and international mobility within and between functions.

Another priority action of our "One Tarkett, Agile and Performance-driven" strategy is to promote and develop Tarkett's seven entrepreneurial leadership traits: Think business, Accountable, Risk for results, Kind to customers, Empowers collaboration, Talent developer and Thorough. In 2019 this included integrating them into the annual performance appraisal tool (for all non-blue collar employees), documenting examples of the corresponding behaviors expected at each level in the organization, developing a guide for the human resources network to help the understanding and the application of the seven traits as well as creating another specific guide to help managers and HR professionals better identify the 7 traits in the recruitment process. The 360-feedback survey, launched in 2019, provides another opportunity to analyze the way managers embody the leadership traits and to accompany them to identify areas for development and to initiate action plans with the support of a neutral HR Coach. The first group of employees took the 360 feedback in July 2019 with 4 more groups completed in October and November involving in total 151 managers. Finally, various training programs were updated, integrating the leadership traits.

Example**Our compelling employee value proposition**

- > To promote the expertise of its teams, the career development opportunities and the work experience within the Group, Tarkett decided to launch in 2017 a plan to promote its employer brand, both internally and externally. The objective is to attract the best talents and to value the teams within the Group. A specific career website (<https://careers.tarkett.com/>) was created with employee testimony videos to inform about company's jobs and culture. Three Tarkett promises as an employer were defined for this new policy:
- > "Expand your horizons. Together." – Because Tarkett offers a rich working environment through the diversity of its clients, its range of jobs and its geographic coverage, creating development opportunities for its teams.
- > "Change the game. Together." – In line with our entrepreneurial roots, we expect our employees to actively take initiative and we create a trust-based, empowering environment so that they can fully express their talents and personalities, directly contributing to the success of the Group.
- > "Design the future of society. Together." – By having a long-term vision, Tarkett invites its employees to make CSR and sustainable development issues a part of their decisions, their operations and activities, to design sustainable economic models.

In 2018, we deployed our employee value proposition in 10 major countries of Tarkett's operations through communication plans including information booklets, mini-websites, and active communication on social media.

In 2019, at EMEA level, 20 employee value proposition (EVP) ambassadors from different countries and different functions were appointed. These ambassadors will actively promote Tarkett values and EVP key messages internally and externally, in particular through social media (e.g. LinkedIn). Additionally, the EMEA Division is currently developing a new recruitment training, including, but not limited to, recruitment interview techniques and an onboarding survey for new joiners.

Tarkett has developed a number of successful internship and recruitment programs with top engineering schools such as its partnership with the 'Ecole des Mines de Nancy' in Clervaux (Luxembourg) which includes Tarkett's participation to job days and conferences organized by the school as well hosting plant visits for the students. Narni (Italy) has also established partnerships in recent years with 4 universities, a specialized academy and 5 secondary schools, offering regular work experience placements. Local managers give lessons on quality, safety, environment and human resources strategy at the schools and students have the opportunity to visit the plant (350 attending the Narni Green tours in 2019).

Wiltz (Luxembourg) has a program for taking Ph.D students on specific research topics such as the resistance of different surface treatments to use or the interaction of flooring and light. Other Tarkett plants have developed similar programs such as Sedan (France), Konz (Germany) and Lenham (UK) in EMEA and Bačka Palanka (Serbia) in eastern Europe. In the United States, Tarkett has a national internship program which works with a number of universities and schools in different states providing opportunities to interns in both corporate and technical/manufacturing functions at its sites (in Georgia, Alabama and Ohio) and head office in Solon (Ohio). In 2019, the third year of the program, Tarkett welcomed 11 interns.

Example**Showcasing Tarkett's business and fostering partnerships with higher education at Bačka Palanka (Serbia)**

Tarkett in Serbia has established partnerships with several high schools and universities in recent years. The aim is to provide students with hands-on knowledge of the production process, contribute to the development of their skills and give them an opportunity to consider their talent as part of our teams in different fields of business. At the same time, we present the company, our achievements and give them an insight into future employment and career opportunities at Tarkett. In 2019 Tarkett's Bačka Palanka plant hosted more than 100 students from various schools, such as students from the Faculty of Forestry and the Faculty of Applied Arts at the Belgrade University and the Electrotechnical school from Bačka Palanka. The students from the Faculty of Forestry received a presentation of the company, a tour of the plant and an opportunity to observe the parquet production process, management system and planning process. The visit with the Faculty of Applied Arts included a creative workshop organized by our Design Center. These partnerships also include onboarding programs for selected candidates with coaching and trainings on both soft-skills and hard-skills.

Our talent philosophy with continuous learning and promotion of internal mobility

Having a proactive talent management approach is our priority. A formal process for resource and talent planning ensures that resources match needs both on the quantitative level (jobs) and the qualitative level (skills). The process anticipates the needs of the company for the next three years and is based on the vision of the future presented in the strategic plan of the Group. This formal approach is articulated through a set of initiatives, described below:

- > **The Performance and Development Review:** this annual interview is the foundation of our performance management system. It is an opportunity for managers and their teams to spend valuable time together to engage in a constructive, attentive dialogue. From the company's perspective, this allows us to understand the career goals of our employees and to assess their progress.
- > **Talent Inside, a career management digital platform,** was deployed in 2016 to complete the Performance and Development Review process. Easy to use, the platform makes it possible to monitor and manage the Performance and Development Review and the definition of each employee's career goals. The system allows employees to track their own progress (annual assessments, objectives, development plans...). As for managers, they can monitor the progress of employees and inform them about team requirements. In this way, managers directly participate in the HR performance monitoring process, and career management. The system also makes it possible to consolidate action plans concerning talent management and to effectively monitor them.
- > **The Talent Review** is a structured process which aims to assess career opportunities against the company's long-term needs and the mobility options for our employees. It involves people from the management and Human Resources team during regular meetings where anticipated organizational changes are examined in accordance with the needs and business environment of the company, and in light of the skills, potential and career development goals of employees. The Talent Review, which mainly concerns managers, experts and critical positions essential for the Group's operations and expertise, makes it possible to define succession planning and internal mobility. In 2019, the review was updated for the close to 1 500 employees who were included in the Talent Review process in 2018.
- > **The WCM program development plan** has the objective to identify key skills for implementation of the WCM program and achievement of industrial objectives. Structured WCM training programs are implemented in factories in the light of the priorities there, with the aim of developing the growth potential of all employees, whether they are senior executives or workers.

Zoom on key indicators

Performance and Development Review

55% of Tarkett permanent employees had a Performance and Development Review (or equivalent) in 2019, compared to 53% in 2018.

3.8.4.2 Strengthening learning and development programs

We are convinced that training programs are key to helping our employees develop and deliver on our ability to accelerate our development and to strengthen our customer centric capability. In 2019 Tarkett continued to strengthen and deploy various learning and development programs, notably:

- > **The BusinessLeader@Tarkett program**, launched in 2016 in partnership with the London Business School (LBS), aimed to train tomorrow's leaders by developing their in-depth understanding of the Tarkett entrepreneurial culture, and their strategic skills in an ever-changing economic context. The program alternatively delivered a complete week of training at LBS, plenary sessions and group workshops covering 5 main topics: global trends and impact on Tarkett, strategy development, innovation for growth, vision to action – executing strategy and making change stick. During the 3 year-long program, 171 people from 24 different countries benefited from this advanced managerial improvement initiative.
- > Other targeted training programs on **management skills**, launched in previous years, continue to be deployed, such as Manager@Tarkett with 1480 managers trained over the last 10 years including 75 in 2019 and the COACH program for middle management or the Operations Leadership program for future plant directors. The Manager@Tarkett program was reviewed and adapted to integrate the seven leadership traits in 2019.
- > Tarkett's management was **trained on talent management**, notably during preparatory meetings as part of the Performance and Development Review and Talent Review campaigns.
- > Various **trainings on health, safety and environmental topics** are delivered on the plants as part of the WCM program.
- > We have developed **targeted training programs on sustainability**, mainly for our sales force and marketing teams, in order to leverage our approach and the sustainability features of our products. In the EMEA division, Tarkett renewed efforts to provide support and training to marketing and sales teams to help them communicate on Tarkett's commitment to transparency and sustainability, and to value it as a key differentiator. A new program of training modules and webinars was deployed on specific topics such as Cradle to Cradle® principles, circular economy, product transparency and Tarkett products' sustainability benefits. In 2019, 1022 employees from the EMEA region were trained through online webinars and 2 dedicated sessions to head office teams at La Défense (France) covering topics such as Cradle to Cradle®, green building labels, indoor air quality and circular economy. Tarkett North America implemented a Sustainability Leaders program, training 10 regional Sustainability Leaders to become LEED associates (LEED credentials are delivered by the US Green Building Council – USGBC and denote proficiency in sustainable design, construction and operations standards). These sales professionals are trained on sustainability in general and on Tarkett's approach to sustainability with regular training and monthly webinars. They will be focused on the 10 top major markets for sustainability driven projects. In Australia, in addition to

sustainability and well-being presentations for new employees, Tarkett partnered with a certified consultant for the WELL™ standard, to deliver a training program for the senior sales team to understand how our products comply with the WELL™ standard for healthier buildings.

- > Continued **compliance training** focusing on fair competition and anti-corruption, consisting of six e-learning modules, five delivered in 2019 and the sixth to be delivered in 2020, completed by all Tarkett employees who have internet access (see section 3.2.4 Our commitment to high ethical standards) as well as in-person training for staff most exposed to corruption and competition risks.
- > We moreover train our employees and **develop their competences through experience**, by having them participate in cross-functional initiatives and multidisciplinary projects, and by encouraging best practice sharing and knowledge transfer (for more details see section 3.8.4.4 Sharing expertise and recognizing achievements).

Example

A complete Operations Leadership Training program for plant managers

29 plant managers from 12 different countries (France, Spain, Belgium, the Netherlands, Luxembourg, Poland, Russia, Serbia, Ukraine, China, Brazil & US) have been participating in the Operations Leadership Program, consisting of three sessions of training organized at three different Tarkett production sites. The first session was dedicated to the challenges of developing a World Class Manufacturing culture and to the role of management beyond the WCM methodological and technical aspects. The safety dimension is of course included in this program. The second session is based on essential features from the Manager@Tarkett training and from project management techniques, adapted to the role of plant manager. The third session enables to put the training in practice through workshops, notably on project management, problem-solving methodology, leadership role, performance evaluation, and action plans resulting from internal employee feedback surveys.

Zoom on key indicators

Training

58% of Tarkett employees were trained (at least 1 day) in 2019, compared to 60% in 2018 and 56% in 2017.

3.8.4.3 Fostering career mobility

The growing international dimension of the Group makes career mobility of great importance and offers employees motivating career perspectives. To foster career mobility opportunities, Tarkett has set up appropriate processes and tools:

- > **Tarkett Careers**, a platform for international mobility and recruitment: employees who join the platform can be informed about internal job opportunities and may recommend or communicate this information to their professional network. The platform is also used by managers to post job offers and follow-up associated recruitment processes.
- > **The Talent Review process** focuses on internal career mobility, and in particular international mobility, as previously described.
- > **Orientation documents** are available, such as the Internal Mobility Charter available to all employees via intranet, and the Mobility Guide, a reference document used by the Human Resources network.

Further work was undertaken to facilitate and promote international mobility in 2019, notably for senior management. In 2019, 45 Tarkett employees were on international mobility status, including 21 members of senior management. 6 senior managers received international mobility moving for example, from Group WCM roles to Plant Manager roles, or from Group Customer Experience Director role to an International General manager role. All international mobility packages are aligned with Tarkett's international mobility policy, which includes preparation on new assignment, support on immigration, relocation, compensation, social benefits (medical and life insurance), tax advice, language lessons, cultural orientation and facilitating return to home country.

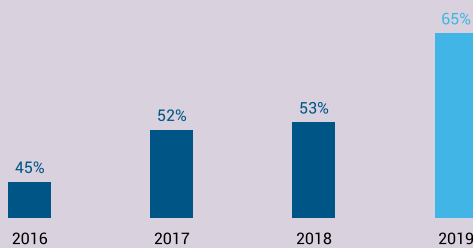
Our talent philosophy with continuous learning and promotion of internal mobility

Zoom on key indicators

Internal mobility

Tarkett set a new target of 70% internal mobility by 2025 which represents more than 2 out of 3 open management positions filled by internal candidates. In 2019, 65% of open management positions were filled by internal candidates, continuing the progress of the last few years (53% in 2018, 52% in 2017 and 45% in 2016).

Share of open management positions filled with an internal candidate (%)



3.8.4.4 Sharing expertise and recognizing achievements

The development of "collective expertise" is a key element to anticipate the changes needed in order to fulfil the company strategy. It involves sharing of expertise which also allows employees to improve their know-how, their employability and their mobility. The company can thus value its talent pool and improve results.

Many initiatives and networks promote **expertise sharing and competency development**, for example:

- > We strongly encourage multidisciplinary teamwork, by bringing together employees from diverse backgrounds on projects taking place at the Group or division scale.
- > We also encourage networking, best practice sharing, internal benchmark forums (comparative analysis), as well as knowledge transfer.
- > Within the scope of the WCM program, we organize every year a series of specific meetings on one of the Tarkett manufacturing sites. The objective is to develop the skills of our experts in manufacturing processes and share knowledge in terms of operational excellence. These benchmark initiatives have been organized within the Group's plants since 2012.
- > The WCM program also encourages plant operators to get involved and propose ideas for improvement, hence becoming actors in the development and improvement of their working environment.
- > The Tarkett Expert Program, launched in 2015, capitalizes on the technical expertise of our Research & Development and Operations teams. Our objective is to use the know-how of our technical experts, and to help them develop

their long-term career development, via tutoring, training and knowledge sharing. This network is supported by a dedicated IT platform where each Tarkett Technical Expert is present with a clear mention of their expertise, thus facilitating their identification by other technical experts and the connection between them, as well the use of their expertise by other "Technical Expertise consumers". Additionally, they can identify and contact, through the platform, some external key Technical Experts, if expertise is not present at Tarkett. In order to boost the Tarkett Expert Program, an audit was made at the end of 2019 and corrective actions are ongoing, such as individual communications to all key stakeholders in this program and a general assessment of all expertise with a clear goal of more knowledge sharing, more connection, and more openness to the outside.

Example

Coming together and sharing, key to the successful transition to "One Tarkett" in North America

After the announcement to transition the various North American flooring brands (Johnsonite, Tandus Centiva, Desso, Lexmark) to the single Tarkett brand, the North America teams came together under the mantra of "One Tarkett" in December 2018, then accelerated the collaboration and successfully delivered the transition in 2019.

The principle impact from this change was for our commercial sales teams who would come together as One with a focus on selling our full commercial portfolio. The main challenge was in knowledge development as we had to educate and equip our sales people with the information and tools that would enable them to effectively sell both resilient and soft surface flooring; transitioning from a mindset of selling products to selling full flooring solutions.

With collaboration from across the business including the learning & development, product management, operations, marketing, segment, distribution channels and, of course, commercial sales teams, we completed six product framework training sessions. Each week-long training session focused on a key product category and provided participants with an insight into aspects such as: product offerings by category, technical specifications, product design, sustainability, manufacturing processes, customer information, routes to market, industry and competitive information, samples and the ordering process. In total, over a five-month period, we logged nearly 4,500 training hours.

Tarkett also recognizes its teams, successful initiatives and best practices through its renowned **Tarkett Awards** program initiated in 2010. The goal of the awards is to encourage exceptional achievements, collaboration and teamwork.

The 2019 edition rewarded 7 projects out of more than 300 submitted. One project was recognized by the CEO ("President Award"), one selected by employees and five others selected by divisions. Among the winning projects, several were related to safety and the circular economy such as:

- > a Family Safety Day at Bačka Palanka (Serbia) where family and friends participated in activities organized on site to develop safety awareness, applicable both at home and at work;

- > the carpet recycling center in Waalwijk (the Netherlands) – see Section 3.6.1.1 "Working collectively towards a circular economy";
- > ProMax HydroFlex infill using recycled end-of-life artificial turf produced on a new line at our MET plant at Absteinach (Germany).

3.8.5 Our actions in favor of social dialogue

3.8.5.1 Listening: the internal satisfaction survey

To efficiently organize on-going dialogue with all employees, across all our sites, we conduct an internal employee feedback survey every two years. The survey covers all of the Group's divisions and functions and includes all employees worldwide. It is translated into 17 languages, is totally anonymous and entirely overseen by an independent third party to prevent any bias. It consists of 69 questions organized in 15 different categories: employee engagement, employee enablement, loyalty and engagement, empowerment and accountability, performance management, communication, management, training and development, entrepreneurial leadership, teamwork and collaboration, work organization, ethics and integrity, leadership, company image, World Class Manufacturing.

In 2018, 88% of employees, representing 10,635 people, participated in the survey (vs. 89% in 2016). The high participation rate reflects employee commitment and confidence in the independent nature of the survey, and in the fact that results are acted upon.

For the 2018 edition of the internal employee feedback survey, while some results may significantly differ depending on the divisions, functions or countries of operation, Tarkett's employees generally appear to be rather satisfied with their work situation, which is demonstrated by some significant progress:

- > Out of 54 comparable questions between 2016 and 2018, 26 have improved significantly, primarily around management (notably regarding the ability by managers to develop and empower their teams, the care and concern they demonstrate for their teams, and how they provide feedback), communication of the Group's strategy and commitment to the success of Tarkett.
- > Results are moreover generally higher than the industrial benchmark: out of 44 questions having a benchmark, 29 are above the industrial norm, especially on the topics of safety, environmental responsibility, interest in work, ability to make good use of skills, understanding of how performance is evaluated, belief in the success of the company and intention to stay a long time.

- > Some items however showed a decrease between 2016 and 2018 in some entities, such as the feeling that Tarkett has changed for the better or the collaboration between departments. Some results are moreover behind the industry benchmark, for example those regarding the definition of responsibilities.

At both the scale of the Group and locally, the Tarkett employee satisfaction survey is an invaluable and used management tool. Based on the analysis of the survey results, each site / entity develops a customized action plan to be implemented at the local level. These local plans are reinforced by action plans determined at the Group and division levels, and consistently implemented. In 2018 and 2019, our teams developed more than 400 action plans across the globe based on the results of the 2018 survey.

What is more, Tarkett was one of three French companies honored with an award on employee enablement from Korn Ferry. Seventy-one companies from across the globe were recognized by Korn Ferry "Engaged Performance Awards". The program recognizes employers with superior levels of performance in two key categories: employee engagement and employee enablement. The awards are based on results from the Korn Ferry employee engagement database, which holds opinion survey data from 7 million respondents in more than 60 countries across the globe. Winners are calculated according to the percentage of respondents in the organization who either 'strongly agree' or 'agree' with the key question statements.

3.8.5.2 Organizing social dialogue

The regulatory scope of dialogue between employers and employee representatives varies from one country to another. However, in addition to respecting local labor legislation, Tarkett applies in all the countries in which it operates the same respect for its fundamental values and principles of freedom of association, and in particular respect for trade unions.

The Tarkett Forum, the Group's European works council, has been created to foster social dialogue in Europe. Several times per year, this council brings together trade union representatives of our main European sites to dialogue with Group Management, including our CEO. This council strengthens cooperation and social dialogue and focusses on issues pertaining to the general functioning of the company and discusses HR issues common to different sites and countries in Europe. In 2019, the Tarkett Forum discussed, among other topics, safety, the new Change to Win strategy, the commitment to promote internal mobility, the development of sales teams, Group results, as well as

restructuring topics, such as Laminate Park (Eiweiler, Germany).

At our Otradny plant (Russia) 22 employees, who are members of the local trade union, were trained as local health and safety committee members in 2019, giving them the possibility to participate in plant level organizational health and safety activities as official representatives of Tarkett employees. Additionally, the plant in collaboration with the trade union nominated several employees to a local and regional level award for outstanding employees, whom have shown dedication and responsibility during their careers. Three Tarkett employees were rewarded and recognized at the regional level, receiving memorable gifts from the Governor of the Samara region.

3.8.5.3 Establishing collective agreements

Tarkett is committed to respecting, in addition to the legal obligations specific to each country, employee freedom of association, collective bargaining and representation. We apply these principles without exception and in the same way in all countries where the Group operates whether in Europe, the United States, Russia, Serbia, Ukraine, Kazakhstan, Brazil, China or India.

In line with this policy, 144 collective agreements are in place at Tarkett (agreements identified as of 2017), 100 of which concern the Group or the sites as a whole and 15% of which cover issues related to occupational health or safety. The agreements cover a wide range of topics such as compensation and benefits, overall work time, work organization, and employment classification. They apply in 20 countries where Tarkett engages in sales and / or industrial activity.

3.8.5.4 Accompanying the changes and adjustments of our workforce

Tarkett has a mid and long-term vision of its development plan and strives to ensure profitable, sustainable growth. The Group is committed to growing the skills and employability of its employees, not only to allow each individual to contribute and to grow within the company, but also to anticipate and support the evolution of the organization. Whenever possible, the Group strives to anticipate the consequences of variations in activity.

In case of reduction in activity, the Group may be called to occasionally or structurally downsize. Adapting work organization to the activity level, downsizing or restructuring plans are carried out in compliance with local regulations and the principles of the Tarkett Code of Ethics, in consultation with employee representatives.

Within the scope of measures to adjust to reduced activity, Tarkett seeks above all to adapt work organization (taking paid vacation, reorganization of work time, partial unemployment, etc.), reduce temporary employees (interim and fixed term contracts), favor internal re-employment solutions, and include social criteria for people leaving the company (retirement, age, career or personal projects).

Subsequent to Tarkett's decision to optimize its industrial footprint as part of its new strategic plan launched in June 2019, four plant closures were announced in 2019.

In North America the manufacturing of flooring accessories from Waterloo (Canada) was transferred to the recently expanded Chagrin Falls (Ohio, US) facility. The manufacturing of broadloom commercial carpets in Truro (Canada) was transferred to the Dalton (Georgia, US) facility which was acquired with the purchase of Lexmark. Both movements have also made it possible to optimize logistics and shipments. The closure of both Waterloo (70 people) and Truro (240 people) facilities was completed by the end of July with some employees transferring to our Farnham (Canada) site and outplacement support provided to the other affected employees.

In Europe, Tarkett and its partner Sonae Arauco launched the process to close the jointly owned LaminatePark Eiweiler plant (Germany), following declining sales and overcapacity in laminate flooring. A social plan was agreed with local works councils which includes severance pay and support from an employment agency. The plant (230 people) stopped production and closed at the end of 2019. In 2020, the warehousing and carpet production site (30 employees) at Goirle (Netherlands) will also close following the investment in a state of the art warehouse facility in Waalwijk (Netherlands).

Taken as a whole, these departures are the main cause of the degradation of the permanent employee turnover rate in 2019 (17% in 2019 compared to 16% in 2018 and 13% in 2017).

Nevertheless, Tarkett has invested and created a number of jobs at various sites in 2019. For example Tarkett invested in a new production wood line at its Mytishchi (Russia) plant and new rigid Luxury Vinyl Tile (LVT) lines at its Otradny (Russia) and Jaslo (Poland) plants, resulting in 81 new jobs. Due to expansion of Chagrin Falls plant (Ohio, US), 93 new jobs were created. Furthermore, Tarkett has invested in its commercial presence, for example, in Kazakhstan and Argentina.

3.9 Social and Environnemental Report

3.9.1 CSR indicators dashboard

Social indicators

GRI	Indicator	Variation 2019 vs. 2018	Variation 2019 vs. base year	2019	2018	2017
Workforce						
102-7a	Total number of employees (as of 31/12)	-5.0%	-	12,592	13,255	12,819
102-8a	Total number of permanent contract female employees	-3.8%	-	3,385	3,520	3,221
102-8a	Total number of permanent contract male employees	-5.8%	-	8,338	8,855	8,576
102-8a	Share of permanent employees	=	-	93%	93%	92%
102-8a	Total number of fixed-term contract female employees	9.3%	-	235	215	385
102-8a	Total number of fixed-term contract male employees	-4.7%	-	634	665	637
102-8a	Share of fixed-term employees	=	-	7%	7%	8%
102-8b	Total number of permanent contract employees	-5.3%	-	11,723	12,375	11,797
102-8b	Total number of fixed-term contract employees	-1.3%	-	869	880	1,022
102-8d	Number of external workers (FTE)	-14.8%	-	488	572	381
102-8d	Share of external workers (% of total FTE)	-0.5%	-	3.8%	4.3%	3.0%
-	Total compensation and benefits (€m)	7.4%	-	718	669	672
New Employee Hires and Employee Turnover						
401-1a	Number of employee hires	-8.8%	-	2,454	2,690	2,713
401-1a	Rate of employee hires	-1.5%	-	19%	21%	21%
-	Number of permanent contracts ended by employee (e.g. resignation, retirement)	-13.3%	-	1,136	1,311	1,073
-	Number of permanent contracts ended by employer (e.g. lay-off)	42.0%	-	886	624	474
-	Permanent employee turnover rate	1.0%	-	17%	16%	13%
401-1b	Total number of employee departures	1.3%	-	2,910	2,873	2,470
401-1b	Total employee turnover rate	0.7%	-	23%	22%	19%
Diversity						
	Percentage of female administrators in Tarkett Supervisory Board	=	-	44%	44%	44%
405-1a	Percentage of administrators in Tarkett Supervisory Board below 30 years	=	-	0%	0%	0%
405-1a	Percentage of administrators in Tarkett Supervisory Board between 30 to 50 years	=	-	22%	22%	11%
405-1a	Percentage of administrators in Tarkett Supervisory Board above 50 years	=	-	78%	78%	89%
405-1b	Percentage of females in Executive Management Committee (EC)	-9.1%	-	18%	27%	30%
405-1b	Percentage of female top senior executives (EC to EC-1)	3.1%	-	30%	27%	24%
405-1b	Percentage of female senior executives (EC to EC-2)	-0.1%	-	24%	25%	24%
405-1b	Percentage of female managers	=	-	27%	27%	27%
405-1b	Percentage of female other employees	1.3%	-	29%	28%	28%
405-1b	Percentage of female employees	1.1%	-	29%	28%	28%
405-1b	Percentage of employees below 30 years	-1%	-	13%	14%	15%
405-1b	Percentage of employees between 30 to 49 years	1%	-	57%	56%	56%
405-1b	Percentage of employees above 50 years	=	-	30%	30%	29%
405-1b	Percentage of employees with disabilities	-0.3%	-	0.9%	1.2%	1.3%

GRI	Indicator	Variation 2019 vs. 2018	Variation 2019 vs. base year	2019	2018	2017
Training and development						
-	Share of employees having received training [base year 2011]	-2.4%	21%	58%	60%	56%
-	Training hours (thousand hours) [base year 2013]	-4.8%	28%	256	268	345
412-2a	Total number of hours of employee training on Code of Ethics	30%	-	14,806	11,422	10,396
412-2b	% of employees who have received training on Code of Ethics in last 2 years	-	-	59%	-	-
404-1	Average number of training hours per employee	-3.5%	-	20	21	27
404-3	% of employees who had a PDR, Polyvalence Matrix or equivalent appraisal	1.7%	-	53%	52%	55%
-	% of permanent contract employees who had a PDR, Polyvalence Matrix or equivalent appraisal	2.4%	-	55%	53%	56%
-	% of open management positions filled with an internal candidate	12%	-	65%	53%	52%
203-2	Number of external people who received Tarkett Academy training	124%	-	8,229	3,669	2,723
Proactive Internal Communication and Social Dialogue						
-	Progress on "Listen to employees and engage in social dialogue" in employee feedback survey [base year 2010]			-	54.0	-
-	Progress on "Communicate proactively towards all employees" in employee feedback survey [base year 2010]			-	66.0	-
Occupational Safety & Health						
403-9a	Injury frequency rate – LTA only [FR0t] – employees	13%	-	1.64	1.46	1.55
403-9a	Injury frequency rate – LTA and lost time < 24 hours [FR1t] – employees	0%	-	2.19	2.18	2.07
403-9a	Lost day rate due to LTA – accident severity rate [TG0t] – employees	42%	-	0.077	0.055	0.073
403-10a	Occupational illnesses (OI) frequency rate – employees	113%	-	0.27	0.13	0.90
403-9a	Absentee rate % – employees	-0.1%	-	2.6%	2.7%	2.5%
403-9a	Number of fatal accidents	-	-	0	1	0
403-9b	Injury frequency rate – LTA only [FR0t] – external workers	5%	-	8.28	7.90	6.62
-	% of formal agreements covering health & safety topics	-	-	-	-	15%
-	Progress on "Ensure respect and integrity through adhesion to Tarkett values" in employee feedback survey [base year 2010]			-	68.0	-
Tarkett Cares						
203-1	Number of community initiatives supported through time, flooring, other material or funding contributions	8%	-	182	168	141
203-1	Number of employees involved in community initiatives	9%	-	1,401	1,288	1,398
203-1	Number of days of donated time through volunteering (based on 7 hours per day)	-6%	-	921	978	700
203-1	Quantity of flooring products donated to community initiatives (m²)	13%	-	19,864	17,560	16,322
203-1	Total value of contributions to community initiatives (in k€)	-12%	-	710	808	508

Environmental indicators

GRI	Indicator	Variation 2019 vs. 2018	Variation 2019 vs. base year	2019	2018	2017
Good materials						
416-1	Share of raw materials for which material assessment following Cradle to Cradle® principles has been performed (% of purchase volume) [base year 2011]	-0.3%	90%	98%	98%	96%
-	Share of materials at the start of supply chain which do not contribute to resource scarcity (% of purchase volume) [base year 2011]	-3.5%	-4.2%	67%	70%	71%
301-1	Share of renewable and recycled materials (% of raw material purchasing)	-8.4%	-	30%	38%	39%
301-2	Share recycled materials (% of raw material purchasing)	1.6%	-	12%	10%	12%
Resource Stewardship						
303-5	Water consumption (liters/m²) [base year 2010]	-10%	-50%	2.6	2.9¹	3.1¹
303-5	Water consumption (million cubic meters)	-15.3%	-	0.73	0.86¹	0.95¹
-	Share of manufacturing sites that have implemented closed- loop water circuits (or do not use water in their process) [base year 2010]	-2.7%	5%	66%	68%	67%
302-3	Energy intensity (kWh/m²) [base year 2010]	0.9%	=	4.09	4.05¹	3.92¹
302-1a	Non-renewable fuel energy consumption (GWh)	-8.9%	-	514	565¹	568¹
302-1b	Renewable fuel energy consumption (GWh)	-0,70%	-	95	96¹	92¹
302-1c	Purchased electricity consumption (GWh)	-1.0%	-	527	532¹	552¹
302-1d	Generated electricity sold (GWh)	-	-	-	5¹	0¹
302-1e	Total energy consumption (GWh)	-4.4%	-	1,136	1,188¹	1,213¹
305-4a	GHG market-based emissions intensity (Scope 1 & Scope 2) (kgCO₂e/m²) [base year 2010]	-5.3%	-15.3%	0.87	0.92	0.92
305-1a	Gross direct (Scope 1) GHG emissions (tCO₂equivalent)	-10.1%	-	97,805	108,743	109,311
305-1c	Biogenic CO₂ emissions (tCO₂)	0.7%	-	32,982	32,739	32,211
305-2a	Gross location-based indirect (Scope 2) GHG emissions (tCO₂equivalent)	-5.9%	-	190,387	202,401	225,287
305-2b	Gross market- based indirect (Scope 2) GHG emissions (tCO₂equivalent)	-10.4%	-	144,873	161,761	174,357
People-friendly Spaces						
416-1	Share of phthalate-free products (% of m² produced) [base year 2010]	9%	74%	74%	65%	57%
416-1	Share of low Volatile Organic Compound (VOC) emission products (% of m² produced) [base year 2010]	1%	77%	98%	97%	96%
Recycling and Reuse						
-	Non-recycled waste intensity (g/m²) [base year 2015]	37 %	17 %	143	104¹	80¹
306-2a	Hazardous waste (thousand metric tons)	-43 %	-	4.2	7.4¹	-
306-2b	Non-hazardous waste (thousand metric tons)	53 %	-	35.5	23.2¹	-
306-2	Total waste to landfill (thousand metric tons) [base year 2015]	66 %	38 %	27.3	16.4¹	12,9¹
306-2	Share of total waste sent to landfill	10 %	-	28 %	17 %¹	17 %¹
306-2	Share of total waste sent to external recycling	-8 %	-	59 %	67 %¹	66 %¹
306-2	Share of total waste sent for energy recovery	2 %	-	9 %	7 %¹	8 %¹
306-2	Share of non-recycled waste sent to landfill [base year 2015]	15 %	15 %	69 %	54 %¹	52 %¹
301-3	ReStart® - Post-installation or post-consumer products collected (metric tons) [base year 2010]	=	-83%	3 300	3 300	4 100
Other CSR Indicators						
-	Share of raw materials purchased with suppliers committing to UN Global Compact (% of purchase value) [base year 2011]	-6 %	27 %	69%	76 %	74 %
-	Share of targeted suppliers adhering to Supplier Code of conduct or equivalent (% in number of targeted suppliers)	-	-	81 %	-	-

¹ Restated – see methodological note for details

Social indicators by region

GRI	Indicator	2019	Europe ⁽¹⁾	North América ⁽²⁾	Rest of World ⁽³⁾
Workforce					
102-7a	Total number of employees (as of 31/12)	12,592	36.4%	31.3%	32.3%
102-8b	Total number of permanent contract employees	11,723	4,329	3,624	3,770
102-8b	Total number of fixed-term contract employees	869	255	319	295
New Employee Hires and Employee Turnover					
401-1a	Number of employee hires	2,454	607	1,224	623
401-1a	Rate of employee hires	19%	13%	31%	15%
401-1b	Total number of employee departures	2,910	605	1,646	659
401-1b	Total employee turnover rate	23%	13%	42%	16%
Occupational Safety & Health					
403-2a	Injury frequency rate – LTA and lost time < 24 hours [FR1t] – employees	2.19	3.40	2.14	1.03
403-2a	Lost day rate due to LTA – accident severity rate [TG0t] – employees	0.077	0.074	0.099	0.062
403-2a	Occupational illnesses (OI) frequency rate – employees	0.27	0.52	0.31	0.00
403-2a	Absentee rate (%) – employees	2.6%	3.4%	1.5%	2.6%
403-2b	Injury frequency rate – LTA only [FR0t] – external workers	8.28	9.47	12.88	0.00

(1) Europe: Corporate, EMEA & Tarkett Sports EMEA

(2) North America: Tarkett North America & Tarkett Sports North America

(3) Rest of World: Tarkett Eastern Europe, LATAM, APAC & Tarkett Sports Australia

3.9.2 CSR methodological note

Since becoming a listed company in 2013 Tarkett publishes, as required by French regulatory requirements, information on the social, environmental and societal aspects of its activities in its annual management report (Universal Registration Document). This information includes Tarkett's Corporate Social Responsibility (CSR) Key Performance Indicators (KPIs) taken from Tarkett's Sustainability Dashboard. The Dashboard is an essential tool for monitoring and guiding performance. Its principal objective is to provide the Group with relevant indicators to evaluate the deployment of its strategy and fulfil its regulatory obligations. Progress is measured against a base year set for certain key performance indicators.

In accordance with French regulatory requirements, the corporate environmental and social information has been verified by an independent third-party organization (the report on corporate, environmental and social information by one of the statutory auditors, appointed as an independent third-party organization).

Guiding frameworks

Tarkett's CSR reporting and sustainability dashboard have been developed based on the following frameworks:

- > The Group's "Change to Win" strategy and its historical commitment to CSR, where each strategic initiative relies on one or more quantified indicators, certain of which are the subject of long-term objectives (2020 objectives set in 2011 and new 2025 / 2030 objectives set in 2019).
- > The European Union Non-Financial Reporting Directive 2014/95/EC and the French regulations on non-financial statement, known as the extra-financial performance declaration: the social, environmental and societal information required by Article L.225-102-1 of the French Commercial Code is included in the form of indicators or quantified statistics in the dashboard (the qualitative information is presented in other sections of the management report).
- > The UN Global Compact: in connection with the Group's voluntary commitment, the dashboard is a tool for managing performance in every dimension of the Global Compact.
- > The Global Reporting Initiative (GRI) Standards 2016: this report discloses as far as is currently possible the GRI Standards: Core option. A GRI content table (see section 3.9.3 GRI and DPEF concordance table) indicates where the relevant standard disclosures can be found in this report.
- > The Greenhouse Gas Protocol: Greenhouse emissions are quantified and reported according to the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI) GHG Protocol.

The sustainability dashboard is built around three dimensions: social responsibility, environmental responsibility, and corporate governance.

Methodological procedures

Tarkett's CSR reporting procedures are documented in a comprehensive CSR Reporting Handbook which was established, in consultation with the different internal CSR topic owners, in 2017. These procedures, further aligned Tarkett's reporting with the 2016 GRI Standards: core option. The Handbook was presented to and approved by the Executive Management Committee and is reviewed and updated each year taking into account feedback and any changes in reporting requirements or objectives. The CSR Reporting Handbook sets out:

- > the aims of Tarkett's CSR reporting and its 2020 objectives for certain indicators;
- > the reporting principles, reporting scope, reporting tools, internal controls and consolidation rules;
- > the reporting organization, responsibilities and planning; and the detailed definitions, specific guidelines and control points of all reported indicators.

The following is a summary from the CSR Reporting Handbook:

Reporting principles

Stakeholder Inclusiveness

Tarkett is committed to meeting the expectations of its stakeholders by investing in long-term relations. Tarkett engages with stakeholders through diverse means to ensure that its strategies and reporting account for their expectations.

Sustainability Context

Tarkett is determined to contribute, wherever its business activities allow, to addressing several of the most important and pressing challenges that face society in the 21st century (combating climate change, managing scarce natural resources sustainably and promoting people's well-being and the development of healthy living spaces)

Materiality

Tarkett conducted a stakeholder survey in 2016 to identify Tarkett material topics and ensure that its Sustainability policies are aligned with stakeholder expectations

Completeness

Tarkett's CSR report covers the same scope as the consolidated financial report. Topics covered in the report reflect the organization's significant economic, environmental and social impacts. Material CSR topics are not omitted. Furthermore, Tarkett strives to explore new and upcoming topics in appropriate detail.

Accuracy

Tarkett strives to ensure the accuracy of reported data, with clearly documented definitions and procedures in its CSR Reporting Handbook and with multiple controls.

Balance

Tarkett tracks performance in order to report on progress as well as challenges, thus reflecting in a transparent manner both positive and negative aspects of its CSR performance.

Clarity

CSR information is presented by Tarkett in a clear manner, with sufficient detail, that can be easily understood by stakeholders.

Comparability

Tarkett promotes consistent reporting through well documented procedures and presents indicators with comparisons to previous periods and base years.

Reliability

Reported data is documented and traced to source with internal controls and third-party external verification providing additional confidence in the veracity of published content.

Timeliness

Tarkett publishes CSR information annually with financial reports in March / April.

Reporting period

The annual reporting period is aligned with the financial year which is the calendar year from 1st January to 31st December. This report concerns the period 1st January 2019 to 31st December 2019.

Reporting frequency

CSR reporting for external publication needs is conducted annually. Intermediary reporting for internal purposes is conducted for certain topics (e.g. monthly reporting of WCM industrial KPI).

Scope of reporting

The scope of reporting is Group-wide, covering all activities over which the Group has operational control, as follows:

Social reporting cover :

- > The workers (employees and external workers) at all entities in the consolidated financial scope, except for Tarkett Argentina (8 people) and Tarkett Sports Germany (8 people). These two newly created entities will be integrated into the CSR reporting in 2020. The joint venture Laminate Park at Eiweiler in Germany, which closed in 2019, was also excluded from the reporting. Other specific limitations for certain indicators are detailed under the paragraph "Specific limits to scope of reporting" in this methodological note.
- > This scope includes all manufacturing plants, sales network and administrative offices for Tarkett payroll employees (except where specific limits to scope of reporting are given) and external workers.

Environmental reporting covers:

- > The manufacturing activities at all plants in the consolidated financial scope, including, unless stated, plants acquired in 2018 (Lexmark in Dalton, US; Grassman in Sydney, Australia and Thermagreen in Toronto, Canada) and excluding the Joint Venture, Laminate Park plant at Eiweiler, Germany which closed in 2019. Other specific limitations for certain indicators are detailed under the paragraph "Specific limits to scope of reporting" in this methodological note.
- > The flooring and sports surface finished goods produced at all plants in the consolidated financial scope.

Restatement of plant environmental indicators (water consumption, energy consumption, scope 1 & 2 GHG emissions, recycled and non-recycled waste):

- > In accordance with the rules and guidance set out in Tarkett's CSR Reporting Handbook, management reviewed the impact of two significant changes in 2019 to the scope of the plant environmental reporting. In 2019 Lexmark (US), which was acquired in 2018, was integrated into the CSR reporting and Eiweiler (Germany), where production stopped in 2019, was excluded from CSR reporting. Given that these changes have a significant impact (>5%) on a number of plant environmental key performance indicators it was decided to restate historical values to limit the impact of these changes on the analysis of the results.
- > Historical data has thus been restated to exclude Eiweiler and to include Lexmark (based on Lexmark's reported 2019 figures). This concerns all historical figures (2010 through to 2018 – indicated in the text with an asterisk "*") and related analysis for the following indicators – water consumption, renewable and non-renewable energy consumption, scope 1 and 2 greenhouse gas emissions, recycled and non-recycled waste. The following other environmental indicators have not been restated: Good materials (share of raw materials for which material assessment has been performed; share of materials at the start of supply chain which do not contribute to resource scarcity; share of renewable and recycled raw materials); People Friendly Spaces (share of phthalate-free products and share of low VOC emission products); ReStart® collection program; Share of production sites equipped with closed loop water circuits (or not using water in their process) and Share of production sites certified to ISO 14001.

Reporting organization

The reporting process of CSR / sustainability indicators is managed and consolidated since 2018 by the Financial department with the support from the different concerned functions (including R&D and Operations/WCM, HR, Legal,...), divisions and sites. Each CSR topic and its relevant indicators are owned by a member of the Tarkett Executive Management Committee (EMC). The clear ownership and responsibility ensure accurate, reliable and timely reporting of CSR data and indicators.

Reporting tools

HR CSR scorecard: data on workforce, headcount, diversity, etc. topics collected in a specific reporting Excel scorecard and consolidated by the Group.

Tarkett Cares scorecard: data compiled in a specific reporting Excel scorecard and consolidated by the Group.

Employee satisfaction: measured every two years through the internal employee satisfaction survey.

Compliance: data on compliance topics training (e.g. competition) collected in a specific reporting Excel scorecard and consolidated by the Group.

Academy: data on Tarkett Academy training collected in a specific reporting Excel scorecard and consolidated by the Group.

WCM environmental, safety and absence indicators: data reported in a dedicated scorecard for each manufacturing plant with data uploaded monthly to a Group data repository.

People Friendly Spaces: phthalate-free, low VOC emission and production volume data collected from plants in a specific reporting Excel scorecard and consolidated by the Group.

Good materials: indicators on resource scarcity and Cradle to Cradle assessment compiled from raw material purchase data and material classification and consolidated by Group in a specific reporting Excel scorecard.

ReStart®: data on post-installation, post-consumer and post-manufacturing waste collection and recycling collected in a specific reporting Excel scorecard and consolidated by the Group.

UN Global Compact supplier commitment: data compiled from raw material supplier purchase data.

Supplier commitment to Tarkett supplier Code of conduct: data compiled from purchasing databases.

Specific limits to scope of reporting

Safety: excluding FieldTurf North America & Sales Network, FieldTurf USA Sales Network, Beynon Sales Network and Tennis & Track (these entities represent approximately 6% of Tarkett's headcount).

Absence: excluding the following entities in the US, where hours lost for unplanned absence are not tracked according to Group rules: FieldTurf North America & Sales Network, FieldTurf USA Sales Network, Beynon Sales Network and Tennis & Track (these entities represent approximately 6% of Tarkett's headcount).

Raw material assessment & resource scarcity: All raw materials purchased for the production of finished and semi-finished flooring and sports surface products, excluding the three entities acquired in 2018 (Lexmark in Dalton, US; Thermagreen in Toronto, Canada and Grassman in Sydney, Australia) for which reporting is still being established; outsourced finished goods; process chemicals and packaging. Any post-installation or post-use materials collected and effectively recycled by FieldTurf or Beynon Sports Surfaces are not included. Raw materials purchased for production at the two North American plants which closed in 2019 (Waterloo and Truro in Canada), are included (since this activity is transferred), however materials purchased for production at the Laminate Park plant in Eiweiler, Germany is excluded.

ReStart®: Any post-installation or post-use materials collected and effectively recycled by FieldTurf or Beynon Sports Surfaces are not included.

Environmental manufacturing indicators: Water, energy, greenhouse gas emissions and waste indicators are reported for all industrial sites excluding the plants which closed during 2019 (Waterloo and Truro in Canada and Eiweiler in Germany). Furthermore, water consumption was not reported by the recently acquired Tarkett Sports industrial site in Toronto (Canada).

People Friendly Spaces indicators: Share of phthalate-free, share of low VOC emission and share of non-quantifiable VOC emission products exclude all semi-finished production volume, the production volume for automotive industry at Clervaux (Luxembourg) and other non-relevant production volumes (e.g. outdoor sports surfaces). Production volume at plants which closed in 2019 (Waterloo and Truro in Canada; Eiweiler in Germany) is excluded as is the volume associated to carpet production at Kalush in Ukraine where serial production ceased. The production volume for Lexmark in Dalton (US), which was acquired in 2018 and for which reporting is still being established, was also excluded.

Supplier commitment to UN Global Compact: All raw materials purchased for the production of finished and semi-finished flooring products, including packaging materials limited to those included in the Bill of Materials. We include main outsourced finished goods (LVT) and exclude: sports surface products, Lexmark purchases and inter-company spends of semi-finished goods.

Supplier commitment to Tarkett supplier Code of conduct: For all sites worldwide (sport surface included), we consider direct and indirect purchases (except energy) for the production of finished and semi-finished flooring products, including packaging materials limited to those included in the Bill of Materials. We include main outsourced finished goods (LVT), Group IT purchases and we exclude from inter-company spends of semi-finished goods.

CSR indicator definitions (extract from Tarkett CSR Reporting Handbook)**Social:**

Full time equivalent (FTE): used to measure the effective workforce during the reporting period as opposed to the headcount which is the number of employees present at the end of the reporting period. Reported for both Tarkett payroll employees and external workers.

Headcount: number of Tarkett payroll employees at the last day of the month of reporting period.

Tarkett payroll employees: All workers who are engaged by Tarkett and are on the Tarkett payroll, including interns / trainees and apprentices if on payroll. Excluding non-active staff (employees on leave greater than 6 months).

Permanent contract: Employee engaged by Tarkett for no specified duration (i.e. indefinite contract for an indeterminate period). Exception for China where employees on 2 or more years fixed-term contract are considered as permanent.

Fixed-term contract: Employee on Tarkett payroll engaged for a specified limited duration (i.e. employee temporary contract), including Tarkett Sports seasonal workers.

Geographical zones: EMEA comprises Tarkett EMEA, Tarkett Sports EMEA & corporate; North America comprises Tarkett North America & Tarkett Sports North America; Rest of World comprises Tarkett Eastern Europe, Asia Pacific, Latin America and Tarkett Sports Australia.

External workers: Any worker who does not have an employment contract with Tarkett / is not on Tarkett payroll (e.g. external workers on contract with a temporary staff employment or leasing agency hired to support regular operations).

Manager: A manager is an employee with at least one direct report at the date of reporting (e.g. 31.12), including blue collar workers (e.g. shift leaders, group leaders, extension supervisors and team managers are considered as managers).

Other employees: All employees other than managers at the date of reporting.

Disabled employees: Reported according to local labor laws where permitted.

Top senior executives (EC to EC-1): CEO, members of Executive Management Committee (EC) and the senior executives reporting to them (with or without direct report).

Senior executives (EC to EC-2): Top senior executives and the senior executives directly reporting to them (with or without direct report).

Employees hired: Number of employees (with permanent or fixed-term contracts) added to the payroll including employees hired on the final day of reporting period.

Rate of employee hires: employees hired / headcount

Total number of employee departures: Number of employees (with permanent or fixed-term contracts) removed from the payroll.

Total employee turnover rate: employee departures / headcount.

Permanent employee turnover rate: permanent contract employee departures / permanent employee headcount.

Share of employees having received training: An employee is considered as "having received training" if the cumulative number of training hours received over the full year exceeds 1 full day (8 hours).

Training hours: Training in Tarkett as considered as development activity, with specific support, and confirmation of attendance. For e-learning, the training hours reported correspond, where possible, to the real time spent by employees following online e-learning courses as recorded by the e-learning systems (for both "in progress" and "completed" courses). If real time is not available, the theoretical duration of the online training is taken into account.

PDD, Polyvalence Matrix or equivalent appraisal: The annual appraisal ("Performance and Development Dialogue" and "Polyvalence Matrix") is an annual exchange between the employee and his/her manager to discuss achievements, skills, opportunity for improvement and development program.

Open management positions filled with internal candidate: A management position is a position (manager) with at least one direct report. An internal candidate is a candidate already a Tarkett employee.

Number of external people who received Tarkett Academy training: Number of people (excluding employees and external workers) having completed a Tarkett Academy technical training session / program in the Tarkett Academy network.

Tarkett Academy network: The Tarkett Academy organizes and provides specific technical training programs (in flooring installation and maintenance) at dedicated training centers and at other locations.

Dedicated Tarkett Academy technical training center: A Tarkett facility that is dedicated to giving technical training (including training to external people).

Number of injuries - employees: Excluding accidents to visitors and commuting accidents which are tracked separately; where visitors may include Tarkett employees visiting other sites.

LTA: A Lost Time Accident (including fatality) where the individual is more seriously injured and as a result, they are unavailable to attend work for a period greater than 24 hours.

Injuries with lost time <24hours: A workplace injury which is sufficiently serious to mean that the injured person is unable to attend work for the remainder of the day, however are available to return to work the next day.

Injuries with first aid: A workplace minor injury where the injured party is able to return to work following a brief period of minor treatment from an occupational nurse or trained staff member.

Injury frequency rate - LTA only [FR0t]: $\# \text{ LTA} \times 1\,000\,000 / \text{worked hours}$, where the number of LTA include fatal accidents.

Injury frequency rate - LTA and lost time <24 hours [FR1t]: $\# \text{ LTA} + \# \text{ Injuries with lost time} < 24 \text{ hours} \times 1\,000\,000 / \text{worked hours}$, where the number of LTA include fatal accidents.

Lost day rate due to LTA - accident severity rate [TG0t]: $\# \text{ of working days lost for LTA} \times 1000 / \text{worked hours}$.

Occupational illnesses: An occupational illness (or disease) is defined as, "any abnormal condition or disorder, other than one resulting from an occupational injury, caused by exposure to factors associated with employment."

Occupational illnesses frequency rate: $\# \text{ Occupational illnesses} / \text{worked hours} \times 1\,000\,000$.

Hours lost for absence: Worked hours lost for unplanned absence (i.e. illness, worked-related accidents, strikes or other unexcused absence) of all employees during the reporting period up to 30 days. Excluding "planned sick leave" absence (e.g. in North America where certain categories of workers, such as office workers, have pre-determined quota of "paid sick days" that they can take without justification and where actual sick days are not tracked). Where an employee returns to work, but only part-time (e.g. therapeutic phased return to work), after an absence, then the employee is no longer considered absent.

Absentee rate %: $\# \text{ hours lost for absence} / \# \text{ total scheduled hours}$.

Progress on "Ensure respect and integrity through adhesion to Tarkett values": Average score to 2 questions in the biennial (every two years) employee feedback survey: "Tarkett has clearly communicated its standards of business conduct and operates in an ethical manner" and "Senior leader's actions and behaviors are consistent with Tarkett's values, including standards of business conduct and ethics".

Progress on "Listen to employees": Score to the following question in the biennial employee feedback survey: "Sufficient effort is made to get the opinions and thinking of people who work in Tarkett". This replaces the previous indicator based on the average of 2 questions.

Progress on "Communicate proactively towards all employees": Average score to 2 questions in the biennial employee feedback survey: "My manager does a good job of keeping me informed about matters that affect me" and "I am kept informed about matters that affect me". In previous editions this was the average of 3 questions.

Total compensation and benefits: Total of short-term employee benefits (as per Group Accounting Manual): wages, salaries and social security contributions; paid annual leave and paid sick leave; profit-sharing and bonuses payable within twelve months of the end of the period; non-monetary benefits, such as medical care, housing, cars and free or subsidized goods or services.

Tarkett Cares

Community initiatives: The Tarkett Cares program promotes the participation of Tarkett employees and Tarkett entities in local community initiatives which help the community for better living and contributes to local community's needs. As per Tarkett Cares guidelines the initiative should be connected to Tarkett's values, core business or sustainability commitment and carried out with an officially recognized non-profit organization (including public services such as schools).

Employees involved: The total number of employees who have volunteered 1 or more hours to community initiatives.

Hours volunteered: The total number of hours volunteered during working hours. As per Tarkett Cares rules, each employee can volunteer (share time and talent) between 1 hour and 2 days per year during working hours. Hours volunteered outside of working hours (e.g. evenings, weekends, holidays) are not included.

Flooring products donated: Total square meters of flooring products donated to community initiatives.

Total value of contributions to community initiatives: Value of flooring products donated based on standard factory price (cost of production) + value of other in-kind contributions (cost of purchased materials) + cash donations + value of volunteered hours (calculated using total employee compensation and FTE).

Code of Ethics

% of employees who have received training on Code of Ethics in the last 2 years: share of employees (total headcount) who have completed the Tarkett online e-learning module on Tarkett's Code of Ethics, or who have received "in-person" / face to face training on Tarkett's Code of Ethics in the last 2 years.

Total number of hours of employee training on Code of Ethics: based on a standard duration for online e-learning or in-person training on Tarkett's Code of Ethics of 2 hours.

Environmental

Indicators on raw materials: purchases of raw materials only (i.e. materials included in the Bill of Materials) (excluding indirect purchases and finished products). Most raw material purchase data comes from Tarkett's global SAP data warehouse. The remaining (7%) is reported by plants.

Share of raw materials for which material assessment has been performed (% of purchase volume): Share of materials purchased (in metric tonnes), for which an impact study was carried out pursuant to Cradle-to-Cradle principles "Product Standard Material Health Methodology Nov. 2013" available at www.c2certified.com. Tarkett uses ABC-X classification, which evaluates risks related to the impact of chemical substances on the environment and human health. For raw materials in SAP the ratings A, B, C, [], X and [X] are considered as assessed at a SKU level. For other raw materials the ratings A, B, C, [], X, [X] and Grey are considered as assessed by raw materials family. For PVC materials, an evaluation has been performed among the supply chain to verify use of BAT (Best Available Techniques) technology on chloralkali process as well as additives involved. PVC has been rated according to specific EPEA criteria. For those PVC suppliers that have not yet provided information a precautionary approach is taken and pre-assessed [X] until information will be provided.

Share of materials at the start of supply chain which do not contribute to resource scarcity (% of purchase volume): Materials characterized based on resources used in their production process (fossil, limited minerals, abundant minerals, renewable, recycled). The 3 categories not contributing to resource scarcity are: mineral abundant, renewable and recycled.

Fossil origin: Every resource synthesized from fossil fuel, especially oil, but also sulphates. The category excludes fossil minerals like Calcium carbonate. Polyvinyl Chloride (PVC) is considered as 43% fossil (petrol) and 57% mineral abundant (sea salt).

Mineral origin: A chemical element or inorganic combination of chemical elements occurring naturally, extracted from the ground or water and used in economic activities. The category includes fossil-formed minerals like charcoal or limestone. Mineral abundant resource - that is not threatened by scarcity. It can have important reserve (sea salt – sodium chloride, limestone – calcium carbonate...), very good recycling process (like Aluminium) or be virtually inexhaustible (chlorine in sea water). Mineral limited resource - that is threatened by exhaustion in a short term (as defined by selected models) and that is to be substituted in priority.

Renewable origin: A resource of which reserves can be replenished in the same or less time than the one needed for its consumption.

Recycled origin: Materials that would otherwise have been sent for waste disposal, used in lieu of primary raw materials, including post-consumer and post-installation flooring waste collected by Tarkett (e.g. ReStart®) and effectively recycled and used in Tarkett products; post-manufacturing waste from Tarkett that is reprocessed into secondary raw material and recycled in Tarkett production; recycled (post-consumer and/or post-manufacturing) waste procured by Tarkett from other organizations for Tarkett production and recycled content of other procured raw materials.

Manufacturing environmental intensity indicators: Tarkett tracks and reports its environmental performance per square meter of floor covering and sports surface. These intensity ratios are calculated by dividing the (numerator) environmental manufacturing indicators (water, energy, greenhouse gas emissions and non-recycled waste) by the (denominator) volume of finished goods – floor covering and sports surfaces in square meters. The volume of semi-finished goods is not included.

Water consumption: All water consumed in the production / technical process, including for cooling as well as water not consumed in the production process, but consumed on site (e.g. in sanitary, in canteens). Water sources are groundwater, surface water and municipal water. Excluding rainwater consumption, which is not tracked. Reported groundwater consumption at Bačka Palanka corresponds to the water consumed as measured by on-site meters rather than water pumped from ground.

Share of manufacturing plants that have implemented closed-loop water circuits (or do not use water in their process): Closed-loop water circuit considered as when water is recycled and reused in a closed loop. The only make-up normally required is that needed to replace small water losses. Each plant calculates % of reused water using flow data and formula $A / (A+B+C)$ where A = volume of water re-used or recycled; B = volume of water consumed and discharged directly and C = volume of water consumed to refill the loop. Plants considered as having closed-loop water circuit when results $\geq 98\%$.

Non-renewable fuel consumption: Includes the consumption of fuel oil, natural gas, liquefied petroleum gas, propane and/or butane, other petroleum gas (e.g. ethane).

Renewable fuel consumption: Includes the consumption of biomass, biofuel, geothermal, solar thermal and solar photovoltaic energy. Excluding the purchase of renewable electricity reported separately as part of purchased electricity.

Purchased electricity consumption: Renewable and non-renewable purchased electricity consumption.

- > **Non-renewable electricity:** share of electricity purchased from a supplier using a non-renewable energy source to generate the electricity supplied during the reporting period. Including a small amount (<1%) of purchased heat from a district heating network.
- > **Renewable electricity:** share of electricity purchased from a supplier using a renewable energy source to generate the electricity supplied during the reporting period.

Generated electricity sold: renewable electricity generated and sold to the grid (a negligible quantity in 2018 and so not reported in 2019).

Total energy consumption: renewable fuel + non-renewable fuel + purchased electricity consumption. Steam consumption is excluded (12,6 GWh in 2019 at one plant).

Greenhouse gas (GHG) emissions reporting: Since 2017 Tarkett aligned its inventory of GHG emissions with the GHG Protocol and GRI 2016 standards. As such it includes the CH₄ and N₂O biomass scope 1 emissions) as well as reporting separately the outside of scope biogenic CO₂ emissions. Furthermore, it reports both market-based and location-based scope 2 GHG emissions (which also include CH₄ and N₂O as well as CO₂ emissions).

Gross direct (scope 1) GHG emissions: Natural gas, fuel oil, LPG, propane, butane, other petroleum gas (e.g. ethane) and biomass consumption multiplied by their respective emission factors (for biomass consumption this relates only to scope 1 CH₄ and N₂O emissions, out of scope biogenic CO₂ emissions are reported separately).

Biogenic CO₂ emissions (out of scope): CO₂ emissions arising from the combustion of biomass or biofuel are reported outside of scope 1, scope 2 and scope 3 GHG emissions. These emissions are reported outside of the scope because the Scope 1 impact of these fuels has been determined to be a net '0' (since the fuel source itself absorbs an equivalent amount of CO₂ during the growth phase as the amount of CO₂ released through combustion).

Gross location-based indirect (scope 2) (GHG) emissions: Total electricity consumption multiplied by the location-based emission factors, where the location-based method reflects the average GHG emissions intensity of grids on which energy consumption occurs, using mostly grid-average emission factor data.

Gross market-based indirect (scope 2) (GHG) emissions: Electricity consumption multiplied by a market-based emission factor which corresponds to the characteristics of the electricity purchased. For purchased renewable electricity the factor is 0 kgCO₂e/kWh. In other cases, the supplier specific emission factor communicated by the electricity provider or in the absence of a specific supplier factor the emission factor based on the regional electricity generation mix or finally the default location-based emission factor.

Source of emission factors: Scope 1 and out of scope biogenic emission factors (kgCO₂e per kWh) are taken from Defra's 2019 - UK Government GHG Conversion Factors for Company Reporting. Scope 2 location-based emission factors (kgCO₂e per kWh) are taken from 3 sources: Defra 2019 for UK purchased electricity; US EPA: eGRID 2016 - Subregion Emissions - Greenhouse Gases for US regional purchased electricity and IEA "Emissions Factors (2019 edition considering 2017 results)" all other countries purchased electricity.

Phthalate-free products: Products "without added phthalates" mean that no phthalate plasticizers (DOP or DINP) are contained in virgin raw material (not greater than 0.1% in mass) in the product composition, but recycled material content could contain some residual phthalates.

Share of phthalate-free: Share of production volume (m²) of products potentially containing phthalates, i.e. all vinyl products (including LVT outsourced) and all other products containing PVC parts (e.g. certain carpets produced in North America).

VOC: volatile organic compounds.

Low VOC emission products: Products with TVOC emissions ≤ 100 µg/m³ according to ISO 16000-9 guidelines (emission chamber) and local test methods (wood floorings: excluding natural emissions coming from wood itself).

Non-quantifiable VOC emissions products: Products with TVOC, SVOC and formaldehyde emissions ≤ 10 µg/m³ according to ISO 16000-9 guidelines (emission chamber) and local test methods.

Share of low VOC emission: Share of production volume (m²) of indoor flooring and indoor sports surface products potentially releasing VOCs, i.e.: all products excluding outdoor grass and outdoor track surfaces.

Waste: All waste removed from the manufacturing plants, (e.g. industrial waste, office waste, waste from canteens,...) removed by a contracted service provider (this may exclude certain non-industrial waste removed by municipal authorities who do not provide any tracking information such as quantity and type of waste removed). Tarkett splits waste by hazardous and non-hazardous and by destination: landfill, incineration with energy recovery, incineration without energy recovery, other treatment and recycling. Non-hazardous waste-water is excluded.

Hazardous waste: Hazardous waste as defined by national legislation at the point of generation.

Non-hazardous waste: Waste not classified as hazardous as defined by national legislation at the point of generation.

Non-recycled waste: All waste excluding waste sent for external recycling or / and sent to other Tarkett plants for internal recycling.

Waste to landfill: All waste sent to landfill.

Waste sent for external recycling: Waste sent for external recycling. Also including carpet waste sent to cement industry as a source of calcium carbonate as well as a replacement to fossil fuel.

ReStart® post-installation or post-consumer products collected: Post-consumer waste includes flooring and sports surface products that have been used and are removed for disposal (e.g. old products retrieved from the floor during a renovation project, potentially with remaining concrete and/or glue). Post-installation flooring waste incurred during the installation of flooring and sports surface products (e.g. not used pieces of clean flooring, reclaimed from installers during installation). Collected through Tarkett organized collection of post-consumer or post-installation waste (i.e. through ReStart® program).

Other CSR indicators:

Supplier commitment to UN Global Compact: Share of direct purchases made with suppliers who have committed to UN Global Compact. Tarkett started in 2011 to integrate in all its supply agreement a clause requiring suppliers to "maintain a corporate policy that will respect the commitments of the United Nation Global Compact by applying in their company and to their own suppliers the ten principles of the Global Compact which the Supplier undertakes to abide by". Therefore, the suppliers who have signed a formal supply agreement, even if it does not mention UNGC directly but contains same similar clauses, or UN Global Compact clauses with Tarkett are accounted as committing to UN Global Compact principles.

Supplier commitment to Tarkett supplier Code of conduct: Following the launch of our Supplier Code of conduct in 2019, we monitor the share of targeted suppliers (in number, focused on suppliers based on product categories of highest risk and based on Tarkett spend) who have adhered to our Code of conduct or equivalent. Accepted equivalents include: SA8000 and ISO 14001 certification; BCorp certification and Cradle to Cradle certification of products with all pillars in at least silver level.

3.9.3 GRI and DPEF concordance table

Tarkett has developed a reporting system that follows and goes beyond the French extra-financial performance declaration (DPEF), based on challenging frameworks and guidelines published by international bodies such as the Global Reporting Initiative (GRI).

Sections quoted inside the concordance table refer to the full version of Universal Registration Document.

GRI Standard Disclosure / Description GRI Standard		Universal Registration Document Sections	Correspondence DPEF
102	General Disclosures		
	Organizational Profile		
102-1	Name of the organization	3.1	
102-2	Activities, brands, products, and services	1.4, 1.6, 3.1	
102-3	Location of headquarters	7.1.1	
102-4	Location of operations	1.5, 1.6, 3.1.2	
102-5	Ownership and legal form	7	
102-6	Markets served	1.5, 3.1	
102-7	Scale of the organization	1, 3.1	
102-8	Information on employees and other workers	3.9.1	Art. R225-105 II. A. 1° a)
102-9	Supply chain	3.7.1	Art. R225-105 II. A. 3° b)
102-10	Significant changes to the organization and its supply chain	1	
102-12	External initiatives	3.5	
102-13	Membership of associations	3.2.3, 3.5	
	Strategy		
102-14	Statement from senior decision-maker	3.1.1	
102-15	Key impacts, risks, and opportunities	3.3, 6.1	Art. R225-105 I. 1°
	Ethics and Integrity		
102-16	Values, principles, standards, and norms of behavior	3.2.4	
102-17	Mechanisms for advice and concerns about ethics	3.2.4	
	Governance		
102-18	Governance structure	2.1, 2.2, 3.2.1	
102-19	Delegating authority	2.1, 2.2, 3.2.1	
102-20	Executive-level responsibility for economic, environmental, and social topics	3.2.1	
102-21	Consulting stakeholders on economic, environmental, and social topics	3.5	
102-22	Composition of the highest governance body and its committees	2.1	
102-23	Chair of the highest governance body	2.1	
102-24	Nominating and selecting the highest governance body	2.2	
102-25	Conflicts of interest	2.1.2.1	
102-26	Role of highest governance body in setting purpose, values, and strategy	2.2	
102-27	Collective knowledge of highest governance body	2.1	
102-28	Evaluating the highest governance body's performance	2.2	
102-29	Identifying and managing economic, environmental, and social impacts	3.4, 6.1	
102-30	Effectiveness of risk management processes	3.4, 6.2	
102-31	Review of economic, environmental, and social topics	3.2.1	
102-32	Highest governance body's role in sustainability reporting	3.3., 3.6.	
102-35	Remuneration policies	2.3, 2.6	
102-36	Process for determining remuneration	2.2, 2.6	
102-37	Stakeholders' involvement in remuneration	2.6	
	Stakeholder Engagement		Art. R225-105 II. A. 3° a)
102-40	List of stakeholder groups	3.5	
102-41	Collective bargaining agreements	3.8.5.3, 3.9.1	Art. L225-102-1 III.

GRI and DPEF concordance table

GRI Standard Disclosure / Description GRI Standard		Universal Registration Document Sections	Correspondence DPEF
102-42	Identifying and selecting stakeholders	3.5	
102-43	Approach to stakeholder engagement	3.5	
102-44	Key topics and concerns raised	3.5	
	Reporting Practice		
102-45	Entities included in the consolidated financial statements	3.9.2, 5	Art. L225-102-1 III.
102-46	Defining report content and topic boundaries	3.9.2	
102-47	List of material topics	3.3.4	
102-48	Restatements of information	3.9.1, 3.9.2	
102-49	Changes in reporting	3.2.2, 3.9.2	
102-50	Reporting period	3.9.2	
102-51	Date of most recent report	3.9.2	
102-52	Reporting cycle	3.9.2	
102-53	Contact point for questions regarding the report	3.9.2	
102-55	GRI content index	3.9.3	
102-56	External assurance	3.9.4	Art. L225-102-1 V.
103	Management approach	3.1, 3.6, 3.7, 3.8, 3.9	Art. R225-105 I. 2° & 3°
200	Economic		
201	Economic Performance		
201-1	Direct economic value generated and distributed	3.1, 4, 5	
201-2	Financial implications and other risks and opportunities due to climate change	3.3	Art. L225-102-1 III.
203	Indirect Economic Impacts		
203-1	Infrastructure investments and services supported	3.7.2	
203-2	Significant indirect economic impacts	3.7.2	Art. R225-105 II. A. 3° a)
205	Anti-Corruption		Art. L225-102-1 III. Art. R225-105 II. B. 1°
205-1	Operations assessed for risks related to corruption	3.2.4.2, 3.3	
205-2	Communication and training about anti-corruption policies and procedures	3.2.4.2	

GRI Standard Disclosure / Description GRI Standard		Universal Registration Document Sections	Correspondence DPEF
300	Environmental		Art. L225-102-1 III. Art. R225-105 II. A. 2° a)
301	Materials		Art. R225-105 II. A. 2° c) ii)
301-1	Materials used by weight or volume	3.6.2.1, 3.9.1	
301-2	Recycled input materials used	3.6.4.2, 3.9.1	
301-3	Reclaimed products and their packaging material	3.6.4.3, 3.9.1	
302	Energy		Art. R225-105 II. A. 2° c) ii)
302-1	Energy consumption within the organization	3.6.5.2, 3.9.1	
302-3	Energy intensity	3.6.5.2, 3.9.1	
302-4	Reduction of energy consumption	3.6.5.2	
302-5	Reductions in energy requirements of products and services	3.6.5.2	
303	Water and Effluents		
303-5	Water consumption	3.6.5.1, 3.9.1	Art. R225-105 II. A. 2° c) ii)
305	Emissions		Art. R225-105 II. A. 2° b) & d)
305-1	Direct (Scope 1) GHG emissions	3.6.6.1, 3.9.1	
305-2	Energy indirect (Scope 2) GHG emissions	3.6.6.1, 3.9.1	
305-3	Other indirect (Scope 3) GHG emissions	3.6.6.2, 3.9.1	
305-4	GHG emissions intensity	3.6.6.1, 3.9.1	
305-5	Reduction of GHG emissions	3.6.6	
306	Waste		Art. R225-105 II. A. 2° c) i)
306-2	Waste by type and disposal method	3.6.4.1, 3.9.1	
308	Supplier Environmental Assessment		Art. R225-105 II. A. 3° b)
308-1	New suppliers that were screened using environmental criteria	3.7.1.1	
308-2	Negative environmental impacts in the supply chain and actions taken	3.7.1.1	
400	Social		Art. L225-102-1 III.
401	Employment		
401-1	New employee hires and employee turnover	3.9.1	Art. R225-105 II. A. 1° a)
402	Labor / Management Relations		
402-1	Minimum notice periods regarding operational changes	3.8.5.4	
403	Occupational Health and Safety		Art. R225-105 II. A. 1° c)
403-1	Occupational health and safety management system	3.8.1	
403-2	Hazard identification, risk assessment, and incident investigation	3.3, 3.8.1	
403-3	Occupational health services	3.8.2	
403-5	Worker training on occupational health and safety	3.8.1, 3.8.4.2	
403-6	Promotion of worker health	3.8.2	
403-8	Workers covered by an occupational health and safety management system	3.8.1	
403-9	Work-related injuries	3.8.1, 3.9.1	Art. R225-105 II. A. 1° c)
403-10	Work-related ill health	3.8.2, 3.9.1	Art. R225-105 II. A. 1° c)
404	Training and Education		Art. R225-105 II. A. 1° e)
404-1	Average hours of training per year per employee	3.9.1	
404-2	Programs for upgrading employee skills and transition assistance programs	3.8.4.2	
404-3	Percentage of employees receiving regular performance and career development reviews	3.8.4.1, 3.9.1	

GRI and DPEF concordance table

GRI Standard Disclosure / Description GRI Standard		Universal Registration Document Sections	Correspondence DPEF
405	Diversity and Equal Opportunity		Art. L225-102-1 III. Art. R225-105 II. A. 1° f)
405-1	Diversity of governance bodies and employees	3.8.3, 3.9.1	
407	Freedom of Association and Collective Bargaining		Art. R225-105 II. A. 1° d)
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	3.8.5.3	
412	Human Rights Assessment		Art. L225-102-1 III. Art. R225-105 II. B. 2°
412-2	Employee training on human rights policies or procedures	3.2.4, 3.9.1	
413	Local Communities		Art. R225-105 II. A. 3° a)
413-1	Operations with local community engagement, impact assessments, and development programs	3.7.2, 3.9.1	Art. L225-102-1 III.
414	Supplier Social Assessment		Art. R225-105 II. A. 3° b)
414-1	New suppliers that were screened using social criteria	3.7.1	
414-2	Negative social impacts in the supply chain and actions taken	3.7.1	
416	Customer Health and Safety		Art. R225-105 II. A. 3° c)
416-1	Assessment of the health and safety impacts of product and service categories	3.6.2, 3.6.3, 3.9.1	
417	Marketing and Labeling		
417-1	Requirements for product and service information and labeling	3.6.2.2	

3.9.4 Report of Independent Third-Party Organization

Report by one of the Statutory Auditors, appointed as independent third party, on the consolidated non-financial statement

This is a free English translation of the Statutory Auditors' Report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France

To the shareholders,

In our capacity as Statutory Auditor of your company (hereinafter the "entity") appointed as independent third party, and accredited by the French Accreditation Committee (Comité Français d'Accréditation or COFRAC) under number 3-1049¹, we hereby report to you on the consolidated non-financial statement for the year ended 31 December 2019 (hereinafter the "Statement"), included in the Group Management Report pursuant to the requirements of articles L.225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (Code de commerce).

Responsibility of the entity

The Board of Directors' is responsible for preparing the Statement, including a presentation of the business model, a description of the principal non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators.

The Statement has been prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), the main elements of which are presented in the Statement (or which are available upon request at the entity's head office).

Independence and quality control

Our independence is defined by the requirements of article L.822-11-3 of the French Commercial Code and the French Code of Ethics (Code de déontologie) in our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and French professional guidance.

Responsibility of the Statutory Auditor appointed as independent third party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- > the compliance of the Statement with the requirements of article R. 225-105 of the French Commercial Code;
- > the fairness of the information provided in accordance with article R.225-105 I, 3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").

However, it is not our responsibility to comment on the entity's compliance with other applicable legal and regulatory requirements, in particular the French duty of care law and anti-corruption and tax avoidance legislation nor on the compliance of products and services with the applicable regulations.

Nature and scope of our work

The work described below was performed in accordance with the provisions of Article A.225-1 et seq. of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes or CNCC) applicable to such engagements and with ISAE 3000 (international standard on assurance engagements other than audits or reviews of historical financial information):

- > We obtained an understanding of all the consolidated entities' activities, and the description of the principal risks associated;
- > We assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- > We verified that the Statement includes each category of social and environmental information set out in article L.225-102-1 III as well as information regarding compliance with human rights and anti-corruption and tax avoidance legislation;
- > We verified that the Statement provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks and includes, where applicable, an explanation for the absence of the information required under article L.225-102-1 III, paragraph 2 of the French Commercial Code;
- > We verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as its their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- > We referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix ; concerning certain risks², our work was carried out on the consolidating entity, for the other risks, our work was carried out on the consolidating entity and on a selection of entities³;
- > We verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code within the limitations set out in the Statement;

¹ Accreditation scope available at www.cofrac.fr

² Social Duty of care ; Societal Duty of care ; Site damage and disruption ; Business ethics ; Fiscal ; IT & Cybersecurity ; Supplier dependency ; Flooring market changes.

³ Tarkett d.o.o. (Serbia) ; Tarkett SEE DOO (Serbia) ; Tarkett AB (Sweden) ; Tarkett Vinisin TOV (Ukraine).

Report of Independent Third-Party Organization

- > We obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information;
- > For the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix, we implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
 - tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities¹ and covers between 13% and 19% of the consolidated data selected for these tests;
- > We assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities.

We believe that the work carried out, based on our professional judgment, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

Means and resources

Our work was carried out by a team of five people between July 2019 and February 2020 and took a total of ten weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted about twenty interviews with the people responsible for preparing the Statement.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the non-financial statement is not presented in accordance with the applicable regulatory requirements and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Paris-La Défense, February 13, 2020

KPMG S.A.

Renaud Laggiard, Partner

Fanny Houlliot, Partner Sustainability Services

¹ Tarkett d.o.o. (Serbia) ; Tarkett SEE DOO (Serbia) ; Tarkett AB (Sweden) ; Tarkett Vinisin TOV (Ukraine).

Appendix**Qualitative information (actions and results) considered as most significant**

- > Measures taken for the safety of employees
- > Actions against discrimination
- > Internal talent and competency management process
- > Measures taken in favor of the circular economy
- > Environmental certifications and awards for production sites
- > Products distributed with sustainable raw material supply chain
- > Actions for the reduction of harmful chemicals in products
- > Local actions to reduce energy consumption and associated CO₂ emissions
- > Production site emergency response plans
- > Promotion of good practices throughout the supply chain
- > Actions in favor of product transparency
- > Policies to ensure business ethics and integrity

Key indicators and other quantitative results considered as most significant

- > Total headcount at period end and its distribution by gender, age and geographical localisation
- > Number of employee hires
- > Total number of employee departures
- > Training hours
- > Frequency rate of work accidents with lost time
- > Accident severity rate
- > Absentee rate
- > Percentage of female top senior executives
- > Energy consumption (electricity, natural gas, fuel, biomass)
- > Water consumption
- > Quantity of non-recycled waste
- > Quantity of post-installation or post-consumer products collected
- > Percentage of flooring products without phthalate
- > Production volume
- > Greenhouse Gases emissions due to the energy consumption
- > Share of low Volatile Organic Compound (VOC) emission products
- > Share of raw materials for which Cradle to Cradle material assessment has been performed
- > Volume of raw materials of recycled origin
- > Share of raw materials at the start of supply chain which do not contribute to resource scarcity
- > Percentage of raw materials purchased from suppliers committing to United Nations Global Compact

Appendix

List of Cradle to Cradle® (C2C) certifications

C2C Certifications

Product Categories	Product references	Certification Level
Carpet	Desso EcoBase® PA6 Solution Dyed Carpet Tiles Gold	Gold
	EcoBase® Carpet Tile Backing	Gold
	Desso® Axminster Gold	Gold
	EcoBase™ PA 6 Continuous Dyed Carpet Tiles	Silver
	EcoBase™ PA 6 Solution Dyed Carpet Tiles	Silver
	EcoBase™ PA 6.6 Continuous Dyed Carpet Tiles	Silver
	ethos® Modular Tile with Omnicoat Technology	Silver
	Continuous Dyed Broadloom	Bronze
	Desso® PA6 Continuous Dyed Carpet Tiles	Bronze
	Desso® PA6 Solution Dyed Carpet Tiles	Bronze
	PA6 Solution Dyed Carpet Tiles	Bronze
	Solution Dyed Broadloom	Bronze
Resilient flooring	iQOne	Gold
	iD Revolution	Gold
Linoléum	Linoleum Originale Collection	Gold
	LinoWall	Silver
	Tarkett Linoleum Flooring	Silver
Rubber	Johnsonite Rubber Wall Base (BaseWorks®)	Silver
	Johnsonite Rubber Tile and Sheet	Bronze
Artificial Turf	FieldTurf, EasyTurf et gammes de produits de la marque Desso	Bronze
Wood	Parquet	Silver

C2C Material Health Certificates

Product Categories	Product references	Certification Level
Anti-soil	Eco-Ensure	Platinum
Adhesives	Tandus Centiva B- 19 Adhesive	Platinum
	Tandus Centiva C- 56 Floor Primer	Platinum
	Tarkett 959 Vinyl Tile and Plank Adhesive	Platinum
	Tarkett 901 Resilient Flooring Spray Adhesive and Sports HS Spray Adhesive	Platinum
	Tarkett Resilient Flooring Adhesives	Platinum
	Tandus Centiva C-12e Pressure Sensitive Adhesive	Silver
	Tandus Centiva C-14e Pressure Sensitive Adhesive	Silver
	Tandus Centiva C-TR Adhesive	Silver
	Tarkett C-EX Pressure Sensitive Adhesive	Silver
	Tarkett RollSmart Adhesive	Bronze
Resilient flooring	iQOne	Platinum
Rubber	BaseWorks® Thermoset Rubber Wall Base	Silver
	Tarkett Rubber Tile collection	Bronze

ICPE Production Sites in France (Classified Installations for Environmental Protection) – Sedan and Auchel sites

In France, ICPE refers to 'Installations Classées pour la Protection de l'Environnement' – Classified Installations for Environmental Protection.

The vinyl production facility in Sedan, France is ranked as an Authorization-level Classified Installation by a Prefectural Decree of July 2008 in particular for sections with regard to the processing and storage of plastic materials. Hence the site is subject to "Authorization" for sections:

- > 2450-2-a – Rotogravure printing;
- > 2663-2-b – Storage of polymers (for its finished products);
- > 2662-2 – Storage of polymers (for its raw materials).

The Sedan site has entrusted its regulatory surveillance to a specialized firm which enables it to identify evolutions in ICPE regulations. In particular, the site communicated all elements to the authorities concerning the new 3000 and 4000 ICPE sections. The site is organized in case of a major fire or pollution disaster thanks to an Internal Operation Plan (POI) and an internal team of firemen capable of intervening 24 hours a day and 7 days a week.

The site organization complies with the highest standards. Hence, the site is certified for the following standards: ISO 9001 (Quality), ISO 14001 (Environment), ISO 50001 (Energy) and OHSAS 18001 (Health & Safety), and has maintained the bronze WCM level in July 2019.

Thanks to a proactive policy, the site has considerably reduced its environmental impact. Since 2011, industrial VOC (Volatile Organic Compounds) emissions and water consumption have been divided by 3, and non-recyclable waste divided by 5.

To achieve this, the site uses a structured method for analyzing and reducing environmental impacts.

Finally, to protect the environment from accidental pollution, the site has set up oil separators on storm water discharges and a system that continually analyzes the pollution level on industrial water outputs.

Artificial turf production facility in Auchel: The authorization request to operate the Auchel site (France) was validated by the Préfecture (territorial authorities) on 17/03/2017. The Auchel site factory installations are subject to the registration scheme. The nomenclature version considered to carry out this classification is version 27.01 (October 2015). Accordingly, the site is now subject to registration for sections 2661.1.b and 2661.2.a – Transformation of polymers. The following sections were moreover classified as being subject to declaration (the regulatory level below Registration):

- > 2662.3 – Storage of polymers;
- > 2663.2.b – Storage of tires and products of which a minimum of 50% of the total unit weight is composed of polymers;
- > 4719.2 – Acetylene storage;

List and justification of non-material CSR topics

The CSR topics listed in the below table are not highly material for Tarkett and were therefore not developed in the CSR report.

CSR Topic	Justification of low materiality for Tarkett
Biodiversity	Tarkett does not operate in areas of high biodiversity value such as natural protected areas, and does not develop new activities in pristine areas. As such, our activities do not have a direct impact on sensitive biodiversity features. We can however have an indirect impact on biodiversity, e.g. through natural resources consumption, air emissions or waste generation – topics which are duly addressed in the CSR report.
Air emissions (other than greenhouse gases)	Our main focus in terms of air emissions is on greenhouse gases (GHG) due to their global impact on climate change. Some actions implemented to reduce GHG emissions (such as improvement of energy efficiency, development of renewable energies, etc.) in turn reduce emissions of other air pollutants such as nitrogen oxides (NO _x), sulphur oxides (SO _x) or particulate matters (PM). Most of our direct emission sources (e.g. boilers) at our manufacturing sites use natural gas as fuel, thus leading to minimal SO _x and PM emissions. We monitor our air emissions as per regulatory requirements to confirm compliance with applicable emissions standards for other pollutants such as NO _x .
Wastewater discharges	Our main focus is to reduce water consumption, by implementing closed-loop water systems or manufacturing processes which do not consume any water (topic addressed in the CSR report). This in turn minimizes the volume of wastewater discharges at our manufacturing sites. In terms of pollutants, we monitor our wastewater discharges as per regulatory requirements to confirm compliance with applicable standards.
Noise and other nuisances	At our manufacturing sites, we measure boundary noise as per regulatory requirements to confirm compliance with applicable standards and to ensure that we minimize the nuisances for our neighbors. Complaints regarding noise or other nuisances (e.g. odors, lighting, smoke), which very rarely occur, are discussed with the complainant, investigated and subject to appropriate corrective actions as relevant.
Food wastage	Food waste is limited to restaurant services and is managed by external suppliers with their own action plan.
Environmental incidents	Our activities are not likely to generate catastrophic environmental incidents such as a significant oil or chemical spill. We however have emergency response plans in place at our manufacturing sites, which include environmental emergencies. We systematically report and investigate environmental incidents.
Child labor	Tarkett does not operate in countries with a high risk of child labor. Our internal policies and our Code of Ethics completely prohibit child labor.
Rights of indigenous people	Tarkett activities do not involve direct impact or relationship with indigenous people (such as resettlement, land acquisition, etc.).
Combat against food insecurity, respect of animal welfare, responsible, fair and sustainable food supply	These topics are not applicable to Tarkett activities (topics included in the French regulations on non-financial statement – DPEF further to the publication in October 2018 of law n° 2018-938 on balanced trade relations in the agricultural and food sectors and on healthy and sustainable food supply accessible to all).



Tarkett

Head Office
1 Terrasse Bellini - Tour Initiale
92919 Paris La Défense - France

www.tarkett.com

Solutions At Work

CITY OF SAN FRANCISCO

Raising
the bar on
sustainable
carpet.



“The development of the city of San Francisco’s carpet purchasing regulation was a lengthy and iterative process. Tarkett staff were responsive and very helpful in providing a substantial amount of information and documentation to verify environmental claims.”

Jen Jackson
Toxics Reduction &
Healthy Ecosystems
Program Manager

Healthier
materials.
Healthier
spaces.

We spend more than 90% of our time indoors, so it’s vital for building materials to contribute to our health and wellbeing. Since 2010, Tarkett has been working toward designing our resilient and soft surface products so they actually contribute to better indoor air quality. In fact, we have the industry’s most extensive inventory of Cradle to Cradle™ certifications, and many of our products now have emissions that are 10 to 100 times below the strictest TVOC standards in the world. So when the City of San Francisco strengthened their specifications for people- and planet-friendly carpet, Tarkett was ready with solutions.



In 2018, the city of San Francisco adopted a comprehensive carpet regulation with minimum recycled content requirements and prohibitions on a long list of hazardous chemicals, including highly fluorinated compounds. San Francisco’s strict new requirements cover every detail throughout a carpet’s lifecycle, from manufacturing to installation to maintenance. As shown below, Tarkett’s Tandus Centiva branded **ethos® Modular with Omnicoat Technology™** met or exceeded every requirement.

SPECIFICATIONS	ethos® Modular with Omnicoat Technology™
<i>Carpet Tiles</i>	
Cradle to Cradle Silver v3.1	•
No added antimicrobials	•
No phthalates	•
No halogenated flame retardant chemicals	•
No formaldehyde or precursors	•
Health Product Declaration (HPD)	Third-party verified Material Health Statements that provide health & environmental hazard and risk assessments of every ingredient
Declare Label	•
Environmental Product Declaration (EPD)	•
Green Label Plus Certification	•
45% total recycled content; 10% post-consumer	47-75%; 28% post-consumer
<i>Face Fiber</i>	
Type 6 or 6,6 nylon	•
No PFAS-based anti-stain	Eco-Ensure - a non-fluorinated soil protection technology
<i>Backing</i>	
No cushion backing	•
Free of polyurethane, PVC, etc.	•
<i>Adhesive</i>	
Cradle to Cradle Bronze v3.1	•
Green Label Plus Certification	•

About ethos® Modular with Omnicoat Technology™

The hard carpet backing for ethos Modular with Omnicoat Technology is made with post-consumer PVB—a film recycled from old windshields and safety glass. Beyond its numerous environmental benefits, ethos® Modular with Omnicoat Technology also eliminates installation problems before they happen. Its breakthrough, proprietary coating creates a chemical barrier that works on any adverse flooring substrate—from green and chemically abated concrete to old adhesives. And as long as there’s no evidence of standing liquids or staining, ethos eliminates the need for moisture, pH and MVER testing when installed with TarkettTAPE™. This simple solution provides faster, smoother, safer installations and finished spaces—without losing time and money on testing and mitigation.

None of our work in Doing Good is possible alone. Doing Good — Together is an open invitation — to our customers, our peers, our industry — in creating a healthy, beautiful, sustainable world.

How can we help you in Doing Good?



DESIGNING FOR LIFE

Developing products based on Cradle to Cradle® principles that contribute to people friendly spaces AND respect the planet's natural capital.



CLOSING THE LOOP

Building a circular economy inclusive of programs and business models that encourage take back, reuse, recycling and elimination of waste.



DRIVING COLLABORATION

Inviting others to join us in Doing Good through education, collaboration, transparency and communication.

Tarkett North America

30000 Aurora Rd.
Solon, OH 44139
800.899.8916

www.tarkettna.com

08464
4/2018

MASTER SUPPLY AGREEMENT

Contract # _____

This Master Supply Agreement (hereinafter referred to as "Agreement") is made and entered into as of the ____ day of _____, 2020 (hereinafter referred to as "Effective Date"), by and between **Tarkett USA Inc.**, a Corporation organized and existing under the laws of the State of Delaware, whose address is 30000 Aurora Road, Solon, OH 44139 (hereinafter referred to as "Supplier"), and _____ (hereinafter referred to as "Buyer") on its own behalf and on behalf of its Affiliates. Supplier and Buyer may be singularly referred to as "Party" and collectively referred to as "Parties."

1. Definitions.

- A. Agreement shall mean this Master Supply Agreement.
- B. Confidential Information shall mean this Agreement and as further defined in Section 15.
- C. Disclosing Party shall mean the Party providing the Confidential Information to the Receiving Party herein.
- D. Effective Date shall mean the date this Agreement was entered into as reflected in the preamble above.
- E. Product shall mean any flooring material, wall base, adhesive, sundries, or any other material being purchased by Buyer under this Agreement.
- F. Receiving Party shall mean the Party receiving the Confidential Information from the Disclosing Party herein.
- G. Renewal Term shall mean any number of unlimited 1-year periods upon which this Agreement shall automatically renew, unless otherwise terminated hereunder.
- H. Term shall mean the period of time this Agreement is in effect from the Effective Date through the initial period of three (3) years.

2. **Prior Agreements.** The Parties herein affirm that this Agreement and the Exhibits attached hereto shall supersede any previous written and/or oral agreements and/or understandings between them relating to the subject matter hereof. This Agreement shall preside over any terms and/or conditions of any purchase order, statement of work, proposal, and/or acknowledgement.

3. **Termination of Agreement.** Either Party herein may terminate this Agreement without cause at any time upon 30-days prior written notice to the other Party. However, such termination shall not affect Buyer's purchase order(s)/statement(s) of work that have been accepted by Supplier prior to receipt of a notice of termination from Buyer. Any such purchase order(s)/statement(s) of work shall be fully performed by the Parties, unless otherwise mutually agreed to in writing, with the understanding that any pending purchase order(s) shall be subject to the provisions of Section 7 set forth below.

4. **Agreement to Supply Product(s).** During any Term, Supplier agrees to supply to Buyer the Product(s) described in Exhibit A, attached hereto and incorporated herein by reference, subject to this Agreement. Supplier shall have no liability to Buyer for adding or deleting any product from those listed on

Exhibit A. In the event that raw material suppliers should eliminate the availability of certain components required in the manufacture of the product, Supplier will make commercially reasonable efforts to provide an acceptable substitution. Supplier shall provide the Buyer with 30-days prior written notice of any Product additions and/or drops.

5. **Orders.**

A. All purchase orders shall be subject to the acceptance of Supplier, availability of inventory, production schedules, and shipment sequences, and shall be governed exclusively by this Agreement and the terms and conditions of applicable Supplier invoices. The terms and conditions of any purchase order shall not be binding upon Supplier or supersede, amend, or alter this Agreement. Orders will be subject to Supplier's normal preproduction lead times, based upon receipt and acceptance of the Buyer's purchase orders by Supplier.

B. Supplier is a made-to-order manufacturer. Buyer may cancel any portion of a purchase order for standard running line products, or the whole thereof, that has not been shipped, but may be subject to a restocking fee. Material that has already been shipped may be returned, only with the prior written approval of Supplier, but may be subject to restocking fees and any return freight incurred.

C. The Parties agree that there shall be no cancellation or return of Custom Product orders.

6. **Pricing.** Product pricing will be held for a period of twelve (12) months from the Effective date. Thereafter, pricing will be reviewed annually, and any change in pricing shall not exceed 5% in any 12-month term. After the initial 12-month term, Supplier may modify or amend product pricing with 30 days prior written notice to Buyer. If a purchase order is mailed or otherwise placed during said 30-day period, the prior price shall prevail.

7. **Invoicing/Payment:** Invoices will be issued for Products when they are shipped. If Buyer utilizes Supplier's Source One turnkey services, the invoice for the turnkey services shall be issued after those services are complete, or in the case of a phased project, at the end of each phase of the project. Payment terms for purchases of Products and/or services under this Agreement shall be Net 30 days from the date of invoice.

8. **Deliveries and Installation.**

A. Supplier will use commercially reasonable efforts to comply with the production and delivery date of the purchase order(s). However, failure by Supplier to meet the target delivery date will not be a breach of this Agreement.

B. All Product shipments shall be F.O.B. Origin, or Distributor's warehouse, as applicable. Freight charges and insurance shall be the responsibility of Buyer. Freight shall be prepaid and transportation charges added to the invoice as a separate line item.

C. Risk of loss shall pass to Buyer upon delivery of the Product to the carrier. In the event Buyer's shipment should be lost or damaged during shipment, Supplier shall promptly replace said material and ship the replacement order as expeditiously as possible at no cost to the Buyer. Supplier shall file any claims with the carrier on behalf of the Buyer for prepaid shipments.

D. Installation of Products shall be the responsibility of Buyer. Installation must be performed according to approved Supplier procedures and maintained in accordance with Supplier's approved maintenance and cleaning procedures. Buyer may elect to purchase Supplier's Source One turnkey installation services under terms mutually agreed upon.

9. **Warranty.**

A. To maintain a product's warranty, Products must be properly installed on correctly prepared surfaces using Supplier's approved procedures and adhesives and maintained in accordance with Supplier's approved procedures.

B. Supplier has developed a network of distributors across the globe that has been certified to supply, deliver, and install its products and provide services. These firms are independent third parties.

C. Buyer's exclusive remedy shall be as set forth in the applicable limited express warranty for the Product purchased by Buyer. Buyer shall not be entitled to withhold payment of any sums owing to Supplier because of any breach of warranty by Supplier.

D. EXCEPT AS SPECIFICALLY PROVIDED FOR IN SUPPLIER'S LIMITED EXPRESS WARRANTY, SUPPLIER MAKES NO WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED. ALL IMPLIED WARRANTIES WHICH MAY ARISE BY LAW, IMPLICATION OF LAW OR APPLICATION OF COURSE OF DEALING OR USAGE OF TRADE INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE ARE EXPRESSLY DISCLAIMED AND EXCLUDED. ANY ORAL STATEMENTS ABOUT THE MERCHANDISE DESCRIBED HEREIN ARE NOT WARRANTIES, SHOULD NOT BE RELIED UPON BY THE CUSTOMER, DO NOT FORM ANY PART OF THE BASIS OF THE BARGAIN, AND ARE NOT PART OF THIS OR ANY OTHER LIMITED WARRANTY. NO AGENT, DISTRIBUTOR OR REPRESENTATIVE OF SUPPLIER, EXCEPT AN AUTHORIZED OFFICER OF SUPPLIER, SHALL HAVE AUTHORITY TO AGREE TO ANY TERM, CONDITION OR PROVISION INCONSISTENT HERewith OR NOT CONTAINED HEREIN. IN NO EVENT SHALL SUPPLIER BE LIABLE TO BUYER FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, DAMAGES OR LOSS OF PROFIT FOR CONTEMPLATED USE.

10. **Claims.** Buyer shall be deemed to have irrevocably accepted the Product purchased by it hereunder and its right to reject or revoke acceptance of the Product shall be waived unless a written claim is submitted to Supplier by Buyer within 3 days after delivery of the Product. Upon such acceptance, Buyer's obligation to pay shall be absolute; provided, however, Buyer shall retain all rights, remedies, and obligations arising under the Limited Warranty more particularly set forth in Section 9 above as to Product(s) later determined to be nonconforming.

11. **Notices.** Unless otherwise provided for in this Agreement, all notices given hereunder shall be in writing and mailed by regular first-class mail or expedited mail service, postage prepaid, or delivered by email, and addressed to the Parties at the addresses set forth below or at such other addresses as the Parties may designate by written notice in the previously mentioned manner.

TO BUYER: _____

TO SUPPLIER: Tarkett USA Inc.
Attn: Legal Department
30000 Aurora Road
Solon, Ohio 44139

12. **Default.** Except as otherwise expressly provided in this Agreement, upon default by either Party with respect to any provision of this Agreement, or any invoice, purchase order, or other agreement entered into by the Parties in connection with this Agreement, which default continues unresolved for a period of 30 days after written notice to the defaulting Party by the non-defaulting Party, the non-defaulting Party shall have the right to immediately terminate this Agreement and any and all other remedies available to it provided by law, all such remedies being cumulative.

13. **Force Majeure.** Neither Supplier nor Buyer shall be considered in default of any obligations under this Agreement to the extent that the performance thereof is delayed or rendered impossible by acts of God or a public enemy, expropriation, or confiscation of facilities by governmental or military authorities, changes in laws, war, acts of terrorism, rebellion, sabotage or riots, fire, storm, flood, unusually severe weather that could not reasonably have been anticipated, explosion, strikes, walkouts, or other industrial disturbances, or any other cause, whether of the same or of a different nature, which is beyond the reasonable control of such Party.

14. **Assignment.** Neither Buyer nor Supplier shall assign this Agreement, without the prior written consent of the other Party as provided for herein, which consent shall not be unreasonably withheld. This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns.

15. **Confidentiality.**

A. The Parties to this Agreement acknowledge that each may, from time to time, acquire information about the other concerning its business activities, business operations, technical information, and/or trade secrets all of which are proprietary and confidential (“Confidential Information”). Each Party hereby agrees that: (i) all Confidential Information remains the exclusive property of the Disclosing Party; (ii) the Receiving Party shall maintain and cause its employees to maintain, the confidentiality and secrecy of the Disclosing Party’s Confidential Information. The Receiving Party shall return or destroy all copies of the Disclosing Party’s Confidential Information upon request of the Disclosing Party.

B. Confidential Information shall not include information to the extent it: (i) is or becomes a part of the public domain through no act or omission on the part of the Receiving Party; (ii) is disclosed to third parties by the Disclosing Party without restriction of such third parties; (iii) is in the Receiving Party’s possession, without knowledge of an obligation of confidentiality; (iv) is independently developed by the Receiving Party without reference to the Disclosing Party’s Confidential Information. The Party claiming any of the above exceptions has the burden of proving the applicability.

C. All Confidential Information shall not be used by the Receiving Party for its own benefit or purposes or for the benefit or purposes of any other third person or entity without first obtaining written consent from the Disclosing Party. Neither Party will remove or deface any notice of copyright, trademark, logo or other proprietary notice of the other Party appearing on any original or copy of the other Party’s Confidential Information. Each Party acknowledges that the foregoing covenants are reasonable and necessary to protect the other Party and its business. If either Party engages in any activity in violation of the restricted use and disclosure obligations, it being understood that the other Party will be irreparably harmed and have no adequate remedy in money or damages, the other Party shall, in addition to any other remedies available to it, be entitled to an injunction, without bond, by any competent court enjoining and restraining the Party from continuance of such activity. Additionally, if either Party engages in any activity in violation of the provisions of this Section 15, that Party agrees to indemnify and hold harmless the other Party from any losses, and/or expenses incurred by the other Party as a result of such violation. If either Party becomes legally obligated to disclose any of the other Party’s Confidential Information, the Party subject to the obligation shall notify the other Party in writing promptly and shall cooperate with the other Party at the other Party’s expense in seeking a protective order or other appropriate remedy.

16. **Modification.** No modification, amendment, or waiver of any of the provisions herein contained shall be binding upon either Party unless it is made in writing and signed by authorized representatives of both Parties.

17. **Governing Law.** This Agreement shall be governed, construed, and enforced under the laws of the State of Georgia without regard to its choice of law principles. Any action brought between the parties related to or arising from this Agreement will be resolved in the federal and/or state courts, as applicable, located in the State of Georgia and the Parties consent to the exclusive jurisdiction in these courts.

18. **Compliance with Applicable Law.** Both Parties hereby agree at all times to comply with all applicable terms, provisions, regulations and rulings relative to all federal, state, and local laws.

19. **Hazardous Materials.**

A. Should Buyer elect to utilize the services of Supplier's Source One turnkey installation services, pursuant to 29 CFR 1926.1101, Buyer is responsible for submitting to Supplier an Asbestos Hazard Emergency Response Act ("AHERA") report prior to commencement with any floor material or floor adhesive removal. Neither Supplier nor its installers are responsible for the handling, removal, or abatement of asbestos contained floor material or adhesive.

B. If Supplier becomes aware of hazardous materials, structural, or latent defects in the installation site, Supplier shall act in accordance with the standards of a prudent service provider and shall promptly notify Buyer of such matter.

20. **Severance and/or Waiver.** Should any provision or part of this Agreement be held unenforceable or invalid, any part so held unenforceable or invalid shall be severed from this Agreement and the enforceability and validity of all other parts or provisions of this Agreement shall not be affected by such severance. No delay by either Party in exercising any right or remedy under this Agreement shall operate as a waiver thereof, nor will any single or partial exercise of any right or remedy preclude any other or further exercise thereof or the exercise of any other right or remedy.

21. **Entire Agreement.** This Agreement and the Exhibits attached hereto constitute the entire agreement between the Parties with respect to the subject matter and supersedes any and all other agreements or arrangements between the Parties regardless of whether such agreements are verbal or written and whether or not made before or after the date of this Agreement.

22. **Captions.** The captions of the paragraphs herein are included for purposes of reference only.

IN WITNESS WHEREOF, the Parties herein have caused this Agreement to be executed by their duly authorized representatives.

COMPANY NAME, INC.

TARKETT USA INC.

By: _____
Printed Name: _____
Title: _____
Date: _____, 20

By: _____
Printed Name: Jeff Fenwick
Title: Chief Operating Officer
Date: _____, 20

EXHIBIT A

**CONFIDENTIAL
Product & Pricing
for**

Effective: _____, 201_

Tandus Contract # _____

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SAMPLE

Customer Name

Tarkett Contract Number:

Customer Contract Number:

Pricing Effective: January 1, 2020 thru December 31, 2020

Terms & Conditions	
Account Representative:	
California AB2398 Carpet Stewardship Assessment Fee	<ul style="list-style-type: none"> Soft surface product pricing does not include the California AB2398 Carpet Stewardship Assessment Fee. This fee will appear as a separate line item on invoices for soft surface products shipped to California locations.
Asbestos Abatement	<ul style="list-style-type: none"> Neither Tarkett nor its installers will be responsible for the handling, removal, or abatement of asbestos contained flooring materials or adhesives. Building Owner must provide an Asbestos Hazard Emergency Response Act (AHERA) report to Tarkett prior to implementation by Tarkett of flooring preparation and/or installation of flooring material for each job. If any chemical stripping agents such as those commonly used in asbestos abatement have been utilized, Tarkett and its installers may require additional measures be taken prior to installation of flooring product.
Pricing	<ul style="list-style-type: none"> Pricing is quoted for material only. Pricing does not include freight or applicable taxes. Pricing shown shall be held for a period of 12 months from effective date of any given term. After this period, any change in pricing will be based on published industry wide materials or internal price increases and shall not exceed 5% in any 12-month term. Product pricing may be modified or amended with 30-days prior written notice to Customer. If Customer's order is mailed or otherwise placed during said 30-day period, the prior price shall prevail.
Minimum Order Requirements	<p>Soft Surface Products:</p> <ul style="list-style-type: none"> Minimum order requirement for Powerbond & Modular Tile running line & Chameleon products is 65 square yards. Minimum order requirement for running line products under the Tarkett Quickship program is 25 square yards for Powerbond & Modular Tile except for: <ul style="list-style-type: none"> Half-tone Transition and Code Transition (20 Square Yards) Plexus Colour IV, Abrasive Action II & Assertive Series (5 Square Yards or one carton of 24" x 24" Modular Tile 6.67 Square Yards) Non-standard styles require a minimum order of 500 square yards. Modular Tile orders are subject to full carton shipments. Orders of 100 square yards or less are subject to an additional one full carton. (6.67 square yards per carton of 24" x 24" Modular Tile) <p>LVT Products:</p> <ul style="list-style-type: none"> LVT products are subject to full carton shipments. <p>Resilient Products:</p> <ul style="list-style-type: none"> \$50 cut charge applicable on sheet cut request. Rubber sheet sold in full roll quantities. Vinyl tile, wall base and adhesives sold in full carton quantities.
Payment Terms	<ul style="list-style-type: none"> Net 30 Days from the date of invoice.
Change Orders	<ul style="list-style-type: none"> Any work not included in the initial scope of work will require a signed change order before work can begin.
Deliveries	<ul style="list-style-type: none"> All available alternatives will be reviewed in an effort to satisfy the customer's product delivery requirements. Tarkett Resilient (not including LVT) products include delivery to a distribution hub, which are located in most areas of the continental United States. Delivery to Authorized Dealers, members job sites, or outside of the continental United States may incur additional fees. On Resilient products, there will be a lift gate delivery charge (where required) based on location and will be charged accordingly.
Floor Preparation	<ul style="list-style-type: none"> Refer to installation instructions on commercial.tarkett.com for the most up to date information. Costs associated with additional floor preparation will be negotiated on a job-to-job basis. Floors must be free of dirt, oil, paint, and excessive moisture in order for the product to perform properly. Please note the MVER, RH & Alkalinity testing must be performed to give an accurate assessment of the concrete condition and the test results/data of each test shall be within acceptable limits. Wet or mechanical removal of all non-water based adhesives is recommended.
FOB	<ul style="list-style-type: none"> Point of Manufacturer or Distribution Hub

Customer Name
Tarkett Contract Number:
Customer Contract Number:
Pricing Effective: January 1, 2020 thru December 31, 2020

Terms & Conditions	
Labor Exclusions	<ul style="list-style-type: none"> Protection of Floors Dumpster Cost Preformed Corners Attic Stock Sales Tax Boding Cost Trip Charges Mats Furniture Moving Materials Border Carpet Carpet Cleaning Stairs Cleaning/Waxing of Resilient Flooring Extensive Floor Preparation Removal & Disposal of Resilient Flooring Night/Weekend Labor Asbestos Abatement
Order Cancellation or Returns	<p>Area Rugs:</p> <ul style="list-style-type: none"> Area rugs are custom made and may not be cancelled. <p>Soft Surface Products:</p> <ul style="list-style-type: none"> Customer may cancel any portion of a purchase order for standard running line products, or the whole thereof, that have not been shipped subject to a restocking fee. Material that has already been shipped may be returned only with prior written approval of an authorized Tarkett representative and may be subject to restocking fees and any return freight incurred. <p>LVT Products:</p> <ul style="list-style-type: none"> Contour, Venue and the Victory Series products are custom made and may not be canceled or returned. Customer may cancel any portion of a purchase order for the Event Series products, or the whole thereof, that have not already been shipped, subject to a 30% restocking fee. Products that have already been shipped may be returned only with prior written approval of an authorized Tarkett representative, and will be subject to a 30% restocking fees and any return freight incurred. <p>Resilient Products:</p> <ul style="list-style-type: none"> Customer may cancel any portion of a purchase order for standard running line products, or the whole thereof, that have not been shipped subject to a restocking fee. Material that has already been shipped may be returned only with prior written approval of an authorized Tarkett representative and may be subject to a minimum 25% restocking fees and any return freight incurred. <p>NOTE: The Parties herein agree that there shall be no cancellation or return for any Custom product orders.</p>
Invoices	<p>Material Only Orders:</p> <ul style="list-style-type: none"> An invoice will be issued upon shipment of the material. <p>Source One Turnkey Projects:</p> <ul style="list-style-type: none"> Material - An invoice will be issued upon shipment of the material. Installation - An invoice will be issued upon completion of installation or as needed for phased installation.
Lead Times	<p>Soft Surface Products:</p> <ul style="list-style-type: none"> Production of material will begin upon the receipt of a signed valid purchase order or a fully executed contract. Quickship Carpets - Allow an average of two weeks for production plus applicable shipping time. Running Line Carpets - Allow an average of six weeks for production plus applicable shipping time. Custom Carpets - Allow an average of eight weeks for production plus applicable shipping time. <p>LVT Products:</p> <ul style="list-style-type: none"> 1 - 3 weeks depending on style <p>Resilient Products (Excluding LVT):</p> <ul style="list-style-type: none"> Rubber Products - 2 - 4 weeks Vinyl Sheet and Tile - 1 - 2 weeks for stocked products, 12 weeks for unstocked products Wall Base - 3 weeks
Title/Risk of Loss	<ul style="list-style-type: none"> Title and Risk of loss shall pass to the Customer upon transfer to the freight carrier. Tarkett shall promptly replace damaged or lost material occurring during transit and ship the replacement order as expeditiously as possible at no cost to the Customer. Tarkett shall file any claims with the carrier on behalf of the Customer for any prepaid shipments.
Warranty	<ul style="list-style-type: none"> Please visit Commercial.tarkett.com for comprehensive warranty terms.

Customer Name

Tarkett Contract Number:

Customer Contract Number:

Pricing Effective: January 1, 2020 thru December 31, 2020

Terms & Conditions									
Overages	<p>Soft Surface Products:</p> <ul style="list-style-type: none">Modular Tile product orders will be accepted for full cartons only. Orders of 100 square yards or less are subject to one additional full carton.Standard Running Line products are subject to the following shippable overage conditions per item ordered:<table><tr><td>500 Square Yards or less</td><td>5%</td></tr><tr><td>501-1,000 Square Yards</td><td>4%</td></tr><tr><td>1,001 - 2,500 Square Yards</td><td>2%</td></tr><tr><td>Over 2,500 Square Yards</td><td>1%</td></tr></table> <p>LVT Products:</p> <ul style="list-style-type: none">All orders will be accepted for full cartons only. <p>Resilient Wall Base and Adhesive Products:</p> <ul style="list-style-type: none">All orders will be accepted for full cartons only. <p>Note: Overages for all products must be shown on the Purchase Order.</p>	500 Square Yards or less	5%	501-1,000 Square Yards	4%	1,001 - 2,500 Square Yards	2%	Over 2,500 Square Yards	1%
500 Square Yards or less	5%								
501-1,000 Square Yards	4%								
1,001 - 2,500 Square Yards	2%								
Over 2,500 Square Yards	1%								
Custom Products	<ul style="list-style-type: none">Custom product constructions and product custom colors are available at negotiated prices.All soft surface custom products are subject to a minimum order requirement based upon the custom product construction and applicable shippable manufacturing overages.Custom Accuweaves - untested patterns require mockups prior to order.Other custom constructions and/or colors may also require mockups prior to order.All custom option orders must be approved by the Tarkett's Product Development and Technical Services departments.Custom Broadloom product orders are subject to a manufacturing overage of 5% or 6 lineal feet, whichever is greater.Modular Tile and Powerbond with a custom color require a \$350 piece dye charge with a minimum order requirement based on the product.The Parties herein agree that there shall be no cancellation or return for custom product orders.All soft surface Custom or dropped product orders are subject to the following shippable overage conditions per item ordered.<table><tr><td>1,000 Square Yards or less</td><td>6%</td></tr><tr><td>1,000 to 2,500 Square Yards</td><td>5%</td></tr><tr><td>2,501 to 5,000 Square Yards</td><td>4%</td></tr><tr><td>Over 5,000 Square Yards</td><td>3%</td></tr></table> <p>Note: Overages for all products must be shown on the Purchase Order.</p>	1,000 Square Yards or less	6%	1,000 to 2,500 Square Yards	5%	2,501 to 5,000 Square Yards	4%	Over 5,000 Square Yards	3%
1,000 Square Yards or less	6%								
1,000 to 2,500 Square Yards	5%								
2,501 to 5,000 Square Yards	4%								
Over 5,000 Square Yards	3%								
NOTES	<ul style="list-style-type: none">All Tarkett products and services not shown are also available. Please contact your Account Representative for more details.Please include product style, color and size on each purchase order as applicable.Please place Tarkett Contract Number on all orders and communications to ensure utilization of the proper pricing as well as for reporting.								

NAME

Tarkett USA Inc

Title

Date

NAME

Date



Powerbond®

Lifetime Limited Warranty

Powerbond styles with nylon face fiber are covered by a non-prorated Lifetime Limited Warranty issued by Tarkett against excessive surface wear, edge ravel, zippering, resiliency loss of backing, and delamination of the secondary backing from the primary backing containing the face fiber. Lifetime is defined as the period of time during which the product is owned and maintained by the original end-use purchaser in the original indoor installation location. Tarkett Powerbond products must be installed in accordance with the appropriate Powerbond Installation & Floor Preparation Instructions and must be maintained in accordance with Tarkett care and maintenance guidelines. The use of Tarkett primers, adhesives, and seam sealers or approved alternatives is required. Failure to conform to these requirements will result in loss of limited warranty coverage.

Moisture and pH testing requirements and limitations are defined in the Tarkett Powerbond Installation & Floor Preparation Instructions for each Powerbond product. Product or installation failure due to moisture or pH levels in excess of the limits set forth in these instructions is specifically excluded from limited warranty coverage.

Chair pads are not required, but are recommended for optimum textural performance. Absent the use of chair pads, more intensive maintenance will be required for areas in direct contact with chair caster traffic, and some degree of appearance change is to be expected. More intensive maintenance will also be required for product installed on stairs, and some degree of appearance change is to be expected.

Soiling visibility is affected by colors and patterns. Information on optimizing your selection can be found at www.tarkettna.com. **Appearance retention is not covered by this limited warranty.**

Excessive surface wear means more than fifteen percent (15%) loss of pile fiber weight measured before and after use.

Resiliency loss means more than ten percent (10%) loss of backing resiliency calculated using average thickness measurements of the backing of the carpet before and after use. Since resiliency recovery is not immediate and may be influenced by temperature and other conditions, thickness must be measured only after a 72-hour conditioning period.

Powerbond products also carry a Lifetime Limited Warranty against excessive static electricity only when installed and maintained in accordance with Tarkett approved procedures. Excessive static electricity means more than 3.0 kilovolts at a relative humidity of 20% and a room temperature of 70 degrees Fahrenheit.

If these products fail to perform as described in this limited warranty, the affected area will be repaired to meet the applicable Tarkett limited warranty provisions. If repair is not commercially practical or possible, Tarkett may, at its sole discretion, replace the affected area or refund the original Tarkett invoice cost for the affected area. If repair or replacement is required, Tarkett reserves the right to utilize an independent qualified labor provider or Tarkett Field Technical personnel. Replacement will be made with a product of comparable cost from the current Tarkett running line of products.

This limited warranty does not cover pile shading, pile crushing, tears, burns, cuts, pilling, matting, damage due to improper installation, improper use, improper maintenance, installation over irregular surfaces, point loads in excess of 150 pounds per square inch or any other damage not expressly covered above and is subject to the applicable Tarkett product tolerances, which are available upon request. **This limited warranty does not cover damage resulting from improper installation or maintenance.** Liability of Tarkett is limited to the actual repair or replacement of the affected area and does not cover incidental or consequential damages. Tarkett is not responsible for any expenses incurred for removal of furniture, partitioning, temporary walls or other fixtures on or around the affected area of the carpet.

All Tarkett Limited Warranty and Maintenance Information can be accessed at www.tarkettna.com or by dialing 800-248-2878.

THE BUYER AND/OR END USER IS SOLELY RESPONSIBLE FOR THE SUITABILITY OF THE MERCHANDISE SELECTED FOR A PARTICULAR APPLICATION. TARKETT SHALL NOT BE RESPONSIBLE FOR THE REPAIR OR REPLACEMENT OF ANY PRODUCTS DAMAGED AS A RESULT OF FORCE MAJEURE, INCLUDING BUT NOT LIMITED TO FIRE, FLOOD, OR OTHER CATASTROPHE, ACTS OF GOD, OR ANY CAUSE BEYOND THE CONTROL OF TARKETT.

ALL IMPLIED WARRANTIES WHICH MAY ARISE BY LAW, IMPLICATION OF LAW OR APPLICATION OF COURSE OF DEALING OR USAGE OF TRADE INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE ARE EXPRESSLY DISCLAIMED AND EXCLUDED. ANY ORAL STATEMENTS ABOUT THE MERCHANDISE DESCRIBED HEREIN ARE NOT WARRANTIES, SHOULD NOT BE RELIED UPON BY THE BUYER, DO NOT FORM ANY PART OF THE BASIS OF THE BARGAIN, AND ARE NOT PART OF THIS OR ANY OTHER LIMITED WARRANTY. NO AGENT, DISTRIBUTOR OR REPRESENTATIVE OF TARKETT, EXCEPT AN OFFICER OF TARKETT, SHALL HAVE AUTHORITY TO AGREE TO ANY TERM, CONDITION OR PROVISION INCONSISTENT HERewith OR NOT CONTAINED HEREIN.

Invoice No.	_____	Company Installed	_____
Product(s)	_____	Color	_____
Project Name	_____	Total Square Yards	_____
Project Address	_____		
Specific Areas Surfaced	_____		
Date Installation Began	_____	Date Installation Completed	_____

Sworn to and subscribed before me,

Authorized Signature

This _____ day of _____ 2019



Modular

Lifetime Limited Warranty

Modular styles with nylon face fiber are covered by a non-prorated Lifetime Limited Warranty issued by Tarkett against excessive surface wear, edge ravel, zippering, resiliency loss of backing, and delamination of the secondary backing from the primary backing containing the face fiber. Lifetime is defined as the period of time during which the product is owned and maintained by the original end-use purchaser in the original indoor installation location. Tarkett Modular products must be installed in accordance with the appropriate Modular Installation & Floor Preparation Instructions and must be maintained in accordance with Tarkett care and maintenance guidelines. The use of Tarkett primers, adhesives, and seam sealers or approved alternatives is required. Failure to conform to these requirements will result in loss of limited warranty coverage.

Moisture and pH testing requirements and limitations are defined in the Tarkett Modular Installation & Floor Preparation Instructions for each Modular product. Product or installation failure due to moisture or pH levels in excess of the limits set forth in these instructions is specifically excluded from limited warranty coverage.

Chair pads are not required, but are recommended for optimum textural performance. Absent the use of chair pads, more intensive maintenance will be required for areas in direct contact with chair caster traffic, and some degree of appearance change is to be expected.

Soiling visibility is affected by colors and patterns. Information on optimizing your selection can be found at www.tarkettna.com. **Appearance retention is not covered by this limited warranty.**

Excessive surface wear means more than fifteen percent (15%) loss of pile fiber weight measured before and after use.

Resiliency loss means more than ten percent (10%) loss of backing resiliency calculated using average thickness measurements of the backing of the carpet before and after use. Since resiliency recovery is not immediate and may be influenced by temperature and other conditions, thickness must be measured only after a 72-hour conditioning period.

Modular products also carry a Lifetime Limited Warranty against excessive static electricity only when installed and maintained in accordance with Tarkett approved procedures. Excessive static electricity means more than 3.0 kilovolts at a relative humidity of 20% and a room temperature of 70 degrees Fahrenheit.

If these products fail to perform as described in this limited warranty, the affected area will be repaired to meet the applicable Tarkett limited warranty provisions. If repair is not commercially practical or possible, Tarkett may, at its sole discretion, replace the affected area or refund the original Tarkett invoice cost for the affected area. If repair or replacement is required, Tarkett reserves the right to utilize an independent qualified labor provider or Tarkett Field Technical personnel. Replacement will be made with a product of comparable cost from the current Tarkett running line of products.

This limited warranty does not cover pile shading, pile crushing, tears, burns, cuts, pilling, matting, damage due to improper installation, improper use, improper maintenance, installation over irregular surfaces, point loads in excess of 150 pounds per square inch or any other damage not expressly covered above and is subject to the applicable Tarkett product tolerances, which are available upon request. **This limited warranty does not cover damage resulting from improper installation or maintenance.** Liability of Tarkett is limited to the actual repair or replacement of the affected area and does not cover incidental or consequential damages. Tarkett is not responsible for any expenses incurred for removal of furniture, partitioning, temporary walls or other fixtures on or around the affected area of the carpet.

All Tarkett Limited Warranty and Maintenance Information can be accessed at www.tarkettna.com or by dialing 800-248-2878.

THE BUYER AND/OR END USER IS SOLELY RESPONSIBLE FOR THE SUITABILITY OF THE MERCHANDISE SELECTED FOR A PARTICULAR APPLICATION. TARKETT SHALL NOT BE RESPONSIBLE FOR THE REPAIR OR REPLACEMENT OF ANY PRODUCTS DAMAGED AS A RESULT OF FORCE MAJEURE, INCLUDING BUT NOT LIMITED TO FIRE, FLOOD, OR OTHER CATASTROPHE, ACTS OF GOD, OR ANY CAUSE BEYOND THE CONTROL OF TARKETT.

ALL IMPLIED WARRANTIES WHICH MAY ARISE BY LAW, IMPLICATION OF LAW OR APPLICATION OF COURSE OF DEALING OR USAGE OF TRADE INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE ARE EXPRESSLY DISCLAIMED AND EXCLUDED. ANY ORAL STATEMENTS ABOUT THE MERCHANDISE DESCRIBED HEREIN ARE NOT WARRANTIES, SHOULD NOT BE RELIED UPON BY THE BUYER, DO NOT FORM ANY PART OF THE BASIS OF THE BARGAIN, AND ARE NOT PART OF THIS OR ANY OTHER LIMITED WARRANTY. NO AGENT, DISTRIBUTOR OR REPRESENTATIVE OF TARKETT, EXCEPT AN OFFICER OF TARKETT, SHALL HAVE AUTHORITY TO AGREE TO ANY TERM, CONDITION OR PROVISION INCONSISTENT HERewith OR NOT CONTAINED HEREIN.

Invoice No. _____ Company Installed _____

Product(s) _____ Color _____

Project Name _____ Total Square Yards _____

Project Address _____

Specific Areas Surfaced _____

Date Installation Began _____ Date Installation Completed _____

_____ Sworn to and subscribed before me,

Authorized Signature This _____ day of _____ 2019



Tarkett Broadloom - ErgoStep®

Limited Warranty

All Tarkett products with ErgoStep Urethane Cushion are covered by a limited warranty issued by Tarkett against excessive surface wear, edge ravel, failure to retain backing resiliency, delamination of the secondary backing from the primary backing containing the face fiber, and excessive static electricity for a period of ten (10) years from the date of manufacturer's invoice. This limited warranty applies only when properly installed on correctly prepared floors using Tarkett approved procedures and adhesives and maintained in accordance with Tarkett approved maintenance and cleaning procedures. This limited warranty ten (10) year coverage remains in effect only so long as the product is owned and maintained by the original end-use purchaser in the original installation location.

Chair pads are required for this warranty to be in full effect.

Soiling visibility is affected by colors and patterns. Information on optimizing your selection can be found at www.tarkettna.com.
Appearance retention is not covered by this limited warranty.

Adhesive and Seam Sealer: In order to maintain applicable limited warranty validation, Tarkett Greenbond™ B-19 Broadloom Adhesive System must be used to adhere the product directly to the correctly prepared substrate. Additionally, all seams and unfinished edges must be sealed utilizing Tarkett C-XL Seam Sealer. The use of Tarkett Broadloom Adhesive System and Tarkett Broadloom Seam Sealer is required in order to maintain applicable limited warranty validation.

EXCESSIVE SURFACE WEAR

Excessive surface wear means more than fifteen percent (15%) loss of pile fiber weight measured before and after use. This limited warranty does not cover appearance retention, matting, crushing, or normal appearance changes in high traffic areas.

EDGE RAVEL

Tarkett warrants that these products will not edge ravel under normal use. All seams must be properly sealed in accordance with CRI Installation Standard 104. Tufts or loops pulled from the body of the carpet or edges where seam adhesive has not been applied are not included in this limited warranty coverage.

BACKING RESILIENCY

Tarkett warrants that these products will retain backing resiliency. Backing resiliency is determined using average thickness measurements of the backing of the carpet before and after use. Since resiliency recovery is not immediate and may be influenced by temperature and other conditions, thickness must be measured only after a 72-hour conditioning period.

DELAMINATION

Tarkett warrants that the secondary backing of these products will not delaminate under normal use. Delamination is defined as any separation of the polyurethane pre-coat from the primary carpet backing, the polyurethane pre-coat from the foam laminating layer, or the foam laminating layer from the outer surface, over a single specific area, in any case where the separation exceeds one hundred (100) square inches.

STATIC PROTECTION

Tarkett warrants that these products will not exhibit static electricity in excess of 3.5 kilovolts as measured by AATCC Test Method 134 at a relative humidity of 20% and a room temperature of 70 degrees Fahrenheit.

If these products fail to perform as described in this limited warranty, the affected area will be repaired to conform to the limited warranty. The affected area(s) refers to the specific area(s) where failure has occurred and does not include the entire installation. If repair is not commercially practical, Tarkett may, at its option, replace the affected carpet or refund the proportional purchase price for the affected area(s) during the first two (2) years of coverage. During this two (2) year period, Tarkett will pay the costs of the carpet, reasonable freight, and labor. Thereafter, Tarkett will pay only the costs of the carpet and reasonable freight. Tarkett is not responsible for any expenses incurred for removal of furniture, partitioning, temporary walls or other fixtures on or around the affected area of the carpet.

This limited warranty does not cover pile shading, pile crushing, tears, burns, cuts, pilling, matting, damage due to improper installation, improper use, improper maintenance, installation over irregular surfaces, gauge consistency, carpet manufactured on different production dates and joined together to form seams, point loads in excess of 150 pounds per square inch or any other damage not expressly covered above and is subject to the applicable Tarkett product tolerances, which are available upon request. Carpet installed on stairs or in areas subject to abnormal foot-traffic use (i.e. golf spikes, other spiked footwear, ski boots, and the like) is excluded. **This limited warranty does not cover damage resulting from improper installation or maintenance.**

Carpet must be adhered directly to the substrate utilizing a premium multi-purpose floor adhesive and remain adhered to the substrate during the duration of the Limited Warranty. It cannot be installed over existing carpet, cushion (either double glue or stretch in over pad), or Lok-Lift®. It cannot be loose laid or installed using a pressure sensitive adhesive.

All Tarkett Limited Warranty and Maintenance Information can be accessed at www.tarkettna.com or by dialing 800-248-2878.

THE BUYER AND/OR END USER IS SOLELY RESPONSIBLE FOR THE SUITABILITY OF THE MERCHANDISE SELECTED FOR A PARTICULAR APPLICATION. TARKETT SHALL NOT BE RESPONSIBLE FOR THE REPAIR OR REPLACEMENT OF ANY PRODUCTS DAMAGED AS A RESULT OF FORCE MAJEURE, INCLUDING BUT NOT LIMITED TO FIRE, FLOOD, OR OTHER CATASTROPHE, ACTS OF GOD, OR ANY CAUSE BEYOND THE CONTROL OF TARKETT.

ALL IMPLIED WARRANTIES WHICH MAY ARISE BY LAW, IMPLICATION OF LAW OR APPLICATION OF COURSE OF DEALING OR USAGE OF TRADE INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE ARE EXPRESSLY DISCLAIMED AND EXCLUDED. ANY ORAL STATEMENTS ABOUT THE MERCHANDISE DESCRIBED HEREIN ARE NOT WARRANTIES, SHOULD NOT BE RELIED UPON BY THE BUYER, DO NOT FORM ANY PART OF THE BASIS OF THE BARGAIN, AND ARE NOT PART OF THIS OR ANY OTHER LIMITED WARRANTY. NO AGENT, DISTRIBUTOR OR REPRESENTATIVE OF TARKETT, EXCEPT AN OFFICER OF TARKETT, SHALL HAVE AUTHORITY TO AGREE TO ANY TERM, CONDITION OR PROVISION INCONSISTENT HERewith OR NOT CONTAINED HEREIN.

Tarkett North America

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Tarkett Broadloom – Super-Lok®

Limited Warranty

Backing	Installation Method	Warranty Coverage	Warranty Duration
Super-Lok®	Direct Glue-Down Direct Glue-Down over Cushion ("Double Stick") Stretch-In Over Cushion ("Conventional")	Defects in workmanship, materials and construction Delamination and edge ravel Loss of more than 10% of surface face fiber	1 year from date of invoice 10 years from date of invoice 10 years from date of invoice

The information herein explains the terms and conditions of the limited performance warranty which Tarkett extends to initial purchasers and first end users.

Products Covered

Tarkett will extend a limited performance warranty on all products which are first quality and have been properly installed in accordance with Tarkett's published guidelines, and those of the most recent CRI-104 "Standard for Installation of Commercial Carpet," and maintained in indoor commercial installations, and providing that these and the following specific conditions herein have been met.

Who is Covered

Only First Purchasers and First End Users of Tarkett products qualify for this limited warranty. It cannot be transferred to subsequent owners.

What is Covered

The coverage and duration of this limited warranty are specific and differ accordingly to the backing type and the installation method, as indicated in the schedule above.

Adhesive and Seam Sealer: In order to maintain applicable limited warranty validation for direct-glue and double stick installations, Tarkett Greenbond™ B-19 Broadloom Adhesive System must be used to adhere the product directly to the correctly prepared substrate. Additionally, for all types of installations, all seams and unfinished edges must be sealed utilizing Tarkett C-XL Seam Sealer. The use of Tarkett Broadloom Adhesive System for direct-glue and double stick installations, and Tarkett Broadloom Seam Sealer for all types of installations, is required in order to maintain applicable limited warranty validation.

Obligations of First Purchaser and/or First End User

Both the First Purchaser and/or First End User must comply in a timely manner with any reasonable requests from Tarkett to confirm that products have been handled and installed as required to meet the terms and conditions of this warranty.

Warranty Remedies

If a qualifying Tarkett product fails to perform as warranted, Tarkett may, at its sole discretion, choose any one, or combination of, the following remedies:

1. Repair the affected area(s) at no charge.
2. Replace the affected area with product(s) of comparable color and quality.
3. Issue a full or prorated refund based on the original invoice or that portion of original invoice from Tarkett, applicable to the affected area(s).

If Tarkett elects to issue a refund for a claim honored after five years from the date of the original sales invoice, Tarkett will issue a prorated refund based on the original invoice of the First Purchaser, not to exceed the following:

6 th Year – 50%	8 th Year – 30%	10 th Year – 10%
7 th Year – 40%	9 th Year – 20%	

Labor Charges for Repair or Replacement

If Tarkett elects to replace product under this warranty, Tarkett will pay for reasonable labor and handling charges¹ associated with the repair or replacement of defective product in the affected area(s), provided that such a claim is registered within 10 years from the date of the original sales invoice.

Furniture Removal for Repair or Replacement

Tarkett will not be responsible for costs incurred for furniture, equipment, or fixture removal, nor any other costs associated with clearing or reordering of the affected area(s) in conjunction with the repair or replacement of defective product.

Exclusions from the Warranty

- ❖ Damage caused by negligent or improper storage, handling or transportation.
- ❖ Failure to comply with CRI-104 and Tarkett's installation, adhesive and floor preparation guidelines applicable to the specific type and pattern of product purchased.
Special Note: All seams must be sealed with approved seam sealer, or no claim for edge ravel or delamination will be considered.
- ❖ Damage or deterioration caused by improper site conditions which have not been adequately corrected per CRI-104 recommendations.
- ❖ Normal tolerances that may cause products to vary slightly from approved samples.
- ❖ Inherent characteristics of carpet products which may affect product appearance, but do not affect performance, including, but not limited to, multiple dye lots, textural variations, side matching, roll marks, shedding, matting and crushing, highlighting and shading, watermarking or pooling, sprouting and tuft loss, ridging and rowing.
- ❖ Product installed with visible defects.
- ❖ Product installed without verifying proper color and style by the owner, occupant or designer.
- ❖ Failure to obtain pattern match.
- ❖ Tears, burns, cuts, pulls, or other damage, stain, loss of color or appearance caused either by abuse or inadequate or improper maintenance.
- ❖ Product that has been cleaned with the spin-bonnet rotary brush method.
- ❖ Edge ravel where carpet abuts an uncarpeted area without molding or other protection.
- ❖ Product exposed to extreme indoor environmental conditions including, but not limited to laundry, toilet and wet areas, floods, direct sunlight and continuous and unprotected tracking of dirt and soil.
- ❖ Incidental damage caused by other trades, resulting from inadequate protection during construction or renovation.
- ❖ New Carpet Protection-the use of Plastic carpet protection products for post installation is not recommended. Tarkett recommends non-staining building material paper and/or Masonite. Tarkett absolves itself of any responsibility for damages or cost incurred by usage of post installation plastic protection products.
- ❖ Product installed on stairs, risers or nosing.

Use of Chair Pads

Tarkett requires the use of pads under caster chairs to minimize matting, crushing (non-warranted appearance conditions) and to prevent premature delamination.

Limitations of Warranty

The foregoing is the complete warranty for Tarkett products and supersedes all other warranties and representation, whether written or oral. Except as expressly set forth above, no other warranties are made with respect to Tarkett products and Tarkett expressly disclaims all warranties not stated herein, implied or expressed, including without limitation, any warranty of merchantability or fitness of its products for any particular purpose.

The obligation of Tarkett under this limited warranty is limited solely to the repair, replacement and/or remuneration of purchase price of defective product, in part or whole based on original invoice amount to initial purchaser. In no event will Tarkett be liable to the purchaser, or to any user of Tarkett products, for any damages, expenses, lost revenues, lost savings, lost profits, or any other incidental or consequential damages arising from the purchase, use or inability to use Tarkett products, even if Tarkett has been advised of the possibility of such damages.

¹Reasonable labor and handling charges include standard and accepted local labor and materials handling charges. It shall not include overtime, storage, or any extraordinary cost of materials handling, including those covered under the term "the lift system," cranes, hoists or other such equipment.

Tarkett North America

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1000 Vista Drive
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LifeLong® Acrylic Polymeric Backing Limited Warranty

The information herein explains the terms and conditions of the limited performance warranty which Tarkett extends to initial purchasers and first end users.

Products Covered

Tarkett will extend a limited performance warranty on all products which are first quality and have been properly installed in accordance with Tarkett published guidelines, maintained in the original indoor installation location, and providing that these and the following specific conditions herein have been met.

Adhesive and Seam Sealer: In order to maintain applicable limited warranty validation, Tarkett Greenbond™ B-19 Broadloom Adhesive System must be used to adhere the product directly to the correctly prepared substrate. Additionally, all seams and unfinished edges must be sealed utilizing Tarkett C-XL Seam Sealer. The use of Tarkett Broadloom Adhesive System and Tarkett Broadloom Seam Sealer is required in order to maintain applicable limited warranty validation.

Who is Covered

Only First Purchasers and First End Users of Tarkett products qualify for this limited warranty. It cannot be transferred to subsequent owners.

Obligations of First Purchaser and/or First End User

Both the First Purchaser and/or First End User must comply in a timely manner with any reasonable requests from Tarkett to confirm that products have been handled and installed as required to meet the terms and conditions of this warranty.

Warranty Remedies

If a qualifying Tarkett product fails to perform as warranted, Tarkett may, at its sole discretion, choose any one, or combination of, the following remedies:

1. Repair the affected area(s) at no charge.
2. Replace the affected area with product(s) of comparable color and quality.
3. Issue a full refund based on the original invoice or that portion of original invoice from Tarkett, applicable to the affected area(s).

Labor Charges for Repair or Replacement

If Tarkett elects to replace product under this warranty, Tarkett will pay for reasonable labor and handling charges¹ associated with the repair or replacement of defective product in the affected area(s), provided that such a claim is registered within 20 years from the date of the original sales invoice.

Furniture Removal for Repair or Replacement

Tarkett will not be responsible for costs incurred for furniture, equipment, or fixture removal, nor any other costs associated with clearing or reordering of the affected area(s) in conjunction with the repair or replacement of defective product.

Exclusions from the Warranty

- ❖ Damage caused by negligent or improper storage, handling or transportation.
- ❖ Failure to comply with CRI-104 and Tarkett's installation, adhesive and floor preparation guidelines applicable to the specific type and pattern of product purchased.
- ❖ Damage or deterioration caused by improper site conditions that have not been adequately corrected per CRI-104 recommendations.
- ❖ Normal tolerances that may cause products to vary slightly from approved samples.
- ❖ Inherent characteristics of carpet products which may affect product appearance, but do not affect performance, including, but not limited to, multiple dye lots, textural variations, side matching, roll marks, shedding, matting and crushing, highlighting and shading, watermarking or pooling, sprouting and tuft loss, ridging and rowing.
- ❖ Product installed with visible defects.
- ❖ Product installed without verifying proper color and style by the owner, occupant or designer.
- ❖ Failure to obtain pattern match.
- ❖ Tears, burns, cuts, pulls, or other damage, stain, loss of color or appearance caused either by abuse or inadequate or improper maintenance.
- ❖ Product that has been cleaned with the spin-bonnet rotary brush method.

- ❖ Ripping, buckling, raveling, stretching, and delamination of products installed by the Double Stick or Stretch-In Over Cushion method.
- ❖ Edge ravel where carpet abuts an uncarpeted area without molding or other protection.
- ❖ Product exposed to extreme indoor environmental conditions including, but not limited to laundry, toilet and wet areas, floods, direct sunlight and continuous and unprotected tracking of dirt and soil.
- ❖ Incidental damage caused by other trades, resulting from inadequate protection during construction or renovation.
- ❖ New Carpet Protection - the use of plastic carpet protection products for post installation is not recommended. Tarkett recommends non-staining building material paper and/or Masonite. Tarkett absolves itself of any responsibility for damages or cost incurred by usage of post installation plastic protection products.
- ❖ Product installed on stairs, risers or nosing.

Use of Chair Pads

Chair pads are not required, but are recommended for optimum textural performance. Absent the use of chair pads, more intensive maintenance will be required, and some degree of appearance change is to be expected.

Limitations of Warranty

The foregoing is the complete warranty for Tarkett products and supersedes all other warranties and representation, whether written or oral. Except as expressly set forth above, no other warranties are made with respect to Tarkett products and Tarkett expressly disclaims all warranties not stated herein, implied or expressed, including without limitation, any warranty of merchantability or fitness of its products for any particular purpose.

The obligation of Tarkett under this limited warranty is limited solely to the repair, replacement and/or remuneration of purchase price of defective product, in part or whole based on original invoice amount to initial purchaser. In no event will Tarkett be liable to the purchaser, or to any user of Tarkett products, for any damages, expenses, lost revenues, lost savings, lost profits, or any other incidental or consequential damages arising from the purchase, use or inability to use Tarkett products, even if Tarkett has been advised of the possibility of such damages.

Backing	Installation Method	Warranty Coverage	Warranty Duration
LifeLong®	Direct Glue-Down Only	Defects in workmanship, materials and construction, Delamination / Edge Ravel, Loss of more than 10% of surface face fiber	1 year from date of invoice 20 Year Non Prorated Limited Warranty

¹Reasonable labor and handling charges include standard and accepted local labor and materials handling charges. It shall not include overtime, storage, or any extraordinary cost of materials handling, including those covered under the term "the lift system," cranes, hoists or other such equipment.

Tarkett North America

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Tarkett Woven – Crossweave®

Limited Warranty

All Tarkett woven products with Crossweave are covered by a limited warranty issued by Tarkett against abrasive wear, edge ravel, zippering and excessive static electricity. This limited warranty applies only when properly installed on correctly prepared floors using Tarkett approved procedures and adhesives and maintained in accordance with Tarkett approved maintenance and cleaning procedures. This limited warranty coverage remains in effect only so long as the product is owned and maintained by the original end-use purchaser in the original installation location.

Chair pads are required for this warranty to be in full effect.

Soiling visibility is affected by colors and patterns. Information on optimizing your selection can be found at www.tarkettna.com. **Appearance retention is not covered by this limited warranty.**

Adhesive and Seam Sealer: In order to maintain applicable limited warranty validation, Tarkett Greenbond™ B-19 Broadloom Adhesive System must be used to adhere the product directly to the correctly prepared substrate. Additionally, all seams and unfinished edges must be sealed utilizing Tarkett C-XL Broadloom Seam Sealer. The use of Tarkett Broadloom Adhesive System and Tarkett Broadloom Seam Sealer is required in order to maintain applicable limited warranty validation.

ABRASIVE WEAR

Tarkett warrants that for fifteen (15) years from the date of installation, this carpet, when properly installed and maintained, will not lose more than fifteen percent (15%) of pile fiber weight measured before and after use. This limited warranty does not cover appearance retention, matting, crushing, or normal appearance changes in high traffic areas.

EDGE RAVEL

Tarkett warrants that these products will not edge ravel under normal use for the life of the carpet. All seams must be properly sealed in accordance with CRI Installation Standard 104. Tufts or loops pulled from the body of the carpet or edges where seam adhesive has not been applied are not included in this limited warranty coverage.

ZIPPERING

Tarkett warrants that these products will not zipper under normal use for the life of the carpet. All seams must be properly sealed in accordance with CRI Installation Standard 104. For the purposes of this warranty, zippering is defined as a pull or snag that results in a minimum of 3 continuous loops being pulled out of the carpet's backing.

STATIC PROTECTION

Tarkett warrants that these products will not exhibit static electricity in excess of 3.5 kilovolts as measured by AATCC Test Method 134 at a relative humidity of 20% and a room temperature of 70 degrees Fahrenheit for the life of the carpet.

If these products fail to perform as described in this limited warranty, the affected area will be repaired to conform to the limited warranty. The affected area(s) refers to the specific area(s) where failure has occurred and does not include the entire installation. If repair is not commercially practical, Tarkett may, at its option, replace the affected carpet or refund the proportional purchase price for the affected area(s) during the first two (2) years of coverage. During this two (2) year period, Tarkett will pay the costs of the carpet, reasonable freight, and labor. Thereafter, Tarkett will pay only the costs of the carpet and reasonable freight. Tarkett is not responsible for any expenses incurred for removal of furniture, partitioning, temporary walls or other fixtures on or around the affected area of the carpet.

This limited warranty does not cover pile shading, pile crushing, tears, burns, cuts, pilling, matting, damage due to improper installation, improper use, improper maintenance, installation over irregular surfaces, gauge consistency, carpet manufactured on different production dates and joined together to form seams, point loads in excess of 150 pounds per square inch or any other damage not expressly covered above and is subject to the applicable Tarkett product tolerances, which are available upon request. Carpet installed on stairs or in areas subject to abnormal foot-traffic use (i.e. golf spikes, other spiked footwear, ski boots, and the like) is excluded. **This limited warranty does not cover damage resulting from improper installation or maintenance.**

All Tarkett Limited Warranty and Maintenance Information can be accessed at www.tarkettna.com or by dialing 800-248-2878.

THE BUYER AND/OR END USER IS SOLELY RESPONSIBLE FOR THE SUITABILITY OF THE MERCHANDISE SELECTED FOR A PARTICULAR APPLICATION.

TARKETT SHALL NOT BE RESPONSIBLE FOR THE REPAIR OR REPLACEMENT OF ANY PRODUCTS DAMAGED AS A RESULT OF FORCE MAJEURE, INCLUDING BUT NOT LIMITED TO FIRE, FLOOD, OR OTHER CATASTROPHE, ACTS OF GOD, OR ANY CAUSE BEYOND THE CONTROL OF TARKETT.

ALL IMPLIED WARRANTIES WHICH MAY ARISE BY LAW, IMPLICATION OF LAW OR APPLICATION OF COURSE OF DEALING OR USAGE OF TRADE INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE ARE EXPRESSLY DISCLAIMED AND EXCLUDED. ANY ORAL STATEMENTS ABOUT THE MERCHANDISE DESCRIBED HEREIN ARE NOT WARRANTIES, SHOULD NOT BE RELIED UPON BY THE BUYER, DO NOT FORM ANY PART OF THE BASIS OF THE BARGAIN, AND ARE NOT PART OF THIS OR ANY OTHER LIMITED WARRANTY. NO AGENT, DISTRIBUTOR OR REPRESENTATIVE OF TARKETT, EXCEPT AN OFFICER OF TARKETT, SHALL HAVE AUTHORITY TO AGREE TO ANY TERM, CONDITION OR PROVISION INCONSISTENT HERewith OR NOT CONTAINED HEREIN.

Limited Warranty

Tarkett Warranty Overview

Tarkett is pleased to offer the world's most-integrated, high-performance flooring system, bringing together design, function and safety; leading to enhanced productivity in high-performance environments. All Tarkett products are **warranted against manufacturers' defects** to ensure high standards of quality, performance and aesthetics.

Limited Warranty Information

Section 1: Rubber Sheet Flooring

Limited 5-Year Commercial Warranty for Manufacturing Defects: Tarkett warrants from the date of purchase for a period of five (5) years of Commercial use that rubber sheet flooring products conform to written specifications and are free of manufacturing defects, subject to the terms and conditions specified herein.

The customer must notify Tarkett of any obvious visual defects prior to installation; otherwise this warranty will not apply. If the defect is found and Tarkett is notified in writing prior to installation, Tarkett will replace any defective product, at no charge. If the customer believes the product to be defective after installation, the customer must promptly notify Tarkett and permit an inspection of the product. If, upon inspection, Tarkett determines that the product is defective, Tarkett will replace or repair the defective product at its own cost, subject to the limitations in this warranty, and prorated as follows: Material and 100% Reasonable Labor Costs (Year 1); Material and 50% Reasonable Labor Costs (Year 2); and Material Only (Years 3-5).

Tarkett warrants that the products will not wear through for the warranty period of five (5) years of Commercial use. For claims based on wear-through, the customer must notify Tarkett and permit an inspection of the flooring. If Tarkett determines that the original flooring is worn through, Tarkett will replace or repair the worn flooring at its own cost; however, labor costs will be the customer's responsibility except as provided on the prorated basis described in the prior paragraph.

SECTION	PRODUCTTYPE	TARKETT BRAND PRODUCT LINES
1	Rubber Sheet Flooring	Replay® Rolls
2	Compression Molded Rubber Tile	Circulinity™; CorkTones™; Defiant™; MicroTone™; Mesto Configurations™; Minerality™; Organics; Prima® Olío® and Marbleized; Replay® Tiles; Solid Color Rubber Tile; Tactile Walking Surface Indicators; Terra-Turf®; Triumph and Inertia™
3	Stairwell Management	Rubber or Vinyl Stair Treads, Nosings, Risers, Stringers; Tactile Warning Surface and Safe-T-First®
4	Finishing Borders (Wall Base) Finishing Accessories	BaseWorks®; Masquerade®; Millwork®; Perceptions®; TightLock®; Traditional Rubber or Vinyl; Safe-T-First®; Vent Cove; and Transitions
5	Vinyl Sheet and Tile Flooring	A: iQ™ Optima®; iQ™ Granit™; iQ™ Granit™ Micro; iQ™ Granit™ SD; iQ™ Toro SC; Granit™ Safe-T B: Acczent® C: Aria™; Melodia™; Performa™; Training®; iQ™ Optima® Acoustiflor® D: Standard Plus
6	Vinyl Composition Tile and Plank	A: Vinyl Composition Tile (VCT): Tarkett B: Vinyl Enhanced Tile (VET): Azterra™; Color Essence™ Solid Vinyl Tile (SVT): Cortina Grande™
7	Linoleum Sheet Flooring	LinoFloor xf2™; LinoFloor Acoustiflor xf2™ and LinoWall xf2™
8	Luxury/Solid Vinyl Tile and Plank	A: Adaptt™; iD Inspiration™55; iD Principle; Resolve; Transcend™ SureSet™ and iD Mixonomi B: Event; iD Inspiration™70; iD Latitude + Techtonic™ and Victory® C: Contour + Techtonic™; Collections Infinies
9	Luxury Tile and Plank (Light Commercial)	Transcend™ Click
10	Underlayment	SureStart™ Underlayment; Tarkolay Underlayment



Section 2: Compression Molded Rubber Tile

Limited 5-Year Commercial Warranty for Manufacturing Defects: Tarkett warrants from the date of purchase for a period of five (5) years of Commercial use that molded rubber tile flooring products conform to written specifications and are free of manufacturing defects, subject to the terms and conditions specified herein.

The customer must notify Tarkett of any obvious visual defects prior to installation; otherwise this warranty will not apply. If the defect is found and Tarkett is notified in writing prior to installation, Tarkett will replace any defective product, at no charge. If the customer believes the product to be defective after installation, the customer must promptly notify Tarkett and permit an inspection of the product. If, upon inspection, Tarkett determines that the product is defective, Tarkett will replace or repair the defective product at its own cost, subject to the limitations in this warranty, and prorated as follows: Material and 100% Reasonable Labor Costs (Year 1); Material and 50% Reasonable Labor Costs (Year 2); and Material Only (Years 3-5).

Tarkett warrants that the products will not wear through for the warranty period of five (5) years of Commercial use. For claims based on wear-through, the customer must notify Tarkett and permit an inspection of the flooring. If Tarkett determines that the original flooring is worn through, Tarkett will replace or repair the worn flooring at its own cost; however, labor costs will be the customer's responsibility except as provided on the prorated basis described in the prior paragraph.

Section 3: Rubber or Vinyl Stair Treads

Limited 5-Year Commercial Warranty for Manufacturing Defects: Tarkett warrants from the date of purchase for a period of five (5) years of Commercial use that rubber or vinyl stair tread products conform to written specifications and are free of manufacturing defects, subject to the terms and conditions specified herein.

The customer must notify Tarkett of any obvious visual defects prior to installation; otherwise this warranty will not apply. If the defect is found and Tarkett is notified in writing prior to installation, Tarkett will replace any defective product, at no charge. If the customer believes the product to be defective after installation, the customer must promptly notify Tarkett and permit an inspection of the product. If, upon inspection, Tarkett determines that the product is defective, Tarkett will replace or repair the defective product at its own cost, subject to the limitations in this warranty, and prorated as follows: Material and 100% Reasonable Labor Costs (Year 1); Material and 50% Reasonable Labor Costs (Year 2); and Material Only (Years 3-5).

Section 4: Finishing Borders (Wall Base & Accessories)

Limited 2-Year Commercial Warranty for Manufacturing Defects: Tarkett warrants from the date of purchase for a period of two (2) years of Commercial use that rubber or vinyl wall base and/or accessory products conform to written specifications and are free of manufacturing defects, subject to the terms and conditions specified herein.

The customer must notify Tarkett of any obvious visual defects prior to installation; otherwise this warranty will not apply. If the defect is found and Tarkett is notified in writing prior to installation, Tarkett will replace any defective product, at no charge. If the customer believes the product to be defective after installation, the customer must promptly notify Tarkett and permit an inspection of the product. If, upon inspection, Tarkett determines that the product is defective, Tarkett will replace or repair the defective product at its own cost, subject to the limitations in this warranty, and prorated as follows: Material and 100% Reasonable Labor Costs (Year 1); Material and 50% Reasonable Labor Costs (Year 2).

Section 5A: Vinyl Sheet and Tile Flooring

Limited 20-Year Commercial Warranty for Manufacturing Defects: Tarkett warrants from the date of purchase for a period of twenty (20) years of Commercial use that vinyl sheet and/or tile flooring products conform to written specifications and are free of manufacturing defects, subject to the terms and conditions specified herein.

The customer must notify Tarkett of any obvious visual defects prior to installation; otherwise this warranty will not apply. If the defect is found and Tarkett is notified in writing prior to installation, Tarkett will replace any defective product, at no charge. If the customer believes the product to be defective after installation, the customer must promptly notify Tarkett and permit an inspection of the product. If, upon inspection, Tarkett determines that the product is defective, Tarkett will replace or repair the defective product at its own cost, subject to the limitations in this warranty, and prorated as follows: Material and 100% Reasonable Labor Costs (Year 1); Material and 50% Reasonable Labor Costs (Year 2-3); Material and 25% Reasonable Labor Costs (Year 4-5); Material Only (Years 6-10); 50% Material Only (Years 11-15); and 25% Material Only (Years 16-20).

Tarkett warrants that the products will not wear through for the warranty period of twenty (20) years of Commercial use. For claims based on wear-through, the customer must notify Tarkett and permit an inspection of the flooring. If Tarkett determines that the original flooring is worn through, Tarkett will replace or repair the worn flooring at its own cost; however, labor costs **will be the customer's responsibility except as provided on the prorated basis described in the prior paragraph.**

Section 5B: Vinyl Sheet and Tile Flooring

Limited 15-Year Commercial Warranty for Manufacturing Defects: Tarkett warrants from the date of purchase for a period of fifteen (15) years of Commercial use that vinyl sheet flooring products conform to written specifications and are free of manufacturing defects, subject to the terms and conditions specified herein.

The customer must notify Tarkett of any obvious visual defects prior to installation; otherwise this warranty will not apply. If the

defect is found and Tarkett is notified in writing prior to installation, Tarkett will replace any defective product, at no charge. If the customer believes the product to be defective after installation, the customer must promptly notify Tarkett and permit an inspection of the product. If, upon inspection, Tarkett determines that the product is defective, Tarkett will replace or repair the defective product at its own cost, subject to the limitations in this warranty, and prorated as follows: Material and 100% Reasonable Labor Costs (Year 1); Material and 50% Reasonable Labor Costs (Year 2-3); Material Only (Years 4-10); 50% Material Only (Years 11-15).

Tarkett warrants that the products will not wear through for the warranty period of fifteen (15) years of Commercial use. For claims based on wear-through, the customer must notify Tarkett and permit an inspection of the flooring. If Tarkett determines that the original flooring is worn through, Tarkett will replace or repair the worn flooring at its own cost; however, labor costs **will be the customer's responsibility except as provided on the prorated basis described in the prior paragraph.**

Section 5C: Vinyl Sheet and Tile Flooring

Limited 10-Year Commercial Warranty for Manufacturing Defects: Tarkett warrants from the date of purchase for a period of ten (10) years of Commercial use that vinyl sheet and/or tile flooring products conform to written specifications and are free of manufacturing defects, subject to the terms and conditions specified herein.

The customer must notify Tarkett of any obvious visual defects prior to installation; otherwise this warranty will not apply. If the defect is found and Tarkett is notified in writing prior to installation, Tarkett will replace any defective product, at no charge. If the customer believes the product to be defective after installation, the customer must promptly notify Tarkett and permit an inspection of the product. If, upon inspection, Tarkett determines that the product is defective, Tarkett will replace or repair the defective product at its own cost, subject to the limitations in this warranty, and prorated as follows: Material and 100% Reasonable Labor Costs (Year 1); Material and 50% Reasonable Labor Costs (Year 2-3); and Material Only (Years 4-10).

Tarkett warrants that the products will not wear through for the warranty period of ten (10) years of Commercial use. For claims based on wear-through, the customer must notify Tarkett and permit an inspection of the flooring. If Tarkett determines that the original flooring is worn through, Tarkett will replace or repair the worn flooring at its own cost; however, labor costs will be the **customer's responsibility except as provided on the prorated basis described in the prior paragraph.**

Section 5D: Vinyl Sheet and Tile Flooring

Limited 5-Year Commercial Warranty for Manufacturing Defects: Tarkett warrants from the date of purchase for a period of five (5) years of Commercial use that vinyl sheet and/or tile flooring products conform to written specifications and are free of manufacturing defects, subject to the terms and conditions specified herein.

The customer must notify Tarkett of any obvious visual defects prior to installation; otherwise this warranty will not apply. If the defect is found and Tarkett is notified in writing prior to installation, Tarkett will replace any defective product, at no charge. If the customer believes the product to be defective after installation, the customer must promptly notify Tarkett and permit an inspection of the product. If, upon inspection, Tarkett determines that the product is defective, Tarkett will replace or repair the defective product at its own cost, subject to the limitations in this warranty, and prorated as follows: Material and 100% Reasonable Labor Costs (Year 1); Material and 50% Reasonable Labor Costs (Year 2-3); and Material Only (Years 4-5).

Tarkett warrants that the products will not wear through for the warranty period of five (5) years of Commercial use. For claims based on wear-through, the customer must notify Tarkett and permit an inspection of the flooring. If Tarkett determines that the original flooring is worn through, Tarkett will replace or repair the worn flooring at its own cost; however, labor costs will be the **customer's responsibility except as provided on the prorated basis described in the prior paragraph.**

Section 6A: Vinyl Composition Tile and Plank

Limited 5-Year Commercial Warranty for Manufacturing Defects: Tarkett warrants from the date of purchase for a period of five (5) years of Commercial use that vinyl composition tile and plank flooring products conform to written specifications and are free of manufacturing defects, subject to the terms and conditions specified herein.

The customer must notify Tarkett of any obvious visual defects prior to installation; otherwise this warranty will not apply. If the defect is found and Tarkett is notified in writing prior to installation, Tarkett will replace any defective product, at no charge. If the customer believes the product to be defective after installation, the customer must promptly notify Tarkett and permit an inspection of the product. If, upon inspection, Tarkett determines that the product is defective, Tarkett will replace or repair the defective product at its own cost, subject to the limitations in this warranty, and prorated as follows: Material and 100% Reasonable Labor Costs (Year 1); Material and 50% Reasonable Labor Costs (Year 2); and Material Only (Years 3-5).

Tarkett warrants that the products will not wear through for the warranty period of five (5) years of Commercial use. For claims based on wear-through, the customer must notify Tarkett and permit an inspection of the flooring. If Tarkett determines that the original flooring is worn through, Tarkett will replace or repair the worn flooring at its own cost; however, labor costs will be the customer's responsibility except as provided on the prorated basis described in the prior paragraph.

Section 6B: Vinyl Tile Flooring

Limited 10-Year Commercial Warranty for Manufacturing Defects: Tarkett warrants from the date of purchase for a period of ten (10) years of Commercial use that vinyl tile flooring products conform to written specifications and are free of manufacturing

defects, subject to the terms and conditions specified herein.

The customer must notify Tarkett of any obvious visual defects prior to installation; otherwise this warranty will not apply. If the defect is found and Tarkett is notified in writing prior to installation, Tarkett will replace any defective product, at no charge. If the customer believes the product to be defective after installation, the customer must promptly notify Tarkett and permit an inspection of the product. If, upon inspection, Tarkett determines that the product is defective, Tarkett will replace or repair the defective product at its own cost, subject to the limitations in this warranty, and prorated as follows: Material and 100% Reasonable Labor Costs (Year 1); Material and 50% Reasonable Labor Costs (Year 2); and Material Only (Years 3-10).

Tarkett warrants that the products will not wear through for the warranty period of ten (10) years of Commercial use. For claims based on wear-through, the customer must notify Tarkett and permit an inspection of the flooring. If Tarkett determines that the original flooring is worn through, Tarkett will replace or repair the worn flooring at its own cost; however, labor costs will be the customer's responsibility except as provided on the prorated basis described in the prior paragraph.

Section 7: Linoleum Sheet Flooring

Limited 10-Year Commercial Warranty for Manufacturing Defects: Tarkett warrants from the date of purchase for a period of ten (10) years of Commercial use that linoleum sheet flooring products conform to written specifications and are free of manufacturing defects, subject to the terms and conditions specified herein.

The customer must notify Tarkett of any obvious visual defects prior to installation; otherwise this warranty will not apply. If the defect is found and Tarkett is notified in writing prior to installation, Tarkett will replace any defective product, at no charge. If the customer believes the product to be defective after installation, the customer must promptly notify Tarkett and permit an inspection of the product. If, upon inspection, Tarkett determines that the product is defective, Tarkett will replace or repair the defective product at its own cost, subject to the limitations in this warranty, and prorated as follows: Material and 100% Reasonable Labor Costs (Year 1); Material and 50% Reasonable Labor Costs (Year 2); and Material Only (Years 3-10).

Tarkett warrants that the products will not wear through for the warranty period of ten (10) years of Commercial use. For claims based on wear-through, the customer must notify Tarkett and permit an inspection of the flooring. If Tarkett determines that the original flooring is worn through, Tarkett will replace or repair the worn flooring at its own cost; however, labor costs will be the customer's responsibility except as provided on the prorated basis described in the prior paragraph.

Section 8A: Luxury Tile and Plank

Limited 10-Year Commercial Warranty for Manufacturing Defects: Tarkett warrants from the date of purchase for a period of ten (10) years of Commercial use that luxury tile and plank flooring products conform to written specifications and are free of manufacturing defects, subject to the terms and conditions specified herein.

The customer must notify Tarkett of any obvious visual defects prior to installation; otherwise this warranty will not apply. If the defect is found and Tarkett is notified in writing prior to installation, Tarkett will replace any defective product, at no charge. If the customer believes the product to be defective after installation, the customer must promptly notify Tarkett and permit an inspection of the product. If, upon inspection, Tarkett determines that the product is defective, Tarkett will replace or repair the defective product at its own cost, subject to the limitations in this warranty, and prorated as follows: Material and 100% Reasonable Labor Costs (Year 1); Material and 50% Reasonable Labor Costs (Year 2); and Material Only (Years 3-10).

Tarkett warrants that the products will not wear through for the warranty period of ten (10) years of Commercial use. For claims based on wear-through, the customer must notify Tarkett and permit an inspection of the flooring. If Tarkett determines that the original flooring is worn through, Tarkett will replace or repair the worn flooring at its own cost; however, labor costs will be the customer's responsibility except as provided on the prorated basis described in the prior paragraph.

Section 8B: Luxury Tile and Plank

Limited 20-Year Commercial Warranty for Manufacturing Defects: Tarkett warrants from the date of purchase for a period of twenty (20) years of Commercial use that luxury tile and plank flooring products conform to written specifications and are free of manufacturing defects, subject to the terms and conditions specified herein.

The customer must notify Tarkett of any obvious visual defects prior to installation; otherwise this warranty will not apply. If the defect is found and Tarkett is notified in writing prior to installation, Tarkett will replace any defective product, at no charge. If the customer believes the product to be defective after installation, the customer must promptly notify Tarkett and permit an inspection of the product. If, upon inspection, Tarkett determines that the product is defective, Tarkett will replace or repair the defective product at its own cost, subject to the limitations in this warranty, and prorated as follows: Material and 100% Reasonable Labor Costs (Year 1); Material and 50% Reasonable Labor Costs (Year 2); Material Only (Years 3-10); 50% Material Only (Years 11-15); and 25% Material Only (Years 16-20).

Tarkett warrants that the products will not wear through for the warranty period of twenty (20) years of Commercial use. For claims based on wear-through, the customer must notify Tarkett and permit an inspection of the flooring. If Tarkett determines that the original flooring is worn through, Tarkett will replace or repair the worn flooring at its own cost; however, labor costs will be the customer's responsibility except as provided on the prorated basis described in the prior paragraph.

Section 8C: Luxury Tile and Plank

Limited 25-Year Commercial Warranty for Manufacturing Defects: Tarkett warrants from the date of purchase for a period of twenty five (25) years of Commercial use that luxury tile and plank flooring products conform to written specifications and are free of manufacturing defects, subject to the terms and conditions specified herein.

The customer must notify Tarkett of any obvious visual defects prior to installation; otherwise this warranty will not apply. If the defect is found and Tarkett is notified in writing prior to installation, Tarkett will replace any defective product, at no charge. If the customer believes the product to be defective after installation, the customer must promptly notify Tarkett and permit an inspection of the product. If, upon inspection, Tarkett determines that the product is defective, Tarkett will replace or repair the defective product at its own cost, subject to the limitations in this warranty, and prorated as follows: Material and 100% Reasonable Labor Costs (Year 1); Material and 50% Reasonable Labor Costs (Year 2); Material Only (Years 3-10); 50% Material Only (Years 11-15); and 25% Material Only (Years 16-25).

Tarkett warrants that the products will not wear through for the warranty period of twentyfive (25) years of Commercial use. For claims based on wear- through, the customer must notify Tarkett and permit an inspection of the flooring. If Tarkett determines that the original flooring is worn through, Tarkett will replace or repair the worn flooring at its own cost; however, labor costs will be the customer's responsibility except as provided on the prorated basis described in the prior paragraph.

Section 9: Luxury Tile and Plank (Light Commercial)

Light Commercial Warranty for Manufacturing Defects: Tarkett warrants from the date of purchase for a period of ten (10) years of Light Commercial use that luxury tile and plank flooring products conform to written specifications and are free of manufacturing defects, subject to the terms and conditions specified herein. Light Commercial applications are defined as foot-traffic only (no rolling loads).

The customer must notify Tarkett of any obvious visual defects prior to installation; otherwise this warranty will not apply. If the defect is found and Tarkett is notified in writing prior to installation, Tarkett will replace any defective product, at no charge. If the customer believes the product to be defective after installation, the customer must promptly notify Tarkett and permit an inspection of the product. If, upon inspection, Tarkett determines that the product is defective, Tarkett will replace or repair the defective product at its own cost, subject to the limitations in this warranty, and prorated as follows: Material and 100% Reasonable Labor Costs (Year 1); Material and 50% Reasonable Labor Costs (Year 2); Material Only (Years 3-5); and 50% Material Only (Years 6-10).

Tarkett warrants that the products will not wear through for the warranty period of ten (10) years of Light Commercial use. For claims based on wear- through, the customer must notify Tarkett and permit an inspection of the flooring. If Tarkett determines that the original flooring is worn through, Tarkett will replace or repair the worn flooring at its own cost; however, labor costs will be the customer's responsibility except as provided on the prorated basis described in the prior paragraph.

Section 10: Underlayment

Limited 10-Year Light Commercial Warranty for Manufacturing Defects: Tarkett warrants from the date of purchase for a period of ten (10) years of Light Commercial use of SureStart™ underlayment with approved Tarkett LVT products, subject to subfloors being prepared & meeting Tarkett Installation Instruction guidelines and subject to the terms and conditions specified herein.

The customer must notify Tarkett of any obvious visual defects or concerns prior to install; otherwise this warranty will not apply.

If the defect is found and Tarkett is notified in writing prior to installation, Tarkett will replace any defective product, at no charge. If the customer believes the product to be defective after installation, the customer must promptly notify Tarkett and permit an inspection of the product. If, upon inspection, Tarkett determines that the product is defective, Tarkett will replace or repair the defective product at its own cost, subject to the limitations in this warranty, and prorated as follows: Material and 100% Reasonable Labor Costs (Year 1); Material and 50% Reasonable Labor Costs (Year 2); and Material Only (Years 3-10).

All Tarkett Commercial Products:

This Limited Warranty applies only for products installed, used and maintained according to the written recommendations and specifications provided at the time of material purchase.

Warranty Claim Procedure

To be eligible for replacement under this warranty, the customer must file a claim by giving Tarkett written notice of the defect. This notice must be filed immediately, but in no event more than 10 days following discovery of the defect. Notice shall be given to Tarkett at its corporate address of 30000 Aurora Road, Solon, Ohio 44139.
Phone: (800) 899-8916; Fax: (440) 543-5774.

If defective product has been discontinued or is otherwise unavailable, Tarkett reserves the right to select and supply the customer with Tarkett replacement flooring, similar in quality and quantity to the material claimed to be defective.

Warranty Exclusions

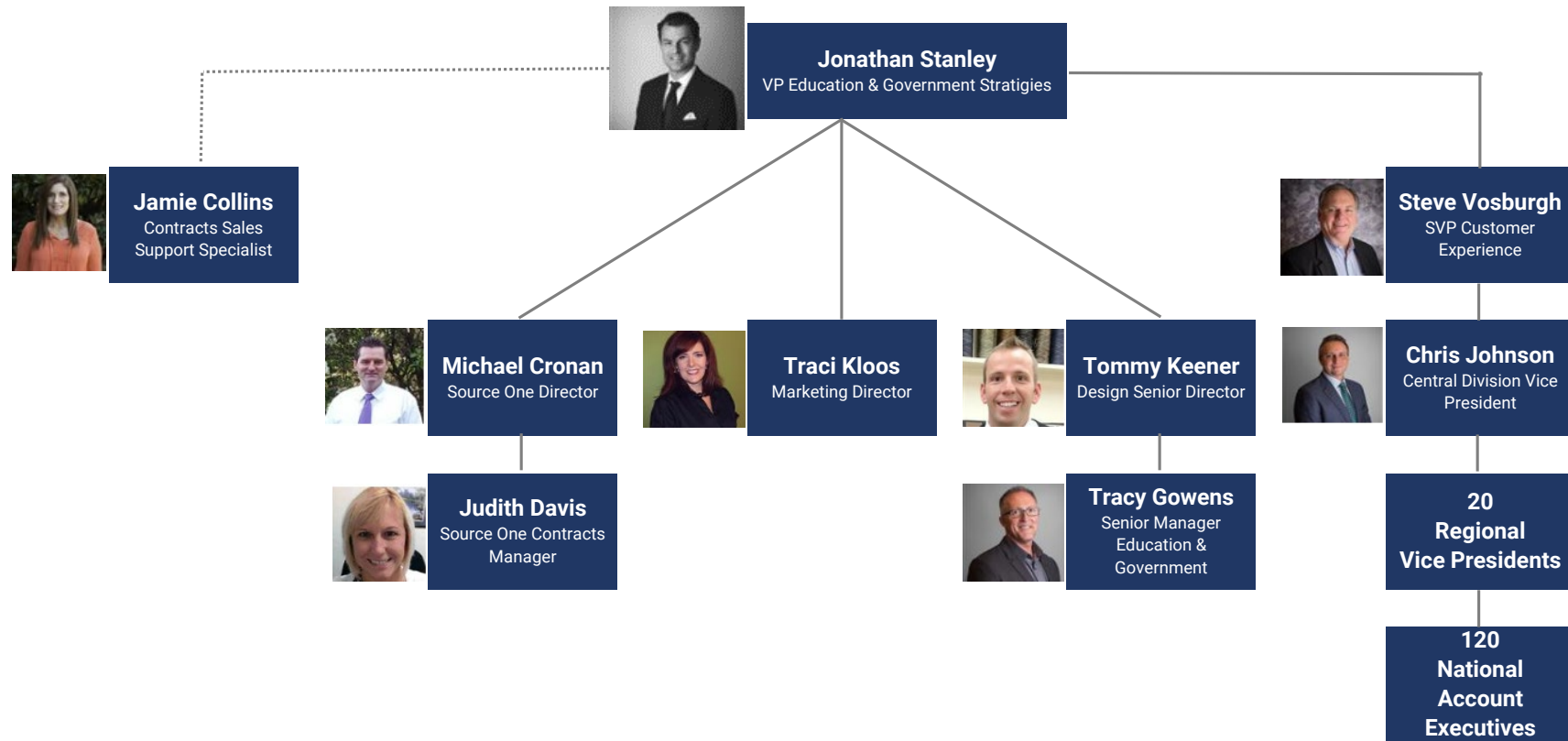
The Tarkett Limited Warranty does not apply to:

- The exact matching of shade, color or mottling.
- Tears, burns, cuts or damage due to improper installation or use or improper cleaning agents and maintenance methods.
- Labor costs outside of prorated schedule defined in the warranty.
- Sales of non-first quality materials, i.e., “seconds,” “off goods” or other irregular flooring. Such non-first quality materials are sold “AS IS.”
- Issues associated with the use of adhesives other than those recommended by Tarkett.
- Issues caused by moisture or alkali in the subfloor. Pre-installation moisture and alkali testing is required and must be made available to Tarkett upon request.
- Issues of discoloration or staining associated with subfloor contamination or markings that bleed through the flooring material.
- Problems caused by installation, uses and maintenance that are contrary to Tarkett’s specifications, recommendations or instructions.
- Material installed with obvious defects not notified to Tarkett prior to installation.
- Exterior installations – Tarkett products are designed for interior applications only.
- Fading and/or discoloration resulting from heavy sunlight penetration and ultraviolet ray exposure from direct or glass-filtered sunlight.
- Damage to flooring products caused by high or spiked heels, improper protectors/casters or furniture rests. Some rolling-type casters on furniture or appliances may damage resilient flooring. Warranty as to the suitability of the factory-installed casters rests with the furniture or appliance manufacturers. To avoid Tarkett warranty exclusions, casters must be suitable for use on resilient flooring.
- Damage to flooring products from pallet jack and tow-motor traffic.
- Premature wear or deterioration from spikes and skate blade exposure.
- Variations in color or embossing between products, photography or printed color illustrations.
- Installation of Tarkett flooring in work or commercial areas exposed to oil and grease, such as commercial kitchens or butcher shops. Defiant™ Oil and Grease-Resistant Rubber tiles are recommended in such situations.
- Additional expense associated with overtime, replacing or moving appliances or furniture, business interruptions, loss of use or other related costs associated with the replacement of the flooring.
- Shifting, cracking, or movement of the substrate or foundation.
- Hydrostatic pressure, flooding, standing water or moisture on the surface of the substrate.
- Issues related to exposure to heavy rolling loads (Light Commercial Products).

• Warranty Disclaimer

- EXCEPT AS STATED HEREIN, TARKETT MAKES NO WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED. ALL IMPLIED WARRANTIES WHICH MAY ARISE BY LAW, IMPLICATION OF LAW OR APPLICATION OF COURSE OF DEALING, PERFORMANCE OR USAGE OF TRADE INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ARE EXPRESSLY DISCLAIMED AND EXCLUDED. ANY ORAL STATEMENTS ABOUT THE PRODUCTS DESCRIBED HEREIN ARE NOT WARRANTIES, SHOULD NOT BE RELIED UPON BY BUYER, DO NOT FORM ANY PART OF THE BASIS OF THE BARGAIN, AND ARE NOT PART OF THIS OR ANY OTHER LIMITED WARRANTY. NO AGENT, DISTRIBUTOR OR REPRESENTATIVE OF TARKETT, EXCEPT AN AUTHORIZED OFFICER OF TARKETT, SHALL HAVE AUTHORITY TO AGREE TO ANY TERM, CONDITION OR PROVISION INCONSISTENT HERewith OR NOT CONTAINED HEREIN. IN NO EVENT SHALL TARKETT BE LIABLE TO BUYER FOR INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION, DAMAGES OR LOSS OF PROFIT ARISING OUT OF OR RELATING TO ANY BREACH OF THIS WARRANTY, REGARDLESS OF THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT, OR OTHERWISE) UPON WHICH THE CLAIM IS BASED.
- These warranties provide specific legal rights; these and other rights may vary from state to state.

Tarkett Account Management Team | Equalis Group



ATTACHMENT B - COST PROPOSAL
EQUALIS GROUP - RFP 2101 - COMMERCIAL FLOORING MATERIALS WITH INSTALLATION & RELATED SERVICES AND SOLUTIONS PROGRAM
COST PROPOSAL QUESTIONNAIRE

[Instructions](#)

There are two parts to **Attachment B - Cost Proposal** which are required to be completed in order to evaluate a Bidder's Cost Proposal.
Part 1 - Answer the questions below which provide an opportunity to add a narrative while describing various aspects of your Cost Proposal.
Part 2 - Complete an Excel workbook which includes all requirements outlined in **Section 2.3 of RFP - Equalis Flooring**.

IMPORTANT: This Excel workbook is provide supplied as a courtesy to the Bidders. It is not a requirement to use this document when developing the Cost Proposal. Bidders have the freedom to develop their own Excel workbook to serve as their **Attachment B**.

[Questions](#)

- 1) Provide a narrative description of your pricing model identifying how the model works. Describe how the proposed pricing model is able to be audited by public sector agencies to ensure they are receiving contract pricing.
Contract administration and internal support teams do frequent pricing audits to ensure our pricing stays competitive with all market segments. We provide a not to exceed ceiling price model for both product and labor items. We welcome inquiries/questions and we are very open and transparent to cost. Should any agency request an audit we are happy to provide the requested documents/ data and will do so on the agreed timeline.
- 2) Put an X in the green cell next to the statement that best describes the answer to the following question. The prices offered in your Cost Proposal are:

<input type="checkbox"/>	a) the same as typically offered to an individual municipality, Higher Ed or school district.
<input checked="" type="checkbox"/>	b) the same as typically offered to group purchasing organizations, cooperative purchasing organizations, or state purchasing departments.
<input type="checkbox"/>	c) better than what is offered to group purchasing organizations, cooperative purchasing organizations, or state purchasing departments.
<input type="checkbox"/>	d) other, please describe.
- 3) Describe any quantity or volume discounts or rebate programs included in your Cost Proposal.
Quantity/Volume discounts will be considered on a project to project basis. No rebate program will be offered at this time. We are happy to reevaluate this on an annual basis with Equalis and the Tarkett team, evaluate based on industry acceptance, use and volume of sales generated.
- 4) Propose an Alternative Method of Costing as it relates to pricing for products, services, or solutions not covered by catalog pricing, published price list, line item price list, automated system of pricing, R.S. Means, or that needs to be custom designed , developed, manufactured and/or produced to meet the requirements of an individual project or sole source due to the projects' or application's specifications, condition, and/or requirements.
Tarkett is open and transparent when it comes to costing. We do have published guidelines for custom products and will use those as a guide. For labor services not listed we are happy to use RS Means to calculate and/or verify cost are within industry standards.
- 5) Describe how cost associated with freight, shipping, and delivery are calculated.
Pricing for Carpet and LVT products including shipping from manufacture to enduser. Pricing for all resilient products include shipping to the closest distribution location, freight from distribution location to site location will be based on actual cost. Actual freight will be charged for any Carpet and LVT sundries ordered alone.

ATTACHMENT C: REQUIRED BIDDER INFORMATION & CERTIFICATIONS EQUALIS GROUP: COMMERCIAL FLOORING MATERIALS WITH INSTALLATION AND RELATED SERVICES & SOLUTIONS PROGRAM

Purpose of this Attachment C: CCOG requires the following information about Bidders who submit proposals in response to any CCOG request for proposal ("RFP") in order to facilitate the execution of the master group purchasing agreement ("Master Agreement") with the winning supplier ("Winning Supplier"). CCOG reserves the right to reject a Bidder's proposal if a Bidder fails to provide this information fully, accurately, and by the deadline set by CCOG in RFP Section 1.3 – Anticipated Procurement Timetable. Further, some of this information (as identified below) **must** be provided in order for CCOG to accept and consider a Bidder's proposal. **Failure to provide such required information may result in a Bidder's proposal being deemed nonresponsive to this RFP.**

Instructions: provide the following information about the Bidder. Bidders may a) complete this document in Microsoft Word by completing the form fields, print this attachment, and sign it in the designated signature areas, b) complete this document using the form fields, print to .pdf, and provide certified electronic signatures in the designated signature areas, or c) print this attachment, complete it, and sign it in the designated signature areas. It is mandatory that the information provided is certified with an original signature (in blue ink, please) or signed using a certified electronic signature by a person with sufficient authority and/or authorization to represent Bidder. Bidders are to provide the completed and signed information and certifications in **Tab 1** of the Technical Proposal submitted to CCOG as described in RFP Section 4.2 – Format for Organization of the Proposal.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Bidders must provide all the information outlined below

1. Equalis Group RFP Name: <u><i>RFP # COG-2101</i></u>	2. Proposal Due Date: <u><i>September 3, 2020</i></u>
3. Bidder Name: <u><i>Tarkett USA Inc.</i></u> <i>(legal name of the entity responding to RFP)</i>	4. Bidder Federal Tax ID # or Social Security #: <u><i>63-1185575</i></u>
5. Bidder Corporate Address: 30000 Aurora Road Street Address 2 Solon OH 44139	6. Bidder Remittance Address <i>(or "same" if same as Item #5):</i> PO Box 100756 Street Address 2 Atlanta GA 30384-0756


<p>7. Print or type information about the Bidder representative/contact person <u>authorized to answer questions regarding the proposal submitted by your company:</u></p> <p>Bidder Representative: <u><i>Jonathan Stanley</i></u></p> <p>Representative's Title: <u><i>VP Education Strategic Accounts</i></u></p> <p>Address 1: <u><i>222 Merchandise Mart Plaza</i></u></p> <p>Address 2: <u><i>Suite 380</i></u></p> <p>City, State Zip: <u><i>Chicago IL 60654</i></u></p> <p>Phone #: <u><i>864-434-3554</i></u></p> <p>Fax #: <u><i>Fax #.</i></u></p> <p>E-Mail Address: <u><i>jonathan.stanley@tarkett.com</i></u></p>
<p>8. Print or type the name of the Bidder representative <u>authorized to address contractual issues, including the authority to execute a contract on behalf of Bidder, and to whom legal notices regarding contract termination or breach, should be sent</u> (if not the same individual as in #7, provide the following information on each such representative and specify their function):</p> <p>Bidder Representative: <u><i>Jamie Collins</i></u></p> <p>Representative's Title: <u><i>Contracts Sales Support Specialist</i></u></p> <p>Address 1: <u><i>1735 Cleveland Hwy</i></u></p> <p>Address 2: <u><i>Street Address 2</i></u></p> <p>City, State Zip: <u><i>Dalton GA 30722</i></u></p> <p>Phone #: <u><i>706-281-2730</i></u></p> <p>Fax #: <u><i>Fax #.</i></u></p> <p>E-Mail Address: <u><i>Jamie.collins@tarkett.com</i></u></p>

9. Is this Bidder an Ohio certified Minority Business Enterprise ("MBE")? Yes ☐ No ☒

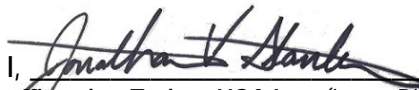
If yes, attach a copy of current certification to your proposal as an appendix in the third section of your proposal.

10. Mandatory Supplier Certifications:

CCOG may not enter into contracts with any suppliers who have been found to be ineligible for state contracts under specific federal or Ohio statutes or regulations. Bidders responding to any CCOG RFP MUST certify that they are NOT ineligible by signing each of the four statements below. **Failure to provide proper affirming signature on any of these statements will result in a Bidder's proposal being deemed nonresponsive to this RFP.**


I,  (insert signature of representative shown in Item #7 above), hereby certify and affirm that Tarkett USA Inc. (insert Bidder name as shown in Item #3 above), has not been debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in transactions by the United States Department of Labor, the United States Department of Health and Human Services, or any other federal department or agency as set forth in 29 CFR Part 98, or 45 CFR Part 76, or other applicable statutes.

AND

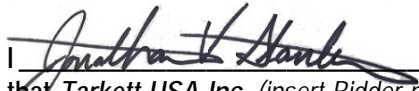
I,  (insert signature of representative shown in Item #7 above), hereby certify and affirm that Tarkett USA Inc. (insert Bidder name as shown in Item #3 above), is in compliance with all federal, state, and local laws, rules, and regulations, including but not limited to the Occupational Safety and Health Act and the Ohio Bureau of Employment Services and the following:

- Not penalized or debarred from any public contracts or falsified certified payroll records or any other violation of the Fair Labor Standards Act in the last three (3) years;
- Not found to have violated any worker's compensation law within the last three (3) years;
- Not violated any employee discrimination law within the last three (3) years;
- Not have been found to have committed more than one (1) willful or repeated OSHA violation of a safety standard (as opposed to a record keeping or administrative standard) in the last three (3) years;
- Not have an Experience Modification Rating of greater than 1.5 (a penalty-rated employer) with respect to the Bureau of Workers' Compensation risk assessment rating; and
- Not have failed to file any required tax returns or failed to pay any required taxes to any governmental entity within the past three (3) years.

AND

I,  (insert signature of representative shown in Item #7 above) hereby certify and affirm that Tarkett USA Inc. (insert Bidder name as shown in Item #3 above), is not on the list established by the Ohio Secretary of State, pursuant to ORC Section 121.23, which identifies persons and businesses with more than one unfair labor practice contempt of court finding against them.

AND

I,  (insert signature of representative shown in Item #7 above) hereby certify and affirm that Tarkett USA Inc. (insert Bidder name as shown in Item #3, above), either is not subject to a finding for recovery under ORC Section 9.24, or has taken appropriate remedial steps required under that statute to resolve any findings for recovery, or otherwise qualifies under that section to enter into contracts with CCOG.

11. Supplemental Bidder Contract and Equal Employment Opportunity Information:

A. Provide data on Bidder employees both nationwide (inclusive of Ohio staff) and the number of Ohio employees:

	<u>Nationwide:</u>	<u>Ohio Offices:</u>
Total Number of Employees:	<u>3,015</u>	<u>847</u>

% of those who are Women: 34.8 26
 % of those who are Minorities: 28.2 16.3

B. If you are selected as the Winning Supplier and this RFP involves the provision of services to Equalis Group Members, will you subcontract any part of the work?

☐ NO -or-

☐ YES, but for less than 50% of the work -or-

☒ YES, for 50% or more of the work **Only for installation services as/when requested**

C. If any part of your proposal would be performed by any subcontractors, provide the following information on each subcontractor (additional pages may be added as needed):

Subcontractor Name: We have a very extensive dealer/ installer partner list that offers many in all 50 States we aer happy to provide a list as requested

Street Address 1: Street Address 1

Street Address 2: Street Address 2

City, State Zip: City, State Zip

Work to be Performed: Description of Work


Estimated percentage of total proposal to be performed by subcontractors: _____ %
 (Do NOT show dollar amounts here; show % of WORK sub-contractors will perform/provide). Define the part of the work that will be performed by each subcontractor.

Subcontractor's employee information (attach additional pages if needed):

	Nationwide:	Ohio Offices:
Total Number of Employees:	_____	_____
% of those who are Women:	_____	_____
% of those who are Minorities:	_____	_____

12. Bidder has reviewed the Model Master Agreement attached to the RFP as Attachment E, and if awarded a contract, ☐ Bidder will not (or) ☒ Bidder will request changes to the standard language and has marked the requested changes and returned the model document with this proposal for consideration by CCOG and Equalis Group, LLC. (All requested changes to Model Master Agreement contract language are subject to negotiation and CCOG and Equalis Group, LLC approval.)

13. Bidder has reviewed the Model Administration Agreement attached to the RFP as Attachment E, and if awarded a contract, ☐ Bidder will not (or) ☒ Bidder will request changes to the standard language and has marked the requested changes and returned the model document with this proposal for consideration by Equalis Group, LLC. (All requested changes to Model Administration Agreement contract language are subject to negotiation and Equalis Group, LLC approval.)

14. I , (insert signature of representative shown in Item #7 above) hereby affirm that this proposal accurately represents the capabilities and qualifications of Tarkett USA Inc. (insert Bidder name as shown in item #3, above), and I hereby affirm that the cost(s) proposed to CCOG for the performance of services and/or provision of goods covered in this proposal in response to this CCOG RFP is a firm fixed price structure as described in the Cost Proposal, inclusive of all incidental as well as primary costs. (Failure to provide the proper affirming signature on this item may result in the disqualification of your proposal.)

15. Additional Documents:

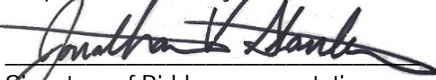
CCOG makes every attempt to meet the varying legal requirements of public agencies across the country. The documents included in this section are intended to give our contracts the broadest geographic reach by meeting the procurement requirements of other states outside of Ohio.

15.1. Lobbying Certification

Submission of this certification is a prerequisite for making or entering into this transaction and is imposed by Section 1352, Title 31, U.S. Code. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Any person who fails to file the required certification shall be subject to civil penalty of not less than ten thousand dollars (\$10,000) and not more than one hundred thousand dollars (\$100,000) for each such failure.

The undersigned certifies, to the best of his/her knowledge and belief, on behalf of Bidder that:

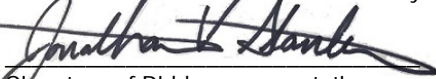
1. No Federal appropriated funds have been paid or will be paid on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all covered sub-awards exceeding one hundred thousand dollars (\$100,000) in Federal funds at all appropriate tiers and that all sub-recipients shall certify and disclose accordingly.



Signature of Bidder representative

15.2. Boycott Certification

Bidder must certify that during the term of any Agreement, it does not boycott Israel and will not boycott Israel. "Boycott" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.



Signature of Bidder representative

15.3. Federal Funds Certification Form (EDGAR)

When a participating agency seeks to procure goods and services using funds under a federal grant or contract, specific federal laws, regulations, and requirements may apply in addition to those under state law. This includes, but is not limited to, the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 CFR 200 (sometimes referred to as the "Uniform Guidance" or "EDGAR" requirements). All bidders submitting proposals must complete this Federal Funds Certification Form regarding bidder's willingness and ability to comply with certain requirements which may be applicable to specific participating agency purchases using federal grant funds. This completed form will be made available to Members for their use while considering their purchasing options when using federal grant funds. Members may also require Supplier Partners to enter into ancillary agreements, in addition to the contract's general terms and conditions, to address the member's specific contractual needs, including contract requirements for a procurement using federal grants or contracts.

For each of the items below, respondent should certify bidder's agreement and ability to comply, where applicable, by having respondents authorized representative complete and initial the applicable lines after each section and sign the acknowledgment at the end of this form. If a respondent fails to complete any item in this form, CCOG will consider the respondent's response to be that they are unable or unwilling to comply. A negative response to any of the items may, if applicable, impact the ability of a participating agency to purchase from the Supplier Partner using federal funds.

15.3.1. Supplier Partner Violation or Breach of Contract Terms

Contracts for more than the simplified acquisition threshold currently set at one hundred fifty thousand dollars (\$150,000), which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 USC 1908, must address administrative, contractual, or legal remedies in instances where Supplier Partners violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

Any contract award will be subject to Terms and Conditions of the Master Agreement, as well as any additional terms and conditions in any purchase order, participating agency ancillary contract, or Member construction contract agreed upon by Supplier Partner and the participating agency which must be consistent with and protect the participating agency at least to the same extent as the CCOG Terms and Conditions.

The remedies under the contract are in addition to any other remedies that may be available under law or in equity. By submitting a proposal, you agree to these Supplier Partner violation and breach of contract terms.

Does Supplier Partner agree? *MS*
(Initials of Authorized Representative)

15.3.2. Termination for Cause or Convenience

When a participating agency expends federal funds, the participating agency reserves the right to immediately terminate any agreement in excess of ten thousand dollars (\$10,000) resulting from this procurement process in the event of a breach or default of the agreement by Offeror in the event Offeror fails to: (1) meet schedules, deadlines, and/or delivery dates within the time specified in the procurement solicitation, contract, and/or a purchase order; (2) make any payments owed; or (3) otherwise perform in accordance with the contract and/or the procurement solicitation. Participating agency also reserves the right to terminate the contract immediately, with written notice to offeror, for convenience, if participating agency believes, in its sole discretion that it is in the best interest of participating agency to do so. Bidder will be compensated for work performed and accepted and goods accepted by participating agency as of the termination date if the contract is terminated for convenience of participating agency. Any award under this procurement process is not exclusive and participating agency reserves the right to purchase goods and services from other offerors when it is in participating agency's best interest.

Does Supplier Partner agree? *MS*
(Initials of Authorized Representative)

15.3.3. Equal Employment Opportunity

Except as otherwise provided under 41 CFR Part 60, all participating agency purchases or contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 shall be deemed to include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR Part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

The equal opportunity clause provided under 41 CFR 60-1.4(b) is hereby incorporated by reference. Supplier Partner agrees that such provision applies to any participating agency purchase or contract that meets the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 and Supplier Partner agrees that it shall comply with such provision.

Does Supplier Partner agree? MS

(Initials of Authorized Representative)

15.3.4. Davis-Bacon Act

When required by Federal program legislation, Supplier Partner agrees that, for all participating agency prime construction contracts/purchases in excess of two thousand dollars (\$2,000), Supplier Partner shall comply with the Davis-Bacon Act (40 USC 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, Supplier Partner is required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determinate made by the Secretary of Labor. In addition, Supplier Partner shall pay wages not less than once a week.

Current prevailing wage determinations issued by the Department of Labor are available at www.wdol.gov. Supplier Partner agrees that, for any purchase to which this requirement applies, the award of the purchase to the Supplier Partner is conditioned upon Supplier Partner's acceptance of the wage determination.

Supplier Partner further agrees that it shall also comply with the Copeland "Anti-Kickback" Act (40 USC 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States". The Act provides that each Supplier Partner or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled.

Does Supplier Partner agree? MS

(Initials of Authorized Representative)

15.3.5. Contract Work Hours and Safety Standards Act

Where applicable, for all participating agency contracts or purchases in excess of one hundred thousand dollars (\$100,000) that involve the employment of mechanics or laborers, Supplier Partner agrees to comply with 40 USC 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 USC 3702 of the Act, Supplier Partner is required to compute the wages of every mechanic and laborer on the basis of a standard work week of forty (40) hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of forty (40) hours in the work week. The requirements of 40 USC 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Does Supplier Partner agree? MS

(Initials of Authorized Representative)

15.3.6. Right to Inventions Made Under a Contract or Agreement

If the participating agency's Federal award meets the definition of "funding agreement" under 37 CFR 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance or experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

Supplier Partner agrees to comply with the above requirements when applicable.

Does Supplier Partner agree? *MS*

(Initials of Authorized Representative)

15.3.7. Clean Air Act and Federal Water Pollution Control Act

Clean Air Act (42 USC 7401-7671q.) and the Federal Water Pollution Control Act (33 USC 1251-1387), as amended – Contracts and subgrants of amounts in excess of one hundred fifty thousand dollars (\$150,000) must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 USC 7401-7671q.) and the Federal Water Pollution Control Act, as amended (33 USC 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

When required, Supplier Partner agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act and the Federal Water Pollution Control Act.

Does Supplier Partner agree? *MS*

(Initials of Authorized Representative)

15.3.8. Debarment and Suspension

Debarment and Suspension (Executive Orders 12549 and 12689) – A contract award (see 2 CFR 180.220) must not be made to parties listed on the government-wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR Part 1966 Comp. p. 189) and 12689 (3 CFR Part 1989 Comp. p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Supplier Partner certifies that Supplier Partner is not currently listed on the government-wide exclusions in SAM, is not debarred, suspended, or otherwise excluded by agencies or declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier Partner further agrees to immediately notify the Cooperative and all Members with pending purchases or seeking to purchase from Supplier Partner if Supplier Partner is later listed on the government-wide exclusions in SAM, or is debarred, suspended, or otherwise excluded by agencies or declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Does Supplier Partner agree? *MS*

(Initials of Authorized Representative)

15.3.9. Byrd Anti-Lobbying Amendment

Byrd Anti-Lobbying Amendment (31 USC 1352) – Supplier Partners that apply or bid for an award exceeding one hundred thousand dollars (\$100,000) must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 USC 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such

disclosures are forwarded from tier to tier up to the non-Federal award. As applicable, Supplier Partner agrees to file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 USC 1352).

Does Supplier Partner agree? MS
(Initials of Authorized Representative)

15.3.10. Procurement of Recovered Materials

For participating agency purchases utilizing Federal funds, Supplier Partner agrees to comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act where applicable and provide such information and certifications as a participating agency may require to confirm estimates and otherwise comply. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds ten thousand dollars (\$10,000) or the value of the quantity acquired during the preceding fiscal year exceeded ten thousand dollars (\$10,000); procuring solid waste management services in a manner that maximizes energy and resource recovery, and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

Does Supplier Partner agree? MS
(Initials of Authorized Representative)

15.3.11. Profit as a Separate Element of Price

For purchases using federal funds in excess of one hundred fifty thousand dollars (\$150,000), a participating agency may be required to negotiate profit as a separate element of the price. See, 2 CFR 200.323(b). When required by a participating agency, Supplier Partner agrees to provide information and negotiate with the participating agency regarding profit as a separate element of the price for a particular purchase. However, Supplier Partner agrees that the total price, including profit, charged by Supplier Partner to the participating agency shall not exceed the awarded pricing, including any applicable discount, under Supplier Partner's Group Purchasing Agreement.

Does Supplier Partner agree? MS
(Initials of Authorized Representative)

15.3.12. General Compliance and Cooperation with Members

In addition to the foregoing specific requirements, Supplier Partner agrees, in accepting any purchase order from a Member, it shall make a good faith effort to work with Members to provide such information and to satisfy such requirements as may apply to a particular participating agency purchase or purchases including, but not limited to, applicable recordkeeping and record retention requirements.

Does Supplier Partner agree? MS
(Initials of Authorized Representative)

15.3.13. Applicability to Subcontractors

Offeror agrees that all contracts it awards pursuant to the Contract shall be bound by the foregoing terms and conditions.

Does Supplier Partner agree? MS
(Initials of Authorized Representative)

By signature below, I certify that the information in this form is true, complete, and accurate and that I am authorized by my company to make this certification and all consents and agreements contained herein.

Tarkett USA Inc

Bidder Name



Signature of Authorized Company Official

Jonathan Stanley

Printed Name

VP Education Strategic Accounts

Title

9/2/20

Date

16. Required Documents for Supplier Partners Intending to Do Business in New Jersey

16.1. Ownership Disclosure Form

Pursuant to the requirements of P.L. 1999, Chapter 440 effective April 17, 2000 (Local Public Contracts Law), Bidder shall complete the form attached to these specifications listing the persons owning 10 percent (10%) or more of the firm presenting the proposal.

Bidder Name: **Tarkett USA Inc**

Street Address: **30000 Aurora Road**

City, State Zip: **Solon OH 44139**

Complete as appropriate:

I Click or tap here to enter text., certify that I am the sole owner of Click or tap here to enter text., that there are no partners and the business is not incorporated, and the provisions of N.J.S. 52:25-24.2 do not apply.

OR:

I Click or tap here to enter text., a partner in Click or tap here to enter text., do hereby certify that the following is a list of all individual partners who own a 10 percent (10%) or greater interest therein. I further certify that if one (1) or more of the partners is itself a corporation or partnership, there is also set forth the names and addresses of the stockholders holding 10 percent (10%) or more of that corporation's stock or the individual partners owning 10% or greater interest in that partnership.

OR:

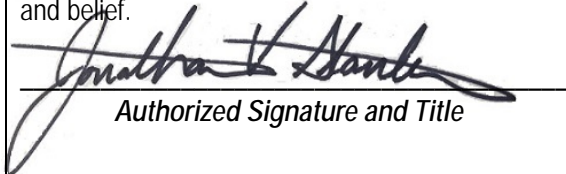
*I **Johnathan Stanley**, an authorized representative of **Tarkett USA Inc.**, a corporation, do hereby certify that the following is a list of the names and addresses of all stockholders in the corporation who own 10% or more of its stock of any class. I further certify that if one (1) or more of such stockholders is itself a corporation or partnership, that there is also set forth the names and addresses of the stockholders holding 10 percent (10%) or more of the corporation's stock or the individual partners owning a 10 percent (10%) or greater interest in that partnership.*

(Note: If there are no partners or stockholders owning 10% or more interest, indicate none.)

NAME	ADDRESS	% INTEREST
------	---------	------------

N/A	Click or tap here to enter text.	
Click or tap here to enter text.	Click or tap here to enter text.	
Click or tap here to enter text.	Click or tap here to enter text.	
Click or tap here to enter text.	Click or tap here to enter text.	
Click or tap here to enter text.	Click or tap here to enter text.	

I further certify that the statements and information contained herein, are complete and correct to the best of my knowledge and belief.


 Authorized Signature and Title

9/2/20

Date

16.2. Non-Collusion Affidavit (to be completed and included with each proposal submitted to Members in NJ)

Bidder Name: Enter Bidder Name

Street Address: Enter Street Address

City, State Zip: Enter City, State Zip

State of New Jersey

County of Customer County

I, Your Name of the Your City in the County of Your County, State of Your State of full age, being duly sworn according to law on my oath depose and say that:

I am the Your Title of the firm of Bidder Name, the Bidder making the proposal for the goods, services, or public work specified under the attached proposal, and that I executed the said proposal with full authority to do so; that said respondent has not directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free, competitive bidding in connection with the above proposal, and that all statements contained in said bid proposal and in this affidavit are true and correct, and made with full knowledge that the Customer Name relies upon the truth of the statements contained in said bid proposal and in the statements contained in this affidavit in awarding the contract for the said goods, services, or public work.

I further warrant that no person or selling agency has been employed or retained to solicit or secure such contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by:

Bidder Name

 Authorized Signature

Title

Subscribed and sworn before me

this _____ day of _____, 20____

Notary Public of New Jersey
My commission expires _____, 20____

SEAL

**16.3. Affirmative Action Affidavit
(P.L. 1975, C.127)**

Bidder Name: Tarkett USA Inc.
Street Address: 30000 Aurora Road
City, State Zip: Solon OH 44139

Bid Proposal Certification:

Indicate below your compliance with New Jersey Affirmative Action regulations. Your proposal will be accepted even if you are not in compliance at this time. No contract and/or purchase order may be issued, however, until all Affirmative Action requirements are met.

Required Affirmative Action Evidence:

Procurement, Professional & Service Contracts (Exhibit A)

Supplier Partners must submit with proposal:

1. A photocopy of their Federal Letter of Affirmative Action Plan Approval

OR
2. A photocopy of their Certificate of Employee Information Report

OR
3. A complete Affirmative Action Employee Information Report (AA302)

Public Work – Over Fifty Thousand Dollars (\$50,000) Total Project Cost:

Check One –

☐ No approved Federal or New Jersey Affirmative Action Plan. We will complete Report Form AA201-A upon receipt from the Customer Name, or

☐ Approved Federal or New Jersey Plan – certificate enclosed

I further certify that the statements and information contained herein, are complete and correct to the best of my knowledge and belief.

Tarkett USA Inc

Authorized Signature

Title

Date

P.L. 1995, c. 127 (N.J.A.C. 17:27)
MANDATORY AFFIRMATIVE ACTION LANGUAGE

PROCUREMENT, PROFESSIONAL & SERVICE CONTRACTS

During the performance of this contract, the Supplier Partner agrees as follows:

The Supplier Partner or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation. The Supplier Partner will take affirmative action to ensure that such applicants are recruited and employed, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Supplier Partner agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this non-discrimination clause.

The Supplier Partner or subcontractor, where applicable will, in all solicitations or advertisement for employees placed by or on behalf of the Supplier Partner, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation.

The Supplier Partner or subcontractor, where applicable, will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer advising the labor union or workers' representative of the Supplier Partner's commitments under this act and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The Supplier Partner or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to P.L. 1975, c. 127, as amended and supplemented from time to time and the Americans with Disabilities Act.

The Supplier Partner or subcontractor agrees to attempt in good faith to employ minority and female workers trade consistent with the applicable county employment goal prescribed by N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, C.127, as amended and supplemented from time to time or in accordance with a binding determination of the applicable county employment goals determined by the Affirmative Action Office pursuant to N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, C.127, as amended and supplemented from time to time.

The Supplier Partner or subcontractor agrees to inform in writing appropriate recruitment agencies in the area, including employment agencies, placement bureaus, colleges, universities, labor unions, that it does not discriminate on the basis of age, creed, color, national origin, ancestry, marital status, sex, affectional or sexual orientation, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The Supplier Partner or subcontractor agrees to revise any of it testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job-related testing, as established by the statutes and court decisions of the state of New Jersey and as established by applicable Federal law and applicable Federal court decisions.

The Supplier Partner or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and lay-off to ensure that all such actions are taken without regard to age, creed, color, national origin, ancestry, marital status, sex,

affectional or sexual orientation, and conform with the applicable employment goals, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

The Supplier Partner and its subcontractors shall furnish such reports or other documents to the Affirmative Action Office as may be requested by the office from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Affirmative Action Office for conducting a compliance investigation pursuant to Subchapter 10 of the Administrative Code (NJAC 17:27).


Signature of Procurement Agent

16.4. Political Contribution Disclosure Form

Public Agency Instructions

This page provides guidance to public agencies entering into contracts with business entities that are required to file Political Contribution Disclosure forms with the agency. **It is not intended to be provided to Supplier Partners.** What follows are instructions on the use of form local units can provide to Supplier Partners that are required to disclose political contributions pursuant to N.J.S.A. 19:44A-20.26 (P.L. 2005, c. 271, s.2). Additional information on the process is available in Local Finance Notice 2006-1 (www.nj.gov/dca/lgs/lfnslfnmenu.shtml).

1. The disclosure is required for all contracts in excess of seventeen thousand five hundred dollars (\$17,500) that are **not awarded** pursuant to a "fair and open" process (N.J.S.A. 19:44A-20.7).
2. Due to the potential length of some Supplier Partner submissions, the public agency should consider allowing data to be submitted in electronic form (i.e., spreadsheet, pdf file, etc.). Submissions must be kept with the contract documents or in an appropriate computer file and be available for public access. **The form is worded to accept this alternate submission.** The text should be amended if electronic submission will not be allowed.
3. The submission must be **received from the Supplier Partner and** on file at least ten (10) days prior to award of the contract. Resolutions of award should reflect that the disclosure has been received and is on file.
4. The Supplier Partner must disclose contributions made to candidate and party committees covering a wide range of public agencies, including all public agencies that have elected officials in the county of the public agency, state legislative positions, and various state entities. The Division of Local Government Services recommends that Supplier Partners be provided a list of the affected agencies. This will assist Supplier Partners in determining the campaign and political committees of the officials and candidates affected by the disclosure.
 - a) The Division has prepared model disclosure forms for each county. They can be downloaded from the "County PCD Forms" link on the Pay-to-Play web site at www.nj.gov/dca/lgs/p2p. They will be updated from time-to-time, as necessary.
 - b) A public agency using these forms **should edit them to properly reflect the correct legislative district(s)**. As the forms are county-based, **they list all legislative districts** in each county. **Districts that do not represent the public agency should be removed from the lists.**
 - c) Some Supplier Partners may find it easier to provide a single list that covers all contributions, regardless of the county. These submissions are appropriate and should be accepted.
 - d) The form may be used "as-is", subject to edits as described herein.
 - e) The "Supplier Partner Instructions" sheet is intended to be provided with the form. It is recommended that the Instructions and the form be printed on the same piece of paper. The form notes that the Instructions are printed on the back of the form; where that is not the case, the text should be edited accordingly.
 - f) The form is a Word document and can be edited to meet local needs, and posted for download on web sites, used as an e-mail attachment, or provided as a printed document.
5. It is recommended that the Supplier Partner also complete a "Stockholder Disclosure Certification." This will assist the local unit in its obligation to ensure that Supplier Partner did not make any prohibited contributions to the

committees listed on the Business Entity Disclosure Certification in the twelve (12) months prior to the contract. (See Local Finance Notice 2006-7 for additional information on this obligation) A sample Certification form is part of this package and the instruction to complete it is included in the Supplier Partner Instructions. **NOTE: This section is not applicable to Boards of Education.**

C. 271 POLITICAL CONTRIBUTION DISCLOSURE FORM Supplier Partner Instructions

Supplier Partners receiving contracts from a public agency that are NOT awarded pursuant to a "fair and open" process (defined at N.J.S.A. 19:44A-20.7) are subject to the provisions of P.L. 2005, c. 271, s.2 (N.J.S.A. 19:44A-20.26). This law provides that ten (10) days prior to the award of such a contract, the Supplier Partner shall disclose contributions to:

- 1) any State, county, or municipal committee of a political party,
- 2) any legislative leadership committee¹,
- 3) any continuing political committee (a.k.a., political action committee),
- 4) any candidate committee of a candidate for, or holder of, an elective office:
 - a) of the public entity awarding the contract,
 - b) of that county in which that public entity is located,
 - c) of another public entity within that county,
 - d) or of a legislative district in which that public entity is located or, when the public entity is a county, of any legislative district which includes all or part of the county. The disclosure must list reportable contributions to any of the committees that exceed three hundred dollars (\$300) per election cycle that were made during the twelve (12) months prior to award of the contract. See N.J.S.A. 19:44A-8 and 19:44A-16 for more details on reportable contributions.

N.J.S.A. 19:44A-20.26 itemizes the parties from whom contributions must be disclosed when a business entity is not a natural person. This includes the following:

- 1) individuals with an "interest" ownership or control of more than ten percent (10%) of the profits or assets of a business entity or 10% of the stock in the case of a business entity that is a corporation for profit,
- 2) all principals, partners, officers, or directors of the business entity or their spouses,
- 3) any subsidiaries directly or indirectly controlled by the business entity,
- 4) IRS Code Section 527 New Jersey based organizations, directly or indirectly controlled by the business entity and filing as continuing political committees, (PACs). When the business entity is a natural person, "a contribution by that person's spouse or child, residing therewith, shall be deemed to be a contribution by the business entity." [N.J.S.A. 19:44A-20.26(b)] The contributor must be listed on the disclosure. Any business entity that fails to comply with the disclosure provisions shall be subject to a fine imposed by ELEC in an amount to be determined by the Commission which may be based upon the amount that the business entity failed to report. The enclosed list of agencies is provided to assist the Supplier Partner in identifying those public agencies whose elected official and/or candidate campaign committees are affected by the disclosure requirement. It is the Supplier Partner's responsibility to identify the specific committees to which contributions may have been made and need to be disclosed. The disclosed information may exceed the minimum requirement. The enclosed form, a content-consistent facsimile, or an electronic data file containing the required details (along with a signed cover sheet) may be used as the Supplier Partner's submission and is disclosable to the public under the Open Public Records Act. The Supplier Partner must also complete the attached Stockholder Disclosure Certification. This will assist the agency in meeting its obligations under the law.

NOTE: This section does not apply to Board of Education contracts.

¹ N.J.S.A. 19:44A-3(s): "The term "legislative leadership committee" means a committee established, authorized to be established, or designated by the President of the Senate, the Minority Leader of the Senate, the Speaker of the General Assembly or the Minority Leader of the General Assembly pursuant to section 16 of P.L.1993, c.65 (C.19:44A-10.1) for the purpose of receiving contributions and making expenditures."

C. 271 POLITICAL CONTRIBUTION DISCLOSURE FORM

Contributor Name	Recipient Name	Date	\$Amount
Contributor Name	Recipient Name	Date	\$Amount
Contributor Name	Recipient Name	Date	\$Amount
Contributor Name	Recipient Name	Date	\$Amount
Contributor Name	Recipient Name	Date	\$Amount
Contributor Name	Recipient Name	Date	\$Amount
Contributor Name	Recipient Name	Date	\$Amount
Contributor Name	Recipient Name	Date	\$Amount
Contributor Name	Recipient Name	Date	\$Amount
Contributor Name	Recipient Name	Date	\$Amount
Contributor Name	Recipient Name	Date	\$Amount
Contributor Name	Recipient Name	Date	\$Amount
Contributor Name	Recipient Name	Date	\$Amount
Contributor Name	Recipient Name	Date	\$Amount
Contributor Name	Recipient Name	Date	\$Amount
Contributor Name	Recipient Name	Date	\$Amount

☐ Check here if the information is continued on subsequent page(s)

List of Agencies with Elected Officials Required for Political Contribution Disclosure

N.J.S.A. 19:44A-20.26

County Name:

State: Governor, and Legislative Leadership Committees

Legislative District #s:

State Senator and two members of the General Assembly per district.

County:

Freeholders
{County Executive}

County Clerk
Surrogate

Sheriff

Municipalities (Mayor and members of governing body, regardless of title):

USERS SHOULD CREATE THEIR OWN FORM, OR DOWNLOAD FROM WWW.NJ.GOV/DCA/LGS/P2P A COUNTY-BASED, CUSTOMIZABLE FORM.

16.5. Stockholder Disclosure Form

Name of Business:

☐ I certify that the list below contains the names and home addresses of all stockholders holding ten percent (10%) or more of the issued and outstanding stock of the undersigned.

OR

☐ I certify that no one stockholder owns ten percent (10%) or more of the issued and outstanding stock of the undersigned.

Check the box that represents the type of business organization:

☐ Partnership

☒ Corporation

☐ Sole Proprietorship

☐ Limited Partnership

☐ Limited Liability Corporation

☐ Limited Liability Partnership

☐ Subchapter S Corporation

Sign and notarize the form below, and, if necessary, complete the stockholder list below.

Stockholders:

Name: N/A	Name: Stockholder Name
Home Address: Home Address	Home Address: Home Address
Name: Stockholder Name	Name: Stockholder Name
Home Address: Home Address	Home Address: Home Address
Name: Stockholder Name	Name: Stockholder Name
Home Address: Home Address	Home Address: Home Address
<p>Subscribed and sworn before me this <u>2</u> day of <u>September</u>, 2020</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>(Notary Public) <i>Treasia A. Hall</i> TREASIA A HALL My Commission Expires MAR 2, 2022</p> </div> <div style="width: 45%;"> <p>_____ (Affiant)</p> <p>_____ (Print name & title of affiant)</p> <p>_____ (Corporate Seal)</p> </div> </div>	

17. Required Documents for Supplier Partners Intending to Do Business in Arizona

17.1. Arizona Supplier Partner Requirements

AZ Compliance with Federal and state requirements. Supplier Partner agrees when working on any federally assisted projects with more than two thousand dollars (\$2,000.00) in labor costs, to comply with all federal and state requirements, as well as Equal Opportunity Employment requirements and all other federal and state laws, statutes, etc. Supplier Partner agrees to post wage rates at the work site and submit a copy of their payroll to the member for their files. Supplier Partner must retain records for three years to allow the federal grantor agency access to these records, upon demand. Supplier Partner also agrees to comply with the Arizona Executive Order 75-5, as amended by Executive Order 99-4.

When working on contracts funded with Federal Grant monies, Supplier Partner additionally agrees to comply with the administrative requirements for grants, and cooperative agreements to state, local and federally recognized Indian Tribal Governments.

AZ Compliance with workforce requirements. Pursuant to ARS 41-4401, Supplier Partner and subcontractor(s) warrant their compliance with all federal and state immigration laws and regulations that relate to their employees, and compliance with ARS 23-214 subsection A, which states, "...every employer, after hiring an employee, shall verify the employment eligibility of the employee through the E-Verify program".

CCOG reserves the right to cancel or suspend the use of any contract for violations of immigration laws and regulations. CCOG and its members reserve the right to inspect the papers of any Supplier Partner or subcontract employee who works under this contract to ensure compliance with the warranty above.

AZ Supplier Partner Employee Work Eligibility. By entering into this contract, Supplier Partner agrees and warrants compliance with A.R.S. 41-4401, A.R.S. 23-214, the Federal Immigration and Nationality Act (FINA), and all other Federal immigration laws and regulations. CCOG and/or Equalis Group members may request verification of compliance from any Supplier Partner or subcontractor performing work under this contract. CCOG and Equalis Group members reserve the right to confirm compliance. In the event that CCOG or Equalis Group members suspect or find that any Supplier Partner or subcontractor is not in compliance, CCOG may pursue any and all remedies allowed by law, including but not limited to suspension of work, termination of contract, suspension and/or debarment of the Supplier Partner. All cost associated with any legal action will be the responsibility of the Supplier Partner.

AZ Non-Compliance. All federally assisted contracts to members that exceed ten thousand dollars (\$10,000.00) may be terminated by the federal grantee for noncompliance by Supplier Partner. In projects that are not federally funded, respondent must agree to meet any federal, state or local requirements as necessary. In addition, if compliance with the federal regulations increases the contract costs beyond the agreed on costs in this solicitation, the additional costs may only apply to the portion of the work paid by the federal grantee.

Registered Sex Offender Restrictions (Arizona). For work to be performed at an Arizona school, Supplier Partner agrees that no employee or employee of a subcontractor who has been adjudicated to be a registered sex offender will perform work at any time when students are present, or reasonably expected to be present. Supplier Partner agrees that a violation of this condition shall be considered a material breach and may result in the cancellation of the purchase order at the Equalis Group member's discretion. Supplier Partner must identify any additional costs associated with compliance to this term. If no costs are specified, compliance with this term will be provided at no additional charge.

Offshore Performance of Work Prohibited. Due to security and identity protection concerns, direct services under this contract shall be performed within the borders of the United States.

Terrorism Country Divestments. In accordance with A.R.S. 35-392, CCOG and Equalis Group members are prohibited from purchasing from a company that is in violation of the Export Administration Act. By entering into the contract, Supplier Partner warrants compliance with the Export Administration Act.

The undersigned hereby accepts and agrees to comply with all statutory compliance and notice requirements listed in this document.


Signature of Authorized Representative

9/2/20