



Our Ambition

FOR THE GLOBAL FLOORING INDUSTRY

Each Day, Create the Ultimate Flooring Experience

Flooring covers the world. In every space conceived and built by men and women, around the planet, wherever we live... flooring provides inspiration, comfort and safety, protecting health and well-being, and helping people lead better, happier lives.

A world leader in integrated flooring and sports surface solutions, Tarkett has been providing unique flooring experiences each day **for over 130 years...** in homes, schools, workplaces, hospitals, retail stores, hotels, and wherever sports are played.

Tarkett's drive for flooring industry leadership through sustainable, profitable growth is based on key success factors **that create value for all our stakeholders.**

OUR VISION

Being the global leader in innovative flooring and sports surface solutions that generate value for customers in a sustainable way.

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Tarkett's key success factors:

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Discover Tarkett through its 'Historic' Year 2013

Dear Tarkett Friends,

Thank you for your interest in this first Activity Report for Tarkett as a newly listed public company.

We hope that you will discover the reasons why the year 2013 was historic in many ways, including the vote of confidence of many individual and institutional investors worldwide who became Tarkett shareholders, and why their confidence sets the stage for continued success in our ability to drive global industry leadership.

This document is also the opportunity to discover a new vision of flooring and sports surfaces as comprehensive and innovative solutions, combining design, performance, and well-being to provide the "ultimate flooring experience" to all of our customers and end-users. You will also be able to appreciate why we are so proud of all of our associates' know-how and expertise, continuing the Tarkett story of successful entrepreneurship.

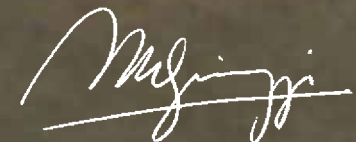
To our new shareholders, a special word of welcome. We aim to regularly inform you, including through this annual activity report, on how Tarkett teams are engaged to pursue a sustainable and profitable growth dynamic for the future.

To our customers, let me take also this opportunity to thank you for your confidence in Tarkett; you have our pledge for even stronger long-lasting relationships.

As you will learn from this activity report, we strive to continuously listen and engage in a dialogue with all our stakeholders about our commitment to Corporate Social Responsibility. In that way, we can innovate in our operations to show respect for People, Planet, and Profit, the keys to sustainability over the long term.

I invite you to discover the Tarkett sustainable business story and to become part of a continuing dialogue with us.

*Sincerely,
Michel Giannuzzi
CEO*



TARKETT IN BRIEF

An Entrepreneurial Success Story

In order to appreciate Tarkett's strategies and engagements for industry leadership through sustainable, profitable growth, it is important to look at Tarkett's footprint in facts and figures and understand where it has come from.

Tarkett has been a true entrepreneurial success story for over 130 years.

We strive every day to keep that entrepreneurial spirit of innovation and performance alive in all we do.

1880
-
2000

The age of entrepreneurs

Creation and local development of Sommer/Allibert and Tarkett

2000
-
2007

Build-up of the international platform

- Pioneer in the CIS (Sintelon)
- Diversification into sports surfaces (FieldTurf)
- U.S. expansion (Johnsonite)

2007
-
2013

Accelerating internal and external development

- Change in shareholding structure, 50/50 Deconinck Family and KKR's affiliated funds
- New management team
- Organic growth, operational excellence, and eco-innovations shaping the flooring industry
- Value creation through external growth: 12 acquisitions in the last 5 years
- Strategic positioning in CIS and North America
- Successful entry into growing markets in Brazil and China
- Initial Public Offering, November 22nd, 2013

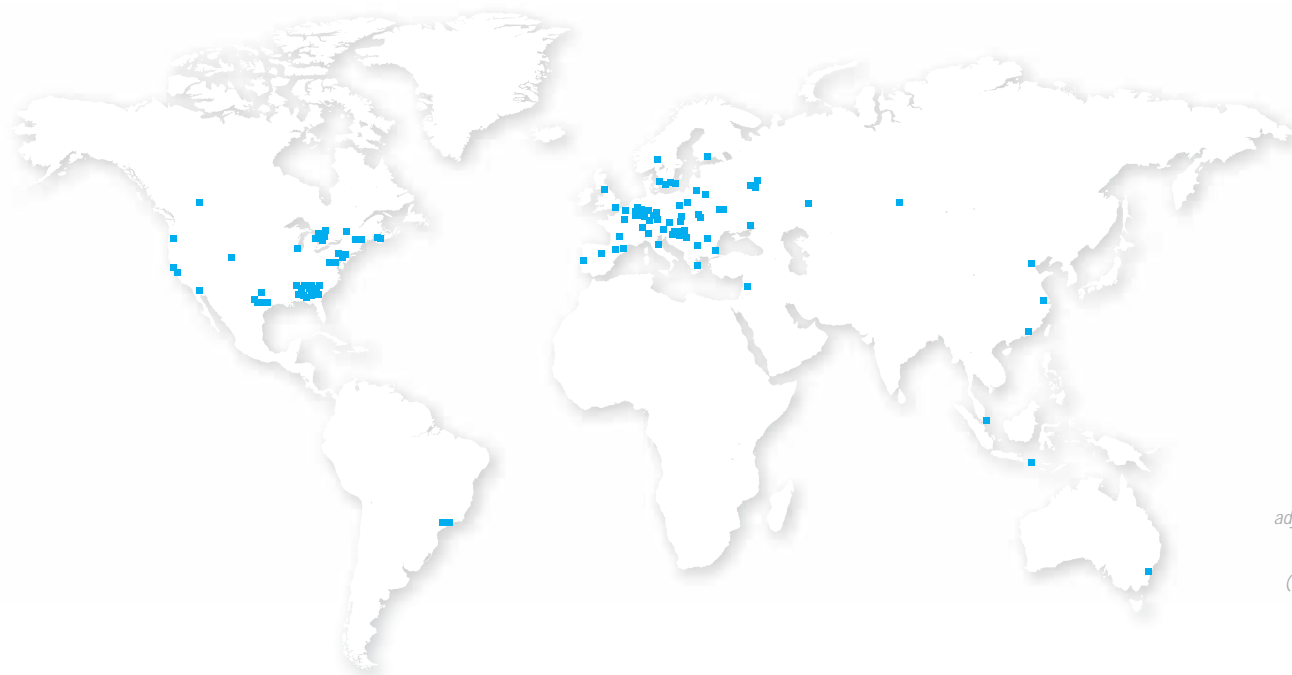
2014
-

Listed on Paris Euronext Stock Exchange (SBF 120), with the Deconinck Family as the majority shareholder, completed by private equity funds affiliated with KKR*, institutional investors and individual shareholders worldwide.

TARKETT IN BRIEF

Industry Leadership through Global Strengths & Local Solutions

Tarkett has one of the broadest global reach of any flooring company in the world. With experienced local teams and with sales in over 100 countries, we draw upon unparalleled understanding of local cultures, tastes, technical requirements and building regulations, as well as flooring usage and performance. We share this wealth of information throughout our organization to allow our local teams to identify the flooring solution that best meets diverse local customer requirements. Our local manufacturing presence and our customer service centers also ensure rapid responsiveness and flexibility in serving customer needs.



NET SALES
2.5
BILLION EUROS

ADJUSTED EBITDA
310
MILLION EUROS

SALES IN
MORE THAN
100
COUNTRIES

1.3
MILLION SQUARE
METERS OF
FLOORING SOLD
EACH DAY

30
PRODUCTION
SITES

1
INTERNATIONAL
RESEARCH &
INNOVATION CENTER

24
R&D & APPLICATION
LABS IN
11 COUNTRIES

11,000
EMPLOYEES

3
DESIGN
CENTERS

60
SALES &
MARKETING OFFICES

14
TRAINING
CENTERS

**Adjusted EBITDA:
adjustments include expenses related
to restructuring, acquisitions
and non-recurring items
(in particular IPO related expenses)*

7
RECYCLING
CENTERS



Michel Giannuzzi
Chief Executive Officer

CEO INTERVIEW

Why 2013 was a historic year for Tarkett

In an interview, Tarkett's CEO Michel Giannuzzi explains why the year 2013 was 'historic' for the company and how Tarkett is maintaining its momentum for continued profitable and sustainable growth for added value for all stakeholders.

The year 2013 seems to have been a very special one at Tarkett. What were its highlights?

We welcomed a new group of shareholders through a successful initial public offering on the Euronext Paris stock exchange. We are particularly pleased to count 11,000 individual investors alongside international institutions. In 2013, Tarkett also achieved an all-time record for sales and for adjusted EBITDA margin.

Does that fundamentally change the shareholding structure?

We have the best of diverse worlds in terms of shareholders. The Deconinck family's role as majority shareholder maintains a three-generation tradition of assuring long-term stability for a strategy of sustainable and profitable growth. KKR (Kohlberg Kravis Roberts & Co. L.P.) has renewed its confidence and support by retaining 21.5% of Tarkett's shares.

Finally, we have diversified our shareholding structure and increased its global profile to match Tarkett's growth worldwide.

What were the results and operational highlights of 2013?

Our results show that we delivered what we promised, through both organic growth and improved profitability, confirming our ability to perform and grow over the years in a steady and sustainable way. ▶▶

“We welcomed 11,000 new stockholders who voted their confidence in Tarkett.”

CEO INTERVIEW



November 22, 2013 - Tarkett is listed on Paris-Euronext Stock Exchange

We completed the smooth and faster-than-expected integration of Tandus carpet. Centiva, specialized in high-end vinyl tiles, joined forces with Tandus teams, strengthening our direct distribution, as well as broadening our product line in North America.

// *Our success is based on balance in regional business and in complementary product lines that offer unique flooring solutions.*



With more than 1 billion US dollars of sales in North America (including Sports activities), our business continued to pick-up, benefiting from the US market recovery.

In the CIS countries, our strong positions and geographic footprint helped us seize the potential of these growing markets, albeit at a slower pace and despite unfavorable exchange rate variations.

In Europe, we faced contrasted economic situations, with more dynamic markets in North and Central Europe and Middle East, compensating for the slow-down in France and still-depressed economies in South Europe.

In Latin America and in Asia, we have progressively reinforced our sales and manufacturing presence to increase our market penetration.

Another success factor for 2013 was the confirmation of the recovery in the Sports Surfaces Division, both in terms of revenues

and margins, to the credit of the team that successfully implemented the turnaround plan started three years ago.

What is at the base of the operating success?

From a customer point of view, we focus on new products and renewed collections, while providing excellence in customer service and supply-chain management. Our results reflect the balance we have achieved in generating revenues from different regions and from different and complementary product lines. As a global company, balance is a key to capture growth from many different opportunities to power long-term performance.

The other key success factors are our ability to continuously improve operational performance and to manage a sound financial structure.

How does Tarkett define 'leadership', and how does it intend to strengthen and consolidate its position as global market leader?

We demonstrated leadership in 2010 with our 'eco-innovations', such as dramatically reducing the emissions of Volatile Organic Compounds for all vinyl ranges, and to contributing to improved indoor air quality. In 2014, we are taking another industry-leading step. ►►

How does Sustainable Development contribute to Tarkett's success?

Sustainable Development is really the backbone of our strategy today because it is the only way to plan for continued profitable growth in a changing environment. Profitable growth is the source of new investments to sustain innovation for continuing growth. So it's a virtuous cycle that we aim to maintain in all we do.

Through our commitment to best practices in sustainable growth, we are not only addressing the interests of all our stakeholders, we are creating an innovation engine for products and processes while respecting people and the environment. We do this through the 'Cradle to Cradle' principles of design, production, use, and recycling of our products. We use good materials that are safe for people and the environment, we optimize use of energy, water and other resources, we contribute to create people-friendly spaces at Tarkett and for our customers, and we recycle products to an increasing degree. It is our way to contribute to the development of the circular economy.

Finally I am convinced that people make the difference in our commitment to sustainability. For our employees, we strive to manage in a way that addresses their interests in a great place to work, in training, and in mobility for job opportunities that make the most of their abilities over time. By doing that, we also make sure that Tarkett best benefits in developing entrepreneurship spirit and talent for the future.

CEO INTERVIEW

Eco-innovation for sustainable, profitable growth is a key strategic driver for Tarkett industry leadership.

We have decided to roll-out our phthalate-free technology in Europe with a new generation of vinyl flooring, combining performance, environment and air quality, as well as top-notch design. We also continue to extend the use of non-phthalate plasticizers in North America, started in 2010.

Another example of our industry leadership relates to our proximity to the client to provide innovative and comprehensive flooring solutions by combining choices from our broad product offerings. That broad scope is very important because clients have many different profiles and therefore many different requirements, depending if the client is a distributor, an architect or a flooring specialist. To achieve that objective, we address local differences while benefitting from best global practices, as well as economies of scale. This «Glo-cal» approach, which combines the global and local dimensions, requires the entrepreneurial spirit to find the right formula for each customer.

What changes do you foresee in the industry in the coming years? How do you integrate them to prepare Tarkett for the future?

The industry still remains very fragmented. So we can expect that consolidation will continue and that competition will remain strong, if not intensify, through the development of regional or even global actors with broader product lines. Tarkett is well-positioned to maintain its momentum through the widest product portfolio and balanced geographical presence.

We also will be ready for changes we detect in consumer behavior and choices. It is clear to us that consumers are changing to favor products that make good use of resources when they are produced and can be recycled after their end of use, while contributing to a healthy environment and to their well-being. We are truly in the logic of the 'circular economy' and 'quality of life', in which Tarkett works hard to lead the market.

We are committed to maintaining our industry leadership in eco-innovation, a real competitive advantage, as well as a source of pride for all of us at Tarkett.

What are the challenges and opportunities for Tarkett in 2014?

More than ever, our broad offer of flooring solutions – one of the broadest in the industry – as well as proximity to local market needs, will continue to enable us to deliver to our customers the 'Ultimate Flooring Experience'.

We will certainly focus on organic growth in North America, where we have the benefit of both the recovery of the American economy and the growth potential from the integration of Tandus-Centiva. We aim to capture growth in Asia and Latin America by targeting the most technically demanding segments. We also believe that CIS countries still have the potential to grow faster than the average for regions, albeit less than in the past years.

The introduction of our new generation of eco-designed vinyl flooring, a truly major innovation in the flooring market, will open new opportunities in EMEA, compensating for the weakness of the wood category and for the uncertain economies of some European countries.

Thanks to increased capacity investments we made last year in all the regions, and new design offerings in the high-end vinyl tiles (LVT) category, we are in a good position to benefit from the fast growing demand for modularity and customized solutions.

We also aim to boost innovation capability and continue to improve operational excellence.

Complementing our organic growth with selective, value-added acquisitions, as we did with success over the years, continues to be an objective.

GOVERNANCE

Executive Committee & Management Board

Tarkett's Executive Committee is led by Michel Giannuzzi, CEO. This international and entrepreneurial leadership team is composed of ten experienced managers, sharing common Group interest and values while ensuring operational agility thanks to a decentralized organization. Tarkett's Management Board is chaired by Michel Giannuzzi, CEO, and includes Fabrice Barthélemy, CFO, and Vincent Lecerf, EVP Human Resources.



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a/ Michel Giannuzzi
Chief Executive Officer
• Appointed CEO in 2007 and also supervising the APAC-LATAM activities.
• International experience in various responsibilities at Michelin and Valeo.

b/ Fabrice Barthélemy
Chief Financial Officer
• Joined Tarkett as CFO in 2008.
• Held various positions in Finance in France and in the industry sector in the UK, such as Safran and Valeo.

c/ Jeff Buttitta
President Tarkett North America
• Joined Tarkett in 2005.
• CEO of Johnsonite (USA) for 15 years prior to its acquisition by Tarkett.

d/ Antoine Prévost
EVP Operations
• Joined Tarkett in 2011.
• Held managerial positions in operations and manufacturing at Vallourec.

e/ Anne-Christine Ayed
EVP Research, Innovation & Environment
• Joined Tarkett in 2009.
• Held managerial and R&D positions at Dow Chemical and DBApparel in the US and Europe.

f/ Remco Teulings
President Tarkett EMEA
• Joined Tarkett in 2012.
• Previously held Marketing and General Management responsibilities at Knauf Insulation.

g/ Slavoljub Martinovic
President Tarkett Eastern Europe
• Joined Tarkett in 2002.
• Worked since 1996 for Sintelon (Russia and Serbia), acquired by Tarkett in 2002.

h/ Vincent Lecerf
EVP Human Resources
• Joined Tarkett in 2008.
• Has a long experience in Human Resources in several multinational companies, such as Norbert Dentressangle, Rhodia, Poclain and Valeo.

i/ Eric Daliere
President of Tarkett Sports
• Joined Tarkett in 2009.
• Worked 10 years for KKR Capstone, consultants in business reorganization and restructuring, and for Boston Consulting Group.

j/ Stéphanie Couture
Group General Counsel
• Joined Tarkett in 2000.
• North American Legal Director for Tarkett until 2006. Previously an in-house counsel for Unibroue.

*EVP: Executive Vice President
EMEA: Europe, Middle East, Africa*

GOVERNANCE

Supervisory Board

Tarkett's Supervisory Board is composed of nine members: four members representing the Deconinck family, two representing KKR* and three independent members. The Supervisory Board is chaired by Didier Deconinck and its Vice President is Jacques Garaïalde from KKR.



- a/ Didier Deconinck**
member since January 2001 and chairman since September 2005.
• Vice-President and General Manager of Monin, which he co-founded.
- b/ Jacques Garaïalde**
member since January 2007, Vice-President since June 2007 and member of the Nominations and Compensation Committee.
• Partner of KKR since 2003.
- c/ Bernard-André Deconinck**
member since January 2007 and member of the Nominations and Compensation Committee.
• Spent his career in various management positions within Tarkett.
- d/ Eric Deconinck**
member since January 2001.
• Founded and developed his own consulting firm, Marketing & Business.
- e/ Josselin de Roquemaurel**
member since May 2010 and member of the Audit Committee.
• Manager of KKR since 2005.
- f/ Sonia Bonnet Bernard**
independent member since July 2011 and chairman of the Audit Committee.
• Managing partner at Ricol Lasteyrie, an independent and corporate valuation firm.
- g/ Françoise Leroy**
independent member since November 2013 and a member of both the Audit Committee and the Nominations and Compensation Committee.
• Director for mergers and acquisitions at Total until June 2013.
- h/ Gérard Buffière**
independent member since November 2013 and chairman of the Nominations and Compensation Committee.
• Director of Imerys, where he served as its CEO from 2005 to 2011.
- i/ Jean-Philippe Delsol**
member since November 2013.
• Partner at Delsol law firm. Consultant for large family-owned companies.

* Kohlberg Kravis Roberts & Co. L.P.

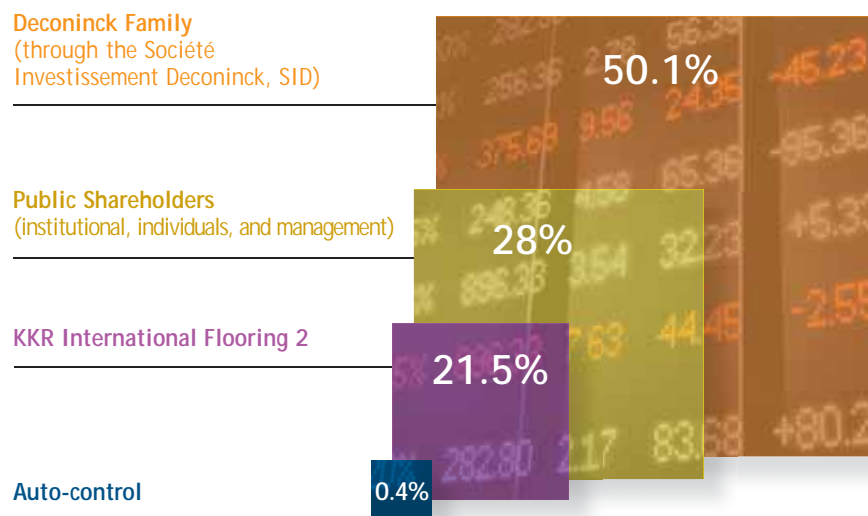
GOVERNANCE

Solid and long-term Shareholder profile

November 22, 2013 was a historic date that changed Tarkett's shareholding profile. We welcomed over 11,000 new public shareholders, both institutions and individuals, who subscribed to Tarkett's successful initial public offering.

Our new public shareholders join our historic shareholders, the Deconinck family, and KKR to create a solid base of investors in the company's continuing sustainable growth.

Tarkett's capital is composed of the following shareholders:



KKR International Flooring 2, private equity funds affiliated with Kohlberg Kravis Roberts & Co. L.P

The view from...



Stéphanie Couture
Group General Counsel

Did Tarkett's corporate governance change with the listing of the company?
We have made progressive changes to ensure compliance with rules for a French publicly-traded company for when the time would come. Since November 2013, two additional independent members were elected to the Supervisory Board and its committees, where there had been previously only one independent member. Internal rules

of governance were also adopted for conformity with official AMF* rules as well as with AFEP/MEDEF** recommendations for best corporate governance which we have decided to follow voluntarily. We believe our corporate governance system is transparent and in line with best practices.

How does corporate governance contribute to the company and to its stakeholders?
Tarkett has structurally reinforced at the highest level its already-solid corporate governance system. This ensures stakeholders of full compliance with comprehensive laws, rules and recommendations for transparency essential to safeguard their interests and, in the case of shareholders, their investments.

Are there specific objectives for corporate governance initiatives in 2014?

The first full year as a publicly-traded company will be focused on ensuring continuous conformity and compliance with best governance practices through reinforcement of our internal structure. We aim at supporting the work of the Supervisory Board and its committees as they implement the additional governance practices of publicly traded companies. We are also developing our communication with the various third parties which review and audit these additional best practices and governance rules.

*AMF: The French Autorité des Marchés Financiers
**AFEP/MEDEF: Association Française des Entreprises Privées (the French Association of Private Companies) / Mouvement des entreprises de France, the largest association of employers in France

GOVERNANCE

Supervisory Board Committees and Risk Management

Tarkett's corporate governance processes are directed to ensure:

- Uncompromised business ethics,
- Robust and transparent corporate supervision,
- Risk management.

**In line with standard governance practices,
the Supervisory Board has two dedicated Committees.**

The Audit Committee,

chaired by *Sonia Bonnet Bernard*, which assists the Supervisory Board through the following monitoring activities:

- the preparation of financial information, in particular, annual or interim reports and consolidated financial statements,
- the internal control, internal audit and risk management systems.
- the review of the individual company and consolidated financial statements by the Company's statutory auditors,
- the independence of the statutory auditors.

The Nominations and Compensation Committee,

chaired by *Gérard Buffière*, whose main function is to assist the Supervisory Board in:

- proposing independent members of the Supervisory Board and of the Board's committees, and examining and assessing the application of non-independent members' to the Supervisory Board,
- conducting an annual assessment of the independence of the Supervisory Board members,
- examining and proposing the levels and conditions of remuneration of the Group's executive management,
- reviewing and making proposals to the Supervisory Board with respect to attendance fees.

Tarkett considers risk management and internal control to be closely linked. Our risk management uses a variety of methods, procedures and actions in order to:

- Identify, analyze and control risks that could have a material effect on assets, results, operations or objectives of the business.
- Ensure operational efficiency and the efficient use of resources.

The Group's risk management and internal control processes are coordinated by our Internal Control and Audit Department.

Making sure that risk management policies and practices are implemented throughout the Group involves formal and continuing programs. These include:

- Educating employees on a Code of Ethics to which they commit to respect for exemplary business practices, a tool that helps Tarkett comply with the anti-corruption principles of the United Nations Global Compact. In 2013, Tarkett has continued to deploy its worldwide compliance program, including fair competition practices and anti-corruption, to train specific employee groups (sales force, purchasing and managers...) through an e-learning tracking tool and in-person training sessions.
- Completing a risk mapping which is updated yearly and implementing related action plans.
- Assessing internal controls on process-related risks (other than operations), through the TRACE (Tarkett Risks And Controls Evaluation) program, which is implemented throughout the Group worldwide.
- Performing regular internal audits within the Group entities.

FINANCIAL PERFORMANCE

2013 Results, Excellent year of profitable growth

Tarkett's priorities for profitable growth strategy

- Seize growth potential on a global scale
- Expand through innovation
- Deliver further operational optimization
- External growth potential

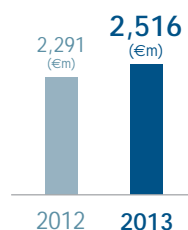
Tarkett delivered record results in 2013, demonstrating the strength of its profitable growth strategy. The Group benefitted from the positive impact of the acquisition of Tandus in North America and sustained organic growth in its main markets and segments. Thanks to our balanced worldwide presence, diversified flooring products portfolio and efficient industrial base, we have been able to capture growth in the most dynamic regions of the world. 2013 was also a historic year for Tarkett, with its listing on Euronext Paris.



Fabrice Barthélemy
Chief Financial Officer

NET SALES

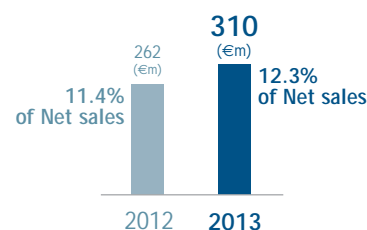
+9.8% of which 3.3% organic growth



Tarkett achieved record net sales of €2,516m in 2013. Organic growth reached 3.3%, excluding the full-year impact of Tandus acquisition (+€210m) and exchange rates variations (-€61m including a lag effect of selling price increases in Russia of -€21m). While demand remained weaker in certain parts of Europe, the Group maintained a positive momentum in emerging markets as well as in North America, and fully benefitted from the recovery of Sports Surfaces markets.

ADJUSTED EBITDA & MARGIN

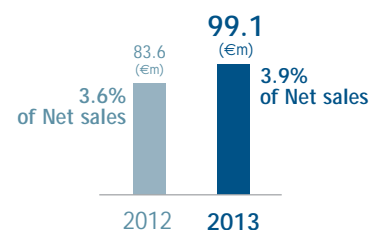
+90bps



The Group delivered a record adjusted EBITDA of €310m in 2013 and has dramatically improved the adjusted EBITDA margin by 90bps, at 12.3%. This performance was mainly driven by the full-year impact of Tandus acquisition, positive volume growth and continued operational efficiency, despite adverse currency effects.

NET PROFIT

+18.5%



Net profit attributable to the owners (non adjusted) reached €99.1m, increasing by 18.5% vs. 2012, despite higher adjustments.

ROCE (Return on Capital Employed)

17.7%

The pre-tax ROCE reached a record level, at 17.7% vs 16.5% in 2012.

NET DEBT/ADJUSTED EBITDA

1.4x

Tarkett benefits from a strong balanced sheet structure with a net debt down to €429m, i.e. 1.4x adjusted EBITDA.

*2012 & 2013 figures

- 2012 accounts were restated following adoption of IFRS 11 – A JV previously consolidated with the proportional method is now consolidated using the Equity method (except for ROCE figure)

- Adjusted EBITDA: adjustments include expenses related to restructuring, acquisitions and non-recurring items (in particular IPO related expenses)

- Net Profit figure is Net profit attributable to the owners (non adjusted)

- 2012 ROCE calculation is based on pro-forma accounts including 12 months of Tandus



Complementary geographic & sectoral footprints

Balanced regional and end-market
presence for resilience to cycles

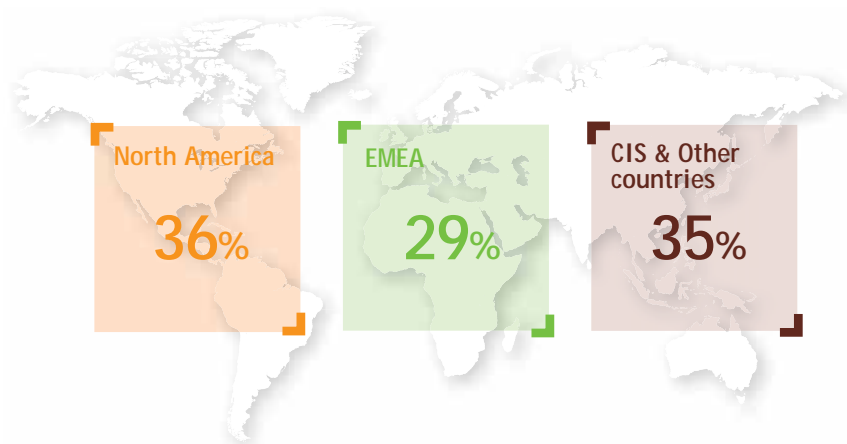
OVERVIEW

Tarkett Leadership through Balanced Positions

Tarkett benefits from strategically-balanced positions in product lines, geographical presence, and end-market exposure.

Balanced geographic exposure to recovering markets complemented by a leading exposure to growing emerging markets

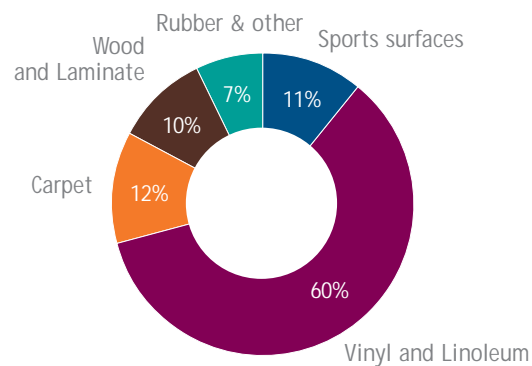
% 2013 of net sales



Including Sports representing 11% of Tarkett's 2013 net sales, of which approximately 80% in North America and 20% in France, Spain and the Netherlands.

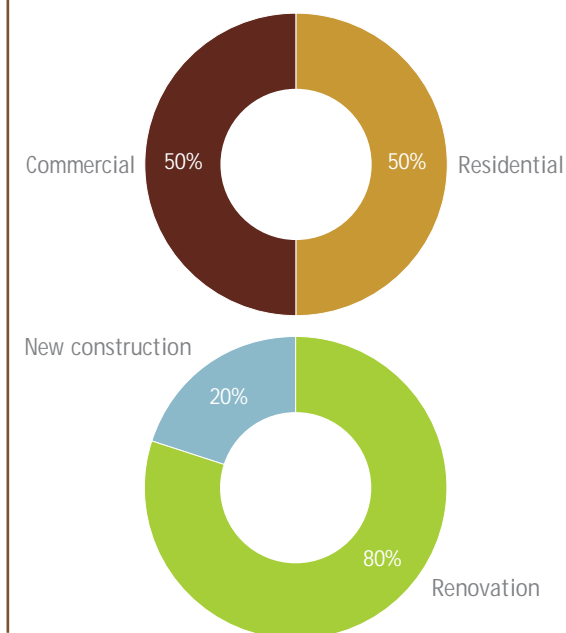
One of the broadest product portfolios in the flooring industry

% of net sales



Balanced and attractive end-markets exposure for resilience to cycles

% of estimated sales split



OVERVIEW

Driving Industry Leadership across all key products and markets

Tarkett's leadership is based on one of the broadest product offerings in the industry as well as on its global and regional rankings in all the major types of floor coverings (excluding ceramics) and surface segments.

FLOORING SOLUTIONS		
GLOBALLY No.1 Vinyl		
NORTH AMERICA No.2 Vinyl & Rubber No.1 Accessories	EMEA No.1 Vinyl No.3 Wood	CIS & OTHERS No.1 Vinyl & Wood CIS COUNTRIES No.1 Commercial Vinyl BRAZIL

SPORTS SURFACES	
GLOBALLY No.1 Artificial Grass	
NORTH AMERICA No.1 Running Tracks	EMEA No.1 Artificial Grass



Tandus | Centiva
A Tarkett Company


RHINOFLOOR







Tandus
A Tarkett Company



A Tarkett Sports Company

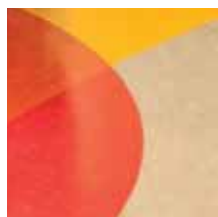
A Tarkett Sports Company


Source: Tarkett World Flooring Report (July 2013)

OVERVIEW

Market Expertise across a complete product line

Tarkett's global leadership is based on one of the broadest product portfolios in the industry



Vinyl



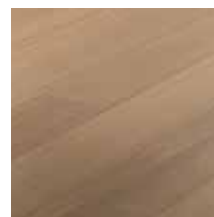
Linoleum



Rubber & Accessories



Carpet



Wood



Laminate



Artificial Turf



Tracks

Tarkett's expertise adds value in every market segment



Housing



Healthcare



Retail & Hospitality



Education



Offices



Sports



Product & Service Innovation

Continuous innovation is the source of Tarkett's sustainable leadership in all market and product sectors.

OVERVIEW

Driving for Success through Innovation

Innovation is a powerful force in Tarkett's drive for success.

Although innovation starts with creative ideas, those ideas need to be developed through an organized process to ensure product and process leadership. They are shared and challenged through a Research and Innovation network as well as with partnerships with universities and other outside sources of expertise overseen by a scientific council.



- Penn State University (USA) on safety and performance of sports flooring



- ENSAD (Ecole National Supérieure des Arts Décoratifs – France) and Engineering School (Ecole des Mines de Paris – France) on "Flooring of the future"



- European and North American trade associations and scientific labs (such as Luxembourg's Henri Tudor Institute) on LCA – Life Cycle Assessment to measure impact of products throughout their life and use



- EPEA (Environmental Protection and Encouragement Agency) for Cradle to Cradle® program and certifications



To grow faster and be more profitable than our competitors, we are determined to be leaders in innovation in four areas:

ECO-DESIGN

Through products and processes which respect people and the environment.

MODULARITY & DESIGN

Where new products and solutions not only respond to, but also anticipate customer requirements.

TECHNOLOGY & PERFORMANCE

Where we push the limits to offer breakthrough products and process leadership for a competitive edge.

SOLUTION PROVIDER

Together, these innovation streams assure Tarkett the components for breakthrough offers in comprehensive flooring solutions and in customer service.

R&D in figures

Tarkett's innovation network involves **150 employees** worldwide in **its Research and Innovation center** in Luxembourg and its **24 application laboratories** located in **11 countries**.

The company owns a portfolio of **162 patents** and registers **10 to 15 patents** each year.

INNOVATION AWARDS

Best Innovator Awards 2013, A.T. Kearney

Tarkett was recognized for its robust innovation process by the Jury's Special Prize at the Best Innovator Awards, 2013, organized by A.T. Kearney management consultants, featuring:

- Tarkett's system of idea generation and management, producing over 60 new concepts every year and a mapped industrial property management process.
- The management of technological expertise through in-house and external experts, partnerships with prestigious universities and others, as well as through continuing dialogue with customers including architects, designers, installer, and distributors, to ascertain their future needs.



From left to right: Antoine Prévost, EVP Operations, Christophe Reithler, Director, Prospective & Opportunity Exploration, Anne-Christine Ayed, EVP Research, Innovation & Environment, Michel Giannuzzi, CEO, Vincent Lecerf, EVP Human Resources.

Michel Giannuzzi, CEO,
and Anne-Christine Ayed,
EVP Research, Innovation
& Environment.



Product Innovations Awards, US magazines

Tarkett's Johnsonite Harmonium xf™ Linoleum flooring received the 2013 Product Innovations Merit Award from the US construction industry's leading magazine. It recognized the product "innovative and environmental qualities combining performance and aesthetics to support the efficiency and sustainability of commercial buildings."



Johnsonite's Finishing Borders Collection received Product Innovation Awards from Architectural Products magazine.



Sustainable Innovation Award 2013, Bearing Point

Tarkett best practices in innovation management were recognized by the Sustainable Innovation Award created by Bearing Point management consultants in France, in partnership with L'Expansion magazine and a prestigious French engineering high school (Ecole des Ponts ParisTech).

The award was based on Tarkett responsible innovation for sustainable development in designing and producing flooring solutions that contribute to improve indoor environment and air quality, while respecting the overall environment and supporting company growth. This Award also recognizes Tarkett contribution to the circular economy approach through the deployment of the Cradle to Cradle principles at each step of the product life.

(to learn more see page 63)

INNOVATION

Eco-design as Innovation Engine

Sustainability at Tarkett is not considered as a constraint; it is seen as an inspiring source of innovation in all we do, starting with eco-design. Our track record shows just how powerful it can be.

Based on the closed-loop circular design approach, and applying the Cradle to Cradle principles, we strive to eco-conceive our products taking into account each step of its life and the positive contribution it brings to people quality of life and the environment. This is the result of a close work with our suppliers to select materials to eco-design products that integrate a technical cycle or a biological cycle.



Industry leadership in Low VOC emissions and Phthalate-free vinyl flooring

- Tarkett has become the industry reference for extremely reducing Total Volatile Organic Compounds (TVOC) emissions to levels between ten to one hundred times lower than the strictest standards in the world for indoor air quality*.
- Tarkett is rolling out a new generation of phthalate-free products, by using non-phthalate plasticizers in its vinyl flooring production in Europe in 2014, continuing its deployment that had begun in North America in 2010.



Eco-innovate with renewable and recycled materials

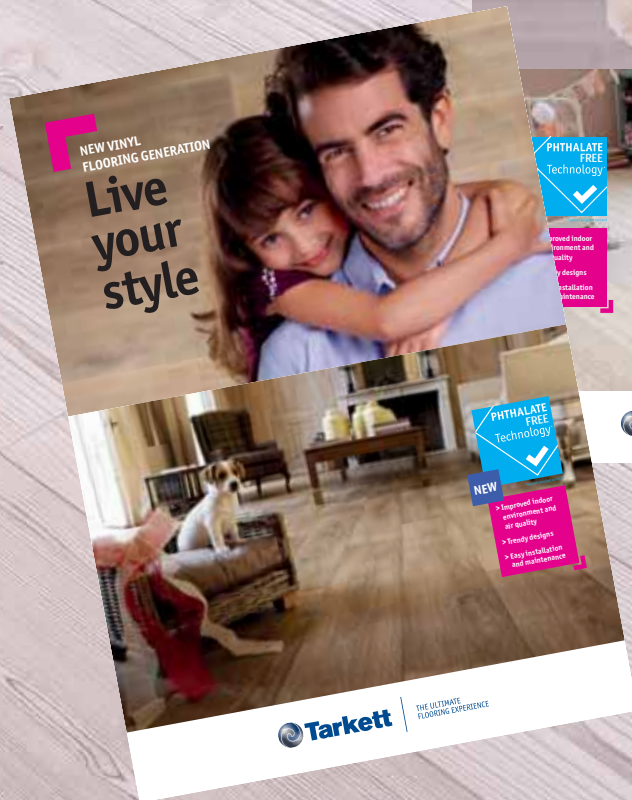
- With iQ Natural, Tarkett launched in 2010 one of the first vinyl flooring products, made of 75% renewable raw materials, and using bio-based plasticizers.
- Tandus has eco-designed ethos®, a high performance hybrid resilient and modular carpet tile backing, made of recycled PVB film from disposed windshields and safety glass.

**Total Volatile Organic Compounds after 28 days.*

INNOVATION

NEW VINYL
FLOORING GENERATIONLive
your
stylePHTHALATE
FREE
TechnologyImproved indoor
environment and
air quality
Ready designs
Easy installation
and maintenance

Tarkett

THE ULTIMATE
FLOORING EXPERIENCENEW VINYL
FLOORING GENERATIONLive
your
stylePHTHALATE
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Tarkett

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Tarkett

THE ULTIMATE
FLOORING EXPERIENCE

FOCUS

New generation
of Vinyl Flooring for 2014

In January 2014, Tarkett has launched the new resilient residential vinyl flooring across all EMEA markets with its new eco-friendly and designs.

Tarkett created one of the largest vinyl collections with unique new designs, colors and textures to match changing consumer tastes and modern lifestyles, to the needs of every type of room, without compromising the performance of the product.

This new residential vinyl collection was created for healthy living environments with two eco-innovations, contributing to improve indoor environments and air quality: phthalate-free technology and a total VOC emissions level that is 10 times lower than the strictest standards existing in Europe*.

In September 2013, Tarkett announced the 2014 deployment of phthalate-free technology across its residential and professional flooring product ranges in Europe. The phthalate-free plasticizers selected by Tarkett have no restrictions food contact containers and can be used for use in toys intended to be placed in the mouth by children. Tarkett pro-actively started in 2010 deploying the new phthalate-free technology in its North American and Swedish production sites. The Group also pursues the rolling-out within all remaining production sites in North America.

These eco-innovations, which are setting high standards to the market, will ensure that customers benefit from sustainable solutions that combine aesthetics, performance, health and well-being.

* Total Volatile Organic Compounds after 28 days. Standard TVOC in Europe: 1000 µg/m³.
Tarkett new residential vinyl collection: less than 100 µg/m³

INNOVATION

New Technology & Product Performance

Innovation in products and processes leads the industry. They provide Tarkett with competitive advantages in its operations and its customers with the next wave of flooring and sports solutions.

Process leadership's competitive edge

Tarkett constantly improves and develops new processes to maintain industrial leadership, drive operational excellence, and reduce the impact on the environment. Thanks to its internal Technology Expert Network covering nine major technologies including coatings and inks, Tarkett shares throughout the company its benchmarks and best practices, transforming know-how into valuable knowledge through the leverage of cross-fertilization.

The best of vinyl and textile know-how

Narrative, an "out-of-the-box" hybrid resilient flooring previewed at Neocon 2013, is the result of productive synergy between the Tandus carpet and Tarkett vinyl expertise of the R&D teams in North America. Narrative flooring leverages the soft and hard surface flooring: the technical performance combined with the softness and design potential of textile. A perfect match to answer challenging requirements, such as healthcare and offices market segments.



FieldTurf, Tarkett's artificial turf brand, launched a breakthrough product called 'CoolPlay' geared towards lowering surface temperatures of sports fields.

CoolPlay has been designed to reduce top level surface temperatures by up to 35%* without any compromise to the performance and safety characteristics of the surface.

The innovative turf system features a multi-layered infill cushion comprised of sand, rubber and a top layer of exclusive granulated cork which acts as an insulation layer and provides the cooling effect.

The existing alternative to CoolPlay is costly irrigation, which only provides temporary relief from high temperatures and leaves a large carbon footprint and consuming water.

*Temperature evaluation test (-35°F/-20°C).



University of Arizona

Top Schools Adopt The CoolPlay Breakthrough

In 2013, the CoolPlay technology was chosen by many elite-level sports organizations as a practical and effective way to ensure their student athletes were more comfortable during hot summer months. CoolPlay's lower-temperature surface makes sure of that and its upkeep is also assured through Tarkett's innovative artificial turf offering. In the United States, the University of Arizona, University of Tulsa, University of Nebraska, University of Notre Dame and North Carolina State are among the list of higher profile organizations that have upgraded to CoolPlay.

INNOVATION

Designed for Modularity

Innovation is at the center of Tarkett success in making it easy for the customer, from the first flooring design choices to the actual installation.

Innovation is the source of Tarkett's enhanced modularity, offering flooring that is easier to install and replace. Modularity also enables customers to change flooring more often, with less down time for their business and offering more choices and flexibility as decoration and design trends evolve.



LVT - Philips Museum in Netherlands

The Philips Museum in the Netherlands selected Tarkett Luxury Vinyl Tile (LVT) for the same reasons that many other customers are making LVT a strong growth sector worldwide for the company. Tarkett's LVT range in Europe offers over 75,000 potential combinations for different perceptions of space, light and effects through differing format layouts, design, surface structure and bevelling.



Starfloor Click makes flooring simple

Tarkett's Starfloor Click, launched in 2013, made flooring design choices and installation easier than ever, featuring a new option to go glue-less: click into place. An easy "do it yourself solution" for all rooms in the house which offers a large choice of trendy designs and quality vinyl planks and tiles that lock perfectly into place.

Highly resistant, durable and very easy to maintain, Starfloor Click includes two eco-innovations: Phthalate-free technology* and Low VOC emissions**, contributing to improved indoor environment and air quality.



'Dog Whisperer' Becomes EasyTurf Spokesperson

Cesar Millan, the dog trainer known worldwide as the 'Dog Whisperer', chose pet-friendly EasyTurf for installation of more than 1,400 square meters of artificial grass at his Dog Psychology Center in Santa Clarita, California because EasyTurf is a more comfortable alternative to the competitive product it replaced. Millan has become Easyturf's spokesperson and marketing partner, generating significant business leads and boosting awareness through his training sites and communications.

*Except recycled content. **Total Volatile Organic Compounds after 28 days.

INNOVATION

Easy Customer Choice and Installation

Tarkett, as a solution provider, reinforces its relationship with current customers as well as attracting new ones with innovative services.



iSelect® makes it easy

In North America, iSelect® is a total shopping experience that puts the consumer in control. iSelect® goes beyond color and design selection help – it's a multi-faceted new way to shop – helping consumers find the perfect floor for their taste, lifestyle, budget and even health. Five principles make up the iSelect® program: coordination, continuity, personalization, sustainability and accessories.

Playing for Choice

In EMEA, Tarkett developed the on-line Room Designer, for professionals and end-users, to choose the flooring solution adapted to any project in different market segments. Users can play and compare flooring colors, with walls and furniture, to ensure the perfect match.



AWARDS

Tarkett's iSelect® website wins Awards for Best Website Design and Best Manufacturing Website in the United States.

Web Marketing Association's 2013 Internet Advertising Competition honored Tarkett's recreation of the on-line floor shopping experience through the iSelect® step-by-step choice guide.



Distance Learning system

Tarkett in Russia has launched the Tarkett Academy Distance Learning system in 2013 to train our customers, mainly managers and sales people, as well as Tarkett employees, on products knowledge and bases of merchandising. Over 2,000 users registered in the distance learning system for one or more courses. Distance Learning has been shown to be an effective tool build expertise for professional certification.

INNOVATION

Optimal Solutions from Multiple Brands

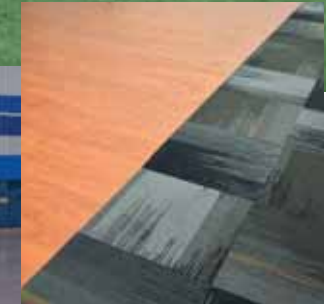
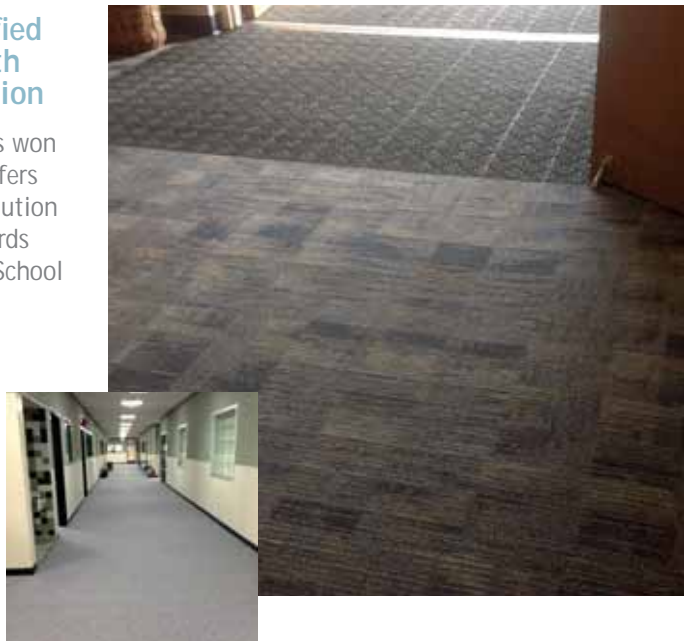
Tarkett's broad product range provides the powerful competitive advantage of offering customers comprehensive solutions to their flooring needs.

Tarkett's experience makes it a trusted and expert advisor to customers in different sectors, such as healthcare, education, offices, and hospitality. Our sector-specific specialists are true consultants for customers who benefit from our broad knowledge of regulations and functional requirements for particular professional and public use of dedicated work spaces. Following the integration of Tandus' carpet products in North America, Tarkett teams have a wider-than-ever range of flooring solutions to offer.

California's Walnut Valley Unified School District modernizes with a Comprehensive Tarkett Solution

Tandus, Centiva, and Johnsonite teams won Tarkett Awards for their cross-brand offers that provided the ultimate flooring solution by effectively meeting the new standards required by the Walnut Valley Unified School District in California.

Interiors featured Tandus Powerbond, Centiva luxury tiles and Johnsonite IQ Optima.



Cross-selling with Tandus and Tarkett Sports

Santa Ana Unified School District asked Tarkett to meet its comprehensive flooring needs for its Garfield School renovation, including 2,843 square meters of interior floor surfaces. Inside and out, Tarkett products are featured, including Tandus Powerbond, and Tarkett Sports surfaces, OmniSport, wood basketball courts and Easy Turf.

INNOVATION

Market segments Expertise & Counsel

Tarkett's broad product range, technical know-how, and market expertise are the reasons why we can provide customers with professional counsel for a portfolio flooring solutions offer that suits their specific activities and requirements.

Office

The acquisition of Tandus, with its extensive carpet range, further reinforces Tarkett's exceptional expertise in counselling customers in office space solutions.

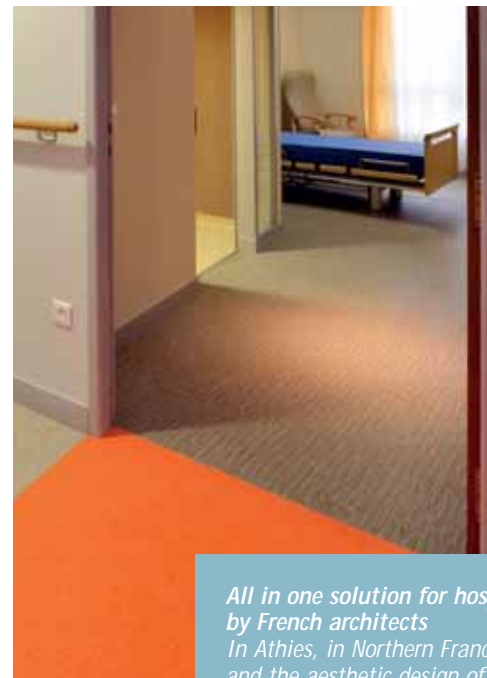


Education

The Education sector not only has demanding requirements for flooring maintenance, resistance to damage and heavy traffic, but it also requires professional advice on flooring design and color to create stimulating learning environments.

3 ranges – 1 Design solution: The perfect match!

From floor to walls... mixing technical, design and safety benefits. In 2013, Tarkett launched an integrated solution which meets the most demanding requirements for technical and hygiene performance while offering a coordinated color and design platform, from floors to walls, and from one space to another. From the reception area to the wetroom in hospitals or in aged care facilities, and from the entrance to the classroom in schools, the offer is an unprecedented all-in-one solution. The new high performance, color-matching offer, is based on three complementary product ranges for floors and walls, Tapiflex & Acczent Evolution, the new Wetroom concept, and ProtectWALL, the innovative high performance wall protection solution coordinated with Tarkett flooring.



All in one solution for hospitals are chosen by French architects

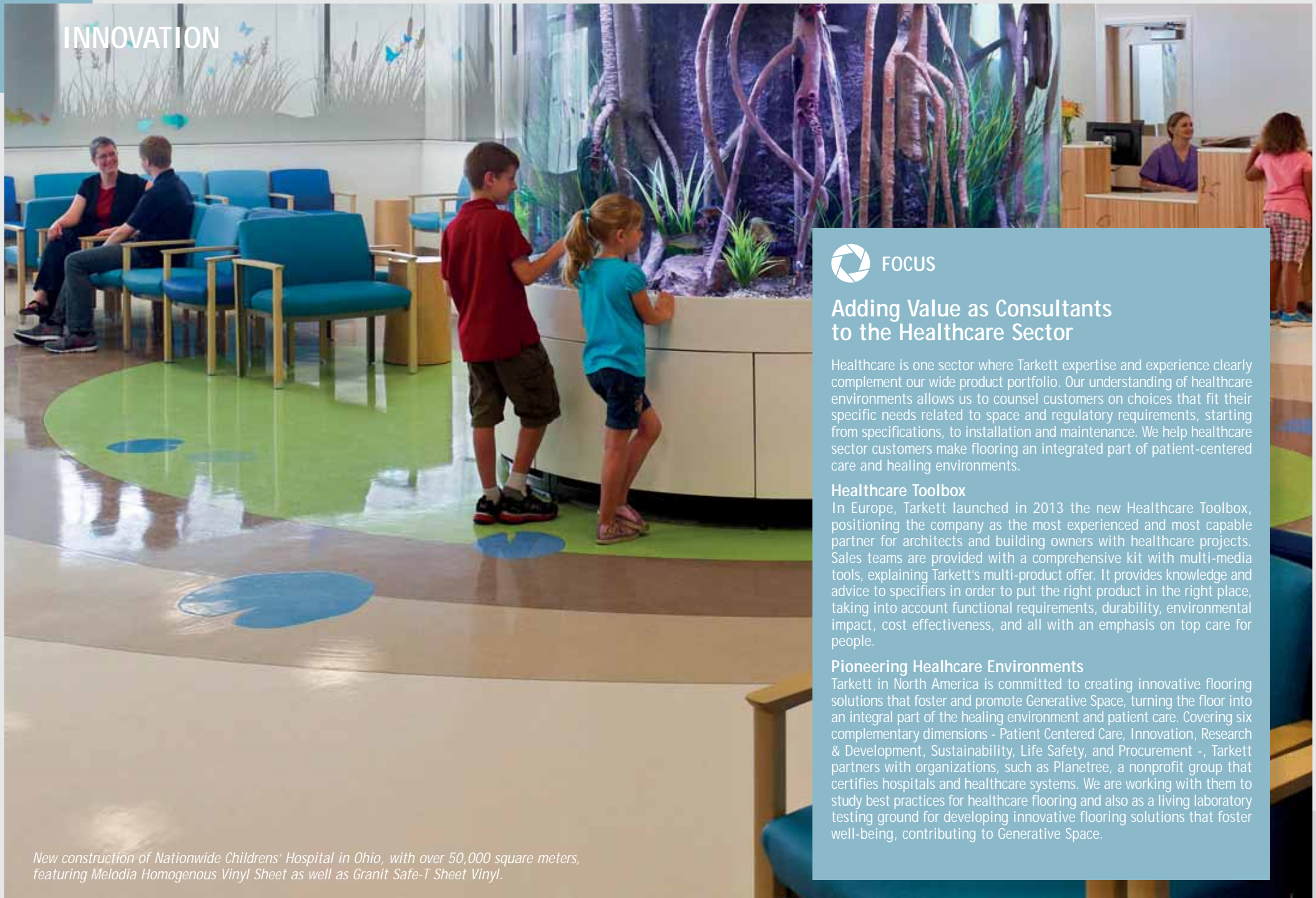
In Athies, in Northern France, the harmony and the aesthetic design of the offer were a key factor for customer selection of Acczent Evolution and the Wetroom concept for a 5,000 square meters facility.



"Best Building Product"

ProtectWALL has been recognized by the label "Best Building Product" of the year 2013 in France, in the interior design family, finishing work category. ProtectWALL obtained the best results in its category on the following criteria: innovation, efficiency, quality, awareness and sustainability.

INNOVATION



FOCUS

Adding Value as Consultants to the Healthcare Sector

Healthcare is one sector where Tarkett expertise and experience clearly complement our wide product portfolio. Our understanding of healthcare environments allows us to counsel customers on choices that fit their specific needs related to space and regulatory requirements, starting from specifications, to installation and maintenance. We help healthcare sector customers make flooring an integrated part of patient-centered care and healing environments.

Healthcare Toolbox

In Europe, Tarkett launched in 2013 the new Healthcare Toolbox, positioning the company as the most experienced and most capable partner for architects and building owners with healthcare projects. Sales teams are provided with a comprehensive kit with multi-media tools, explaining Tarkett's multi-product offer. It provides knowledge and advice to specifiers in order to put the right product in the right place, taking into account functional requirements, durability, environmental impact, cost effectiveness, and all with an emphasis on top care for people.

Pioneering Healthcare Environments

Tarkett in North America is committed to creating innovative flooring solutions that foster and promote Generative Space, turning the floor into an integral part of the healing environment and patient care. Covering six complementary dimensions - Patient Centered Care, Innovation, Research & Development, Sustainability, Life Safety, and Procurement -, Tarkett partners with organizations, such as Planetree, a nonprofit group that certifies hospitals and healthcare systems. We are working with them to study best practices for healthcare flooring and also as a living laboratory testing ground for developing innovative flooring solutions that foster well-being, contributing to Generative Space.

New construction of Nationwide Childrens' Hospital in Ohio, with over 50,000 square meters, featuring Melodia Homogenous Vinyl Sheet as well as Granit Safe-T Sheet Vinyl.

The background is a composite image. The top portion shows a city skyline at dusk with illuminated buildings. The middle portion shows a close-up of a person's hand holding a pen, with a striped sleeve visible. The bottom portion shows a close-up of a textured, orange-brown surface. A globe icon is positioned to the right of the main title.

Capture Growth in each Region

Local market knowledge
for worldwide success.

OVERVIEW

The Most Balanced Global Footprint

Tarkett's key competitive strengths are adapted regionally to capture growth in light of different local factors and economic conditions.

On a global level, Tarkett's competitive advantage comes from its strategic balance of business across the regions of the world: North America, EMEA (Europe, Middle East & Africa), CIS (Russia and Eastern Europe), Asia-Pacific and Latin America.

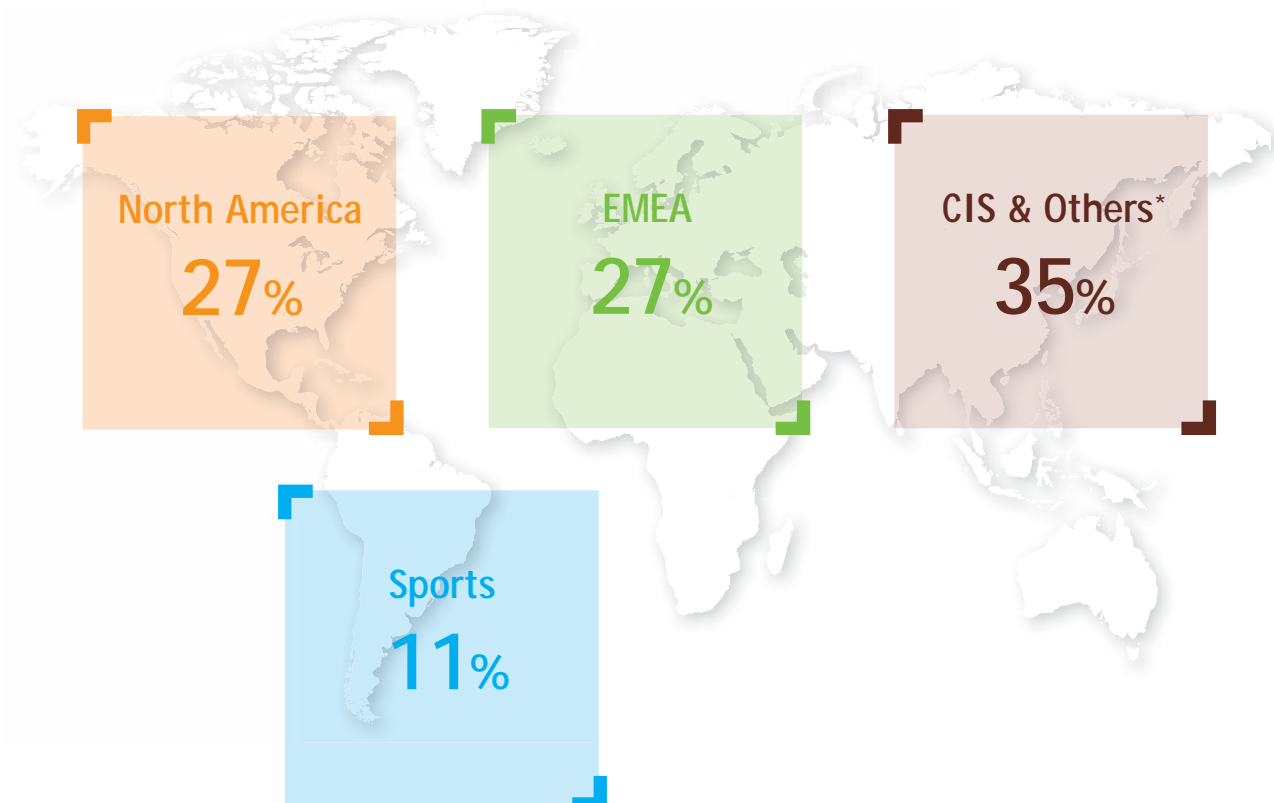
Within each region, Tarkett benefits from an entrepreneurial, decentralized management that can offer world class products and service close to its clients and thus being able to respond to their specific requirements.

The Most Balanced Geographic Positioning in the Industry

Tarkett has almost equal positions in North America, CIS & others and EMEA, providing it with balance in regional revenue generation, protection against downturns in one or more regions, as well as growth opportunities in regions of higher economic performance. Compared to its main competitors which are more focused on either North America or Europe, Tarkett has the most balanced geographic presence in the flooring industry.

Strong presence in key regions means close proximity to clients

% 2013 of net sales per segment



* CIS & Others includes CIS countries, Balkans, Asia Pacific, Latin America.

GEOGRAPHIC MARKETS

HIGHLIGHT ON North America



Tarkett North America's Multiple Growth and Profitability Levers

Tarkett's North American operations are benefitting from the US economic recovery and the successful integration of Tandus, the strong carpet brand with major manufacturing capacity acquired in September, 2012.

Other growth and profit engines in North America include strong market positions in major product categories (such as accessories, vinyl, rubber and commercial carpet), well-balanced exposure within the commercial and residential segments, and diversified and complementary routes-to-markets (direct and through distributors). North America is also extending its product portfolio in high-potential modular products, such as high-end LVT and modular carpet tiles, offering a fully coordinated flooring system that benefits both specifiers and Commercial and Residential end-users.

To leverage the effect of scale, Tarkett aims at enhancing its operating efficiency through a single integrated company. It is building on robust strategic brands (Tarkett, Johnsonite, Tandus|Centiva) that can span a multi-dimensional channel across a portfolio of services and solutions.

In manufacturing and distribution, thanks to improved production flows from North American plants and logistic platforms, Tarkett achieved critical scale and continuous operational improvement.

Clark County School District Variety School uses Johnsonite Azrock VCT to provide a safe and comfortable atmosphere for special needs students.



GEOGRAPHIC MARKETS

HIGHLIGHT ON North America

Focus on... Tandus-Centiva' Smooth and Speedy Integration



The Tandus-Centiva teams won a Tarkett Award for their quick and successful integration, generating synergies that demonstrate that the whole is greater than the sum of its parts.

Tandus was acquired in 2012, adding powerful new products and brands to the global Tarkett portfolio. Combining the well-known Tandus carpet business with Centiva high-end modular vinyl tiles (LVT), allows Tarkett to offer value-added, coordinated solutions to the North-American direct commercial market.

Both Tandus and Centiva products are recognized for their innovative and high-end design winning 'Best of Neocon' awards in 2013 and 2012.



Presage
was honored with Silver
for Broadloom Carpet.



Grasscloth Broadloom Collection
took Gold in Healthcare Flooring.



Narrative hybrid resilient flooring
won an Innovation Award for
Healthcare Flooring and Gold Award
for Hard Surface Flooring.



The view from...

Jeff Buttitta
Tarkett North America President

"Our North American operations are moving on all fronts to continue our record sales and earnings in 2013. We're particularly pleased to have earned exceptional recognition from the specifying industry, winning multiple design awards and achieving top ranking for preferred brands among the architectural and design community."

We are expanding production capacity in luxury vinyl tile, the fastest-growing category in floor covering, as well as restructuring to strengthen our capacities and efficiencies. We are also proud of the successful combination of Tandus and Centiva teams, delivering higher value to our customers."

Of great importance to all of us at Tarkett North America is the continued leadership we are demonstrating in sustainability, with our phthalate-free plasticizers in our product solutions, our continued efforts in reclamation and recycling and through developing Environmental Product Declarations for specific products, certifying best practices in terms of transparency with our customers."

GEOGRAPHIC MARKETS

HIGHLIGHT ON **Europe, Middle East & Africa**



Sustainable Strategic Growth and Profitability

Driving for market leadership in Europe's mature markets focuses on both growth and profitability, with a special emphasis on advanced eco-innovation, cutting-edge design, as well as added-value product features and services.

Tarkett demonstrates its industry leadership position in the flooring industry by rolling-out phthalate-free technology across all its vinyl plants in EMEA in 2014. This new generation of vinyl flooring with outstanding designs, patterns, and colors also contributes to improve indoor environment and air quality, thanks to extremely low VOC emissions.

Tarkett's entry in the modular LVT category was a success through offering customers endless customization possibilities for the commercial market coupled with flexible services.

*LVT was installed for the Style Outlet
in San Sebastian de los Reyes (Madrid, Spain)*



*Wood plant in Hanaskog
(Sweden)*

Tarkett in EMEA also focused on enhancing its profitability in the wood business by optimizing its manufacturing footprint and by focusing its offer on more high-end product ranges to respond to reduced demand and a highly competitive market.

GEOGRAPHIC MARKETS

HIGHLIGHT ON Europe, Middle East & Africa

Focus on... the Growing LVT market

Tarkett aims to capture a leading share of the dynamic high-end tiles LVT (Luxury Vinyl Tiles) category in Europe which is expected to continue to show double digit growth over the coming years.

Tarkett's LVT growth strategy is based on increasing customer interest in modular products, making them easier to handle and to install, allowing for more frequent renewal of collections, and also providing a high level of service in terms of customization as well as lead-time.

Full understanding of customer needs and the technical know-how of Tarkett in production of modular as well as vinyl products have given both professional customers and end-users access to an unparalleled offer of modular products. We offer a comprehensive range of professional LVT products for stores & shops and hospitality market segments with a broad range of new designs, colors, patterns and formats, giving more than 75,000 potential combinations. Additionally, a strong line-up of residential LVT products, particularly important for the housing segment, with Starfloor self-adhesive complete range of the easy-to-install Starfloor Click.



The view from...

Remco Teulings
Tarkett EMEA President

"In 2013, we captured significant growth in the Luxury Vinyl Tile (LVT) category in commercial as well as in residential segments. For the commercial market, we decided to manufacture it in Germany, close to our customers to be able to respond quickly to their demands.

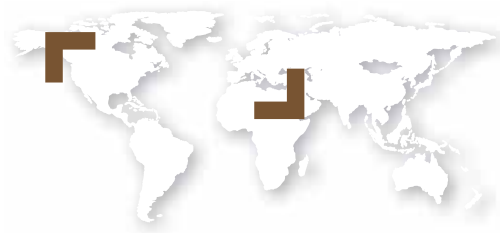
Furthermore, we introduced very successfully our new linoleum collection, "Linoville", across the EMEA region, targeting the education and healthcare segments.

Despite an ongoing challenging market environment across South Europe as well as in the hard flooring markets, we were able to achieve sales growth in Central Eastern Europe, Germany, Middle East, Africa and Turkey. At the same time, we were able to consolidate our strong market position across the Nordics.

In 2014 and beyond, key factors for success for us include making further investments in improving our leadership in sustainability, adding manufacturing capacity to participate fully in the fast-growing LVT category, and driving changes in our distribution model in certain countries where e-commerce could play a role for us as well."

GEOGRAPHIC MARKETS

HIGHLIGHT ON Sports



The view from...

Eric Daliere
Tarkett Sports President

"We take our leadership position around the world in artificial turf and running tracks very seriously by making a commitment to our customers to deliver the best products for their needs."

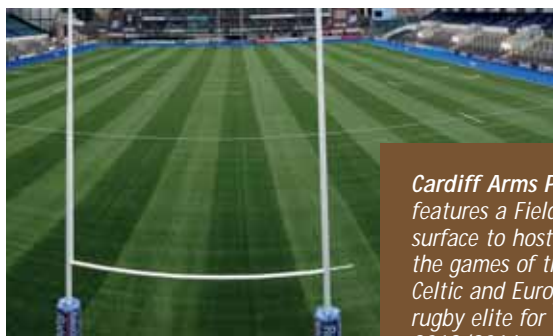
Our competitive offer for Sports, with FieldTurf for artificial turf, Beynon for tracks and Tarkett Sports for indoor surfaces, benefits from leading technology and strong brand recognition. Thanks to our commitment to being vertically integrated, we also have our own in-house fiber production for control over quality, supply chain, and innovation."

One of the keys to our success is the effectiveness of our dedicated sales teams that consistently go above and beyond to ensure the expectations of our customers are not only met but regularly exceeded."

Some of our successful introductions from the past year include the Optimum and HD turf systems, and the CoolPlay infill technology, supported by our ability to offer our clients a wide range of options to suit their specific needs. This organizational commitment to our clients puts us in a strong position to continue to capture our share of the growing replacement market, become even more customer-centric and ultimately deliver an exceptional experience."

North America

Tarkett Sports division is the leading player in North America, mainly with artificial turf (FieldTurf) and tracks (Beynon), equipping public institutions, schools and universities. Thanks to differentiated and innovative product offerings (ie: CoolPlay) as well as optimized vertical integration, Tarkett Sports is now in a solid position to benefit from the high potential renovation market in the USA.



Cardiff Arms Park features a Fieldturf surface to host the games of the Celtic and European rugby elite for the 2013/2014 season.

EMEA

In Europe, Tarkett is also a recognized supplier for both indoor and outdoor sports surfaces, through Beynon tracks, FieldTurf artificial turf, and Tarkett Sports indoor solutions to equipped prestigious football and rugby clubs, wood for basketball teams, and vinyl for multi-sport facilities.



Florida State University joins a list of more than 100 NCAA Division I schools which have selected Beynon Sports as their track surface of choice.

7,000
sports fields
around the world
are equipped with
FieldTurf, Tarkett's
artificial turf
solutions

GEOGRAPHIC MARKETS

HIGHLIGHT ON CIS countries



Building on Undisputed Market Leadership in CIS countries

Tarkett enjoys undisputed and sustainable market leadership in fast-growing Eastern Europe, benefiting from strong brand awareness and recognition, both with professional and consumers audiences.

Tarkett in the CIS has built its strong market position as number one in vinyl and wood through proximity to customers across the region. This includes nine customer service centers and four production sites offering a unique integrated platform with unmatched scale.



To answer the increasing demand from the residential and renovation markets, Tarkett has invested at its biggest Vinyl factory in the world, in Otradny, Russia, opening in 2013 a seventh production line. Thanks to a flexible supply-chain process, this site is able to ship the contents of a 20 ton truck every 20 minutes. Such speed and supply ensures a high level of customer satisfaction.



The view from...

Slavoljub Martinovic
Tarkett Eastern Europe President

"In 2013, the division achieved numerous record results and successfully launched several new product lines. Next steps for success feature a new distribution strategy launched in 2014, new marketing incentives for retail partners, and new ideas for sustainable products."

"Our priority remains the same: to generate value for customers in a sustainable way. We are launching new initiatives including a new wholesale partner distribution strategy, developing new products and processes for carpet vinyl tile, commercial LVT, and Digital Printing Technology as well as launching new collections in core product categories."

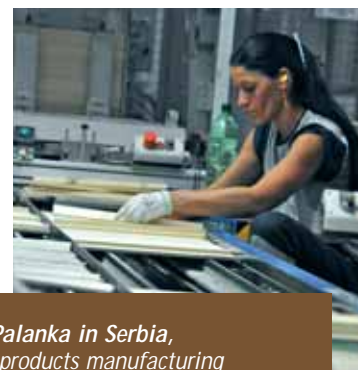
"Of course, employee satisfaction is at the base of customer satisfaction and so that is a priority for us in 2014."

Focus on...

Supply Chain and Distribution Excellence

Tarkett was named Best Supplier of the Year Award in Russia for two years in a row. The competition included 375 participants representing manufacturers and suppliers from six countries.

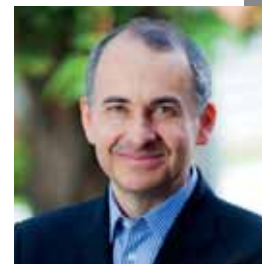
Behind that proof of customer service and satisfaction was a project enhancing Supply Chain and Distribution Management. It reduced lead times, providing customers with more flexibility and inventory management, increased proximity to customers, and improved service through training and after-sales assistance. This program allows Tarkett to strengthen its competitive advantage through a unique distribution concept close to distributors.



Backa Palanka in Serbia, a multi-products manufacturing platform (wood, vinyl, carpet and rugs)

GEOGRAPHIC MARKETS

HIGHLIGHT ON Latin America



The view from...

Walter Gonçalves
Tarkett Latin America Vice President

Leveraging Tarkett Presence for Latin American Growth

In a region where ceramics is widely used, Tarkett aims to leverage its leadership position in the profitable niche vinyl market in Brazil, thanks to its industrial and commercial presence. One Tarkett strategic initiative is the opening of the first LVT production factory in the country, extending the product offer and improving the service level to answer local increased demand for commercial segments in health, education, stores and shops, and hospitality.

Overall, Tarkett aims to capture the growth potential in Latin America through increased penetration of vinyl products, and developing Tandus' commercial carpet activity.



*The LVT plant in
Sao Paulo, Brazil.*

"Our strong local presence combined with increasing public investments in Health and Education generates important opportunities for Tarkett in Latin America. We are also looking forward to new business developments with Tandus Carpet, the growth of the LVT market and the expansion of the product portfolio manufactured in Brazil.

Sustainability is also a major focus in the region: VCT (Vinyl Composition Tiles) are now manufactured in Brazil with a new Phthalate-free technology, using a derivative of soybean oil as a plasticizer. More than 40% of the PVC content is recycled material. Mineral fillers that had been sourced in Northeastern Brazil are now purchased just 50 kilometers from the plant, reducing the environmental impact.

The environmental performance of the factory already received in 2013 The Verde Ghaia Award. We are convinced that our overall sustainability approach is a key differentiation factor, answering customers and end users' expectations for responsible, healthy and environmentally-friendly solutions, while contributing to sustainable profitable growth".

GEOGRAPHIC MARKETS

HIGHLIGHT ON Asia-Pacific



The view from...

David Clark
Tarkett Asia Pacific Vice President

Positioned for Growth in Asia Pacific

The flooring industry in Asia should see significant growth from economic development in general and, in particular, from the growing need for healthcare, aged care, education and office segments in the region.

Thanks to its high performance products, Tarkett is well positioned to capitalize on the increasing Asia region demand for vinyl products, in particular for use in hospitals, aged care and university facilities where specific technical attributes are required.

Across the Asia Pacific region, new customers are discovering Tarkett's excellence in products and service.

Tarkett has also long lasting presence in Australia in the residential sector, consolidating its leadership position in vinyl.



Jaypee Hospital in India

In Noida, India, the Jaypee Medical Center is Tarkett's largest hospital project in the country, where vinyl floor covering was selected, instead of the traditional ceramic and vitrified tiles prevalent in the country. Working closely with the architect and client allowed us to demonstrate the durability, ease of installation and maintenance, as well as variety of designs to support the well-being of patients.



In addition to its distribution presence in China for the vinyl activities, Tarkett benefits from its Tandus industrial presence to capture the significant growth potential in commercial carpet, particularly for the office segment.

"Strong sales growth in China -double digit- was one major reason for Tarkett's success in the region in 2013.

We also planned for future success by developing new sales teams in Indonesia, Singapore and Vietnam, while expanding the sales team in India as well as securing the successful integration of Tandus across the region.

In our region, particularly in China and India, the broadening of our product lines will allow us to offer specific and cost-effective solutions for local markets, where we see increasing interest for vinyl and carpet solutions."



The Indian sales team



'Glo-cal' Competitive Edge

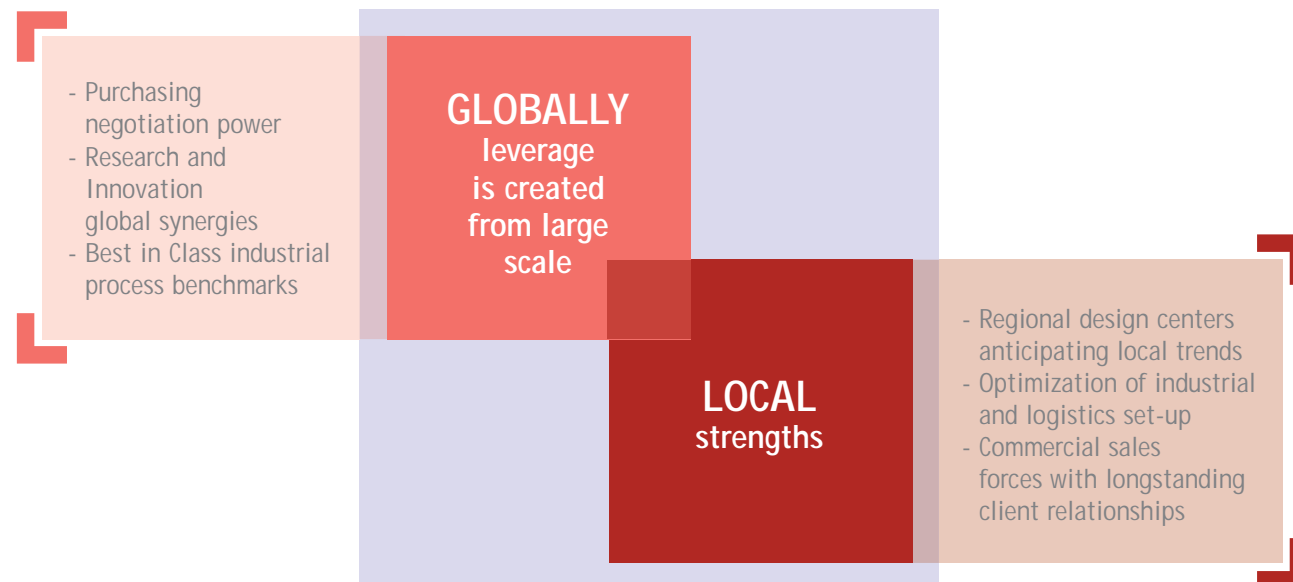
Sharing best practices worldwide
and adapting them locally creates
a unique benefit to Tarkett's
customers and end-users.

OVERVIEW

Tarkett's 'Glo-cal' Competitive Advantage

Of all its competitors in the worldwide flooring industry, Tarkett has created a real advantage through the most effective combination of worldwide and local activities, reinforced by operational excellence across the value chain.

Tarkett 'Glo-cal' synergies are generated from the two levels of operations



Being global while acting locally strengthens Tarkett's competitiveness through operational excellence, offers strong design lever and improve the level of service to our local customers.

Operational Excellence through Shared Practices

Generating the best from the combination of Tarkett's global strengths and its strong local presence requires setting worldwide standards of performance for both the processes we use, as well as for the way we work together.

Through our global internal networks, Tarkett strives to identify and share best experiences, ideas and internal benchmarks, continually improving and adapting technologies, processes and practices. Operational Excellence also requires common policies and guidelines implemented and adapted to local conditions, sustained by involvement of teams at all levels to ensure efficient execution.

ISO 9001, ISO 14001, and OHSAS 18001 quality, environmental and safety and health certifications also are contributing to continuous improvement for operational excellence in Tarkett manufacturing, customer service, purchasing, and innovation teams.

Another Tarkett program for operational excellence is the global deployment of the SAP core system, ensuring process alignment and efficiency to manage thousands of products and customers throughout the world, as well as through more efficient common financial reporting.



Promote exchange and develop networking on the production line

The coating lines benchmark has become a vital component in assuring service, quality, and performance at production sites of heterogeneous vinyl floorings worldwide. It is an example of how World Class Manufacturing spreads the best ideas for continuous process improvement. In 2013, the second year of the benchmark, representatives from the eight sites of this technology network met twice at Otradny (Russia) and Clervaux (Luxembourg) sites to discuss questions ranging from production flexibility to competitiveness and to come up with practical solutions.

30
production
sites

97%
of production
sites are certified
ISO 9001

88%
are certified
ISO 14001

69%
are certified
OHSAS 18001
(excluding Tandus)



FOCUS

Driving Leadership through Process Management

Tarkett assures excellence in process management across its operations. For nearly five years, Tarkett has been implementing the World Class Manufacturing (WCM) program worldwide in all its factories. It provides methods and training for continuous improvement in Best Manufacturing Practices to increase competitiveness, improve customer satisfaction, and demonstrate excellence in terms of safety and the environment.

80%
of our plants are now
using the WCM program



Operational Excellence Report from the field

Moving plant to improve competitiveness and customer service

In 2013, Tarkett USA decided to relocate its VCT (Vinyl Composition Tile) line from Houston, Texas, to its facility in Florence, Alabama, to optimize its industrial footprint. The teams demonstrated remarkable work to assure a smooth shift of activities from one site to another in only eleven months. They also took the opportunity of moving a large production line to extend the product line offering, add more flexibility for customer needs and build in environment-friendly manufacturing process.

WCM supports the deployment of POPI

Since 2011, Tarkett deployed the POPI project (Phase-Out, Phase-In), to prevent current stock becoming obsolete and avoid availability problems for a new range launch, while maintaining a high level of customer service during the changeover. This product and supply-chain management program was first implemented in Hanaskog (Sweden) and Orzechowo (Poland) wood plants, before rolling it out to several other Tarkett businesses.



Clervaux (Luxembourg) committed to WCM.

Focus on... The Keys to Continuous Improvement

'Sustainable Improvement' might be the best name for Tarkett's World Class Manufacturing program at its vinyl products factory in Luxembourg.

Christophe d'Amico, plant manager, reports:

"We put in place World Class Manufacturing at Clervaux starting in 2009, with a big emphasis on clear objectives for all employees to improve Safety, Client Service, Quality and Productivity. We created ten pillars of operational and process improvement, we identified leaders for each, and we all shared the objectives we were seeking as well as the key performance indicators to track our progress."

"The results have been very significant. First, in terms of safety, we divided by four the frequency of accidents. Quality also improved greatly, with the ideal of 'zero defects' reached in some cases. Particularly satisfying is the personal participation of employees in this process; in 2013, 77 per cent of Clervaux employees suggested their own ideas for further improvement."

 The view from...

Antoine Prévost
Executive Vice President Operations

Overall operational excellence is the way Tarkett accomplishes its mission daily to serve all of its stakeholder interests worldwide.

"Excellence at Tarkett means delivering the best service to our customers, lead the industry in respect for the environment, respect our employees through a safe and attractive workplace, and do all that while continuously improving our competitiveness through our World Class Manufacturing program, which sets top performance standards for all manufacturing sites.

We made strong progress in safety, with a 26% reduction in lost time due to accidents versus 2012, improved performance in the speed of manufacturing shipments, savings in production costs, as well as reduction and optimization of water and energy consumption".

Calhoun Production site in Georgia, USA, for artificial turf registered zero lost time accident in 2013

Anticipating Local Design Requirements

60 full-time
design staff globally

Anticipating customer tastes and requirements is more than ever essential as both are changing more rapidly than ever. The key success factor for Tarkett is being close to the customer through three regional design teams, one each in North America, EMEA, and in the CIS region, closely working with the Marketing, Research & Lab, and Production teams.

Creative thinking for innovation in designing products for customer tastes in color and style is at the heart of the design teams' role. Creative thinking is also needed in inspiring materials for new product development for sustainable design concepts and for developing partnerships with recognized design schools and professionals.

Before designers can create, they need to understand what consumers want, the economic context, and the sociological factors that are affecting choice and taste. They need to identify emerging influences, trends, and design talents. And, overall, they need to keep their eye on how the combination of materials, color, format, embossing, decor, among other factors, can be used not only to meet the functions of different space but also to provide an outstanding user experience for well-being and performance.

3 Design Centers in the main regions to understand and anticipate local tastes and trends



North America



EMEA



CIS

GLO-CAL ADVANTAGE

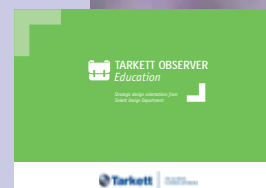
Designing
for Europe

Tarkett Observer

The trends which our design teams detect each year are described in The 'Tarkett Observer' which analyzes the major architectural, cultural and interior decorating trends. It describes how flooring today and tomorrow contributes to enhance customer's well-being and quality of life in various environments such as housing, healthcare and education spaces, as well as stores & shops and hospitality.

Tarkett has identified four major trends that influence the way customers choose their flooring:

- 'Human inside', for a welcoming and reassuring atmosphere where it feels good to work and live
- 'Interactive space', to encourage interaction through comfort, color and practical ergonomics
- 'Experience' with distinctive and outstanding designs, creating surprise and enhancing the user experience
- 'Green value' to be in harmony with people and the planet, with soothing shades, extra insulation, and recyclable materials.



With 250 novelties, the new residential vinyl collection innovates in design through a new technique for embossing and XXL formats for realistic aspect, and with interferential ink for exclusive, multi-color creative effects.

The view from...



Béatrice Mange
EMEA Design Vice President



"The very first priority is to listen to clients so that we can respond through design in a way that makes the competitive difference. By being close to the users and clearly defining what they want, we can infuse our collections with a sense of design that responds to their requirements. By implementing the Design Thinking process, putting our customers in the center of our concerns, we are in the best position to provide the most accurate answer. In residential, it

is decor and color that are the main considerations. They are linked to decoration, furniture and fittings. For that, we seek the key innovative design points that will make a difference for our consumer collections which we renew about every three years. In commercial building, we analyze needs through a process we call 'the intelligence of color'. For example, in healthcare facilities, we identify how color can be an integral part

of the psychological 'recovery' for patients. In nurseries and schools, we want color to stimulate children, especially the younger students. In universities, other specific colors can influence concentration. In offices, we aim for color that enhances conviviality and accessibility. And in shops and stores, we aim for color that attracts by its impact and its distinction".

GLO-CAL ADVANTAGE

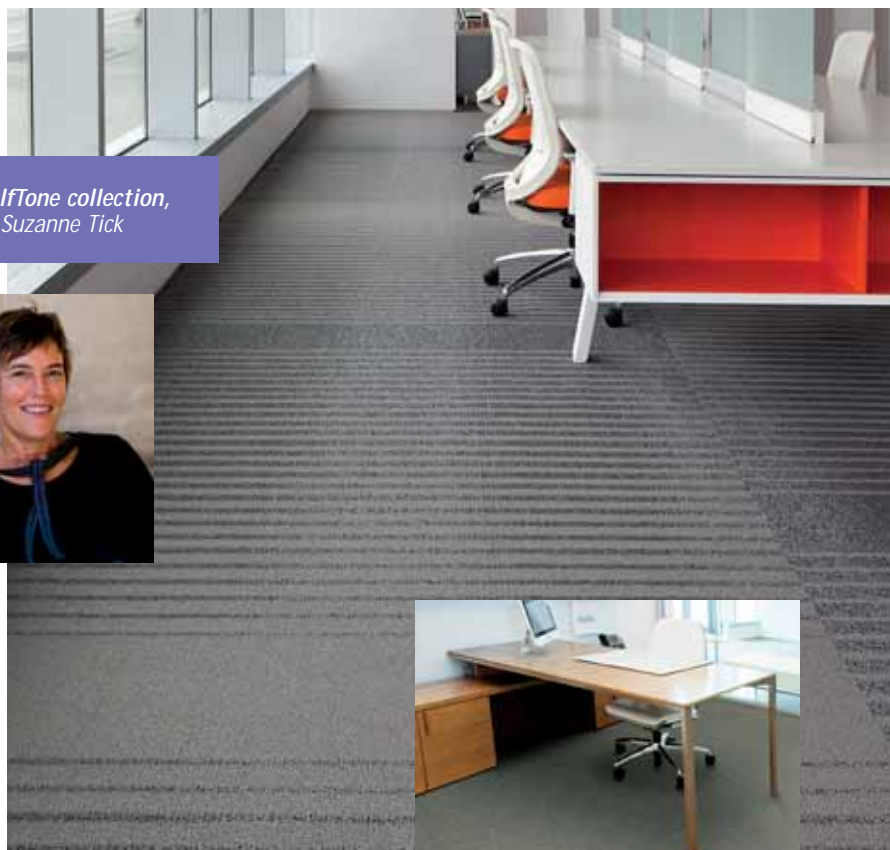
Tomorrow's Design Trends Today

Our partnership with recognized designer: Suzanne Tick

In the USA, Tarkett has collaborated with award-winning textile and flooring designer Suzanne Tick. Drawing inspiration from art, fashion, architecture, and the world around her, Suzanne Tick is a lifelong artist who creates in several mediums. Her inspiration is behind the conception of HalfTone, a new style for Tandus featuring a hybrid resilient and modular textile product range.

HalfTone was selected, along with pebble Mesh and Presage collections, as winners in the flooring category of the 2013 Good Design awards. This international design awards program is organized by the Chicago Athenaeum Museum of Architecture and Design and the European Centre for Architecture, Art Design and Urban Studies.

HalfTone collection,
by Suzanne Tick



Pebble Mesh collection



The view from...



Terry Mowers
Vice President, Design,
North America Commercial
Products

"There's a strong movement towards mixing & matching", says Terry Mowers, who is constantly scanning consumer tastes for shifts in customer flooring design preferences. "Designers are combining subtly different texture, color, and pattern to form more natural, free-flowing visuals on the floor plane. So we are developing complementary yet different wood grains, for example, or pairing woods and abstracts, or other combinations."

This tendency is precisely Tarkett's focus in offering more modularity and ever-broader choice for greater flexibility—a winning combination, to judge from the strong growth of the increasingly-popular LVT or carpet tiles modular lines worldwide.

"There is an evolution of the workspace to more open, more collaborative space. Designers are now more than ever using soft surface floor coverings to create this new open floor plane. Mixed and matched carpet tile planks and squares as well as colors and patterns are the new tools. We are also getting ready for the same trend in hard surface flooring, working with Tarkett's research and development leading to investments in new technology in producing the next wave of products."

Overall, Tarkett's aim is to create relevant flooring products to give the design community unique choices as well as numerous options.

GLO-CAL ADVANTAGE

Designing
with LVT

Easy to install, easy to maintain, easy to change, multiple design solutions, modular flooring solutions are increasingly popular all over the world. LVT products are the new solution to customize each space, and so giving real design value to each flooring choice.

LVT as Art: Inspiring
Designs from Creative Minds

Tarkett revisits Art Déco at the Cité de l'Architecture et du Patrimoine in Paris (France), the French Architecture and Architectural Heritage Institute.

In 2013, Tarkett sponsored "1925, When Art Déco Dazzled the World", including a mosaic of LVT, placed at the heart of the exhibition. It showcased how sophisticated design can be created through customization of all flooring and other aspects of decoration.



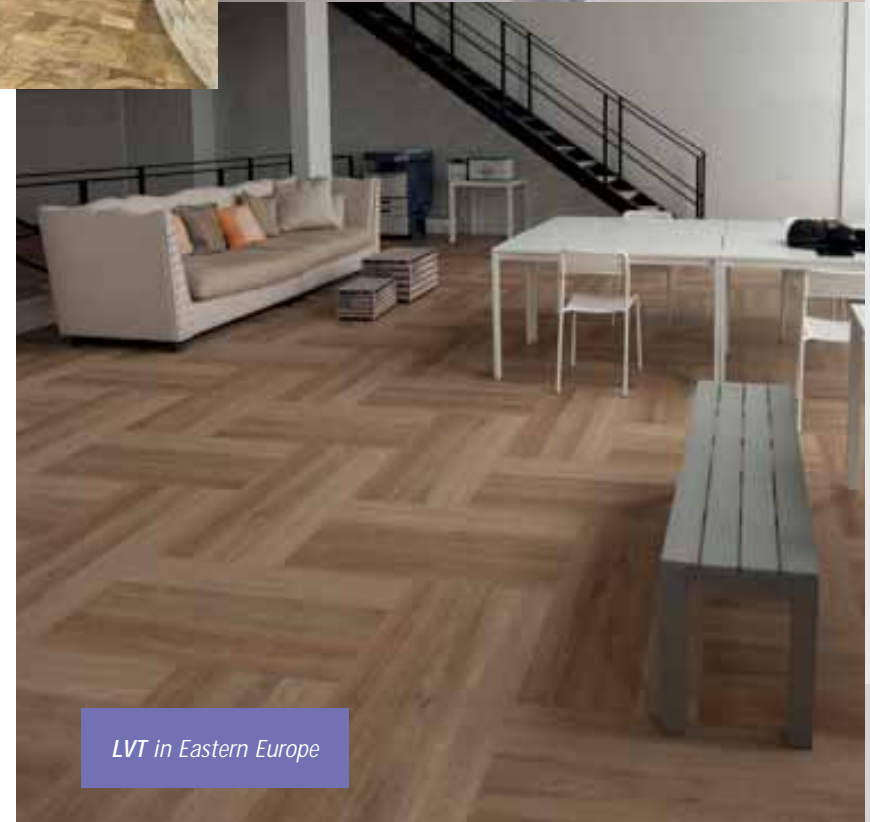
Cité de l'Architecture, Paris France



LVT in North America



LVT in Europe



LVT in Eastern Europe

©CAPA/Gaston Bergeret

GLO-CAL ADVANTAGE

Award-Winning Creativity for Design Excellence

It's one thing for a company to claim design excellence; it's another for it to be recognized by the most meaningful awards in its field.

As one example of professional recognition of Tarkett's excellence in design, Centiva and Johnsonite were awarded in 2013 no less than four prestigious ADEX prizes for design excellence. ADEX is the largest and most prestigious awards program for product and project design in the Architect and Designer industry in North America.



"A Platinum ADEX"

Johnsonite iQ™ Natural, the homogeneous vinyl made with bio-based plasticizer, was awarded a Platinum ADEX in 2013 for its beauty, high performance, and sustainability aspects.



3 products of Centiva's Contour Luxury Vinyl Tile series were awarded.

ADEX Platinum Award to Avignon Oak Whisper:

the winning combination of modern and rustic style to create a unique oak design.



ADEX Gold Award to Crossweave Laurel:

inspired by hand-painted textile and woven appearance.



ADEX Silver Award to Cane Moso:

exotic and artistic interpretation of bamboo.



GLO-CAL ADVANTAGE

Close to Customers for Best Local Service

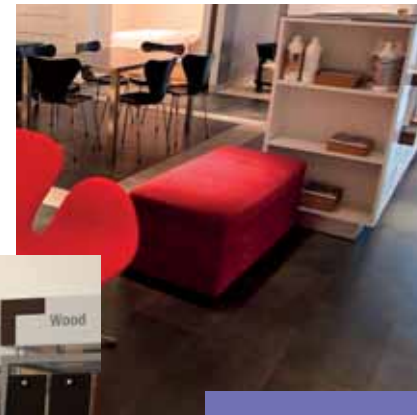
From regional design to manufacturing and distribution through supply chain logistics, Tarkett has positioned itself to be as close as possible to the customer in each region, thanks to a local footprint optimized for efficiency.

In manufacturing and logistics, Tarkett can offer the best in class service at competitive cost through thirty state-of-the-art manufacturing locations with strong regional presence. Proximity to the client is the best way to match Tarkett's evolving offer with local demands, standards and technical requirements, and which are different from one country to the other. It also optimizes transportation costs and import taxes and allows for better supply chain lead time.

In sales and marketing, we have built long-standing relationships with prescribers and key partners along the distribution chain through dedicated sales forces, for both residential and commercial end-users.

Sixty offices employ 1,300 people dedicated to sales and marketing across 38 countries, providing close and long-lasting relationships with multiple partners: architects and designers, wholesalers and distributors, installers and homeowners. Our network of 14 Tarkett Academies trains installers and other business partners, creating local ties over time.

Tarkett offers unique work spaces dedicated to helping customers, architects and designers find the right flooring solution for their different projects. In 2013, Tarkett opened a new Showroom in Kuala Lumpur (Malaysia).



Kuala Lumpur, Malaysia showroom



Paris, France showroom



Chicago, USA showroom



Atlanta, USA showroom

14
training
centers

60
Sales & Marketing
Offices &
Headquarters

GLO-CAL ADVANTAGE

Close to Customers for Best Local Service

Hong Kong teams build new link to local contractors

Logistics and support teams from Tarkett Hong Kong adopted a pragmatic approach to learn about flooring installations in the growing healthcare and education area. They went on several fact-finding visits to installations under way through their distribution partner, Signal Plus Building Supplies, to see how to perfect final installations of flooring during hot and humid conditions.

The visits permitted them to improve customer service through customized changes in delivery schedules and techniques of customer support.



Technical know-how solutions for demanding environments

Flooring solutions need to meet multiple requirements, especially in the Healthcare market segment. The Hospital of Nantes in France has installed the homogeneous vinyl iQ Optima for its surgical platform. This flooring solution contributes to cleaning efficiency for best possible hygiene, and features great resistance to being torn, as well as to chemicals and heavy loads. It also safeguards the atmosphere with low VOC emissions and the use of phthalate-free plasticizer.

Customer satisfaction survey

In 2013, around 4,000 customers in 15 countries participated in Tarkett's customer satisfaction survey on the flooring business. 35 criteria covered on the survey allow us to measure, every two years, our performance and progress, by country and by customer group, in terms of innovative solutions, value for the customers, sustainability and overall experience.

After strong improvement in 2011, global customer satisfaction has continued to progress in 2013, due mainly to product quality and customer service.



"Supplier of the Year"

Tarkett, as a major wood and laminate supplier, won the "Supplier of the Year" award, given by Euro-Mat, one of the four major building suppliers organizations in Europe.



Sustainability Leadership



Sustainability, a State of Mind at Tarkett



OVERVIEW

Driving for Sustainability at Tarkett

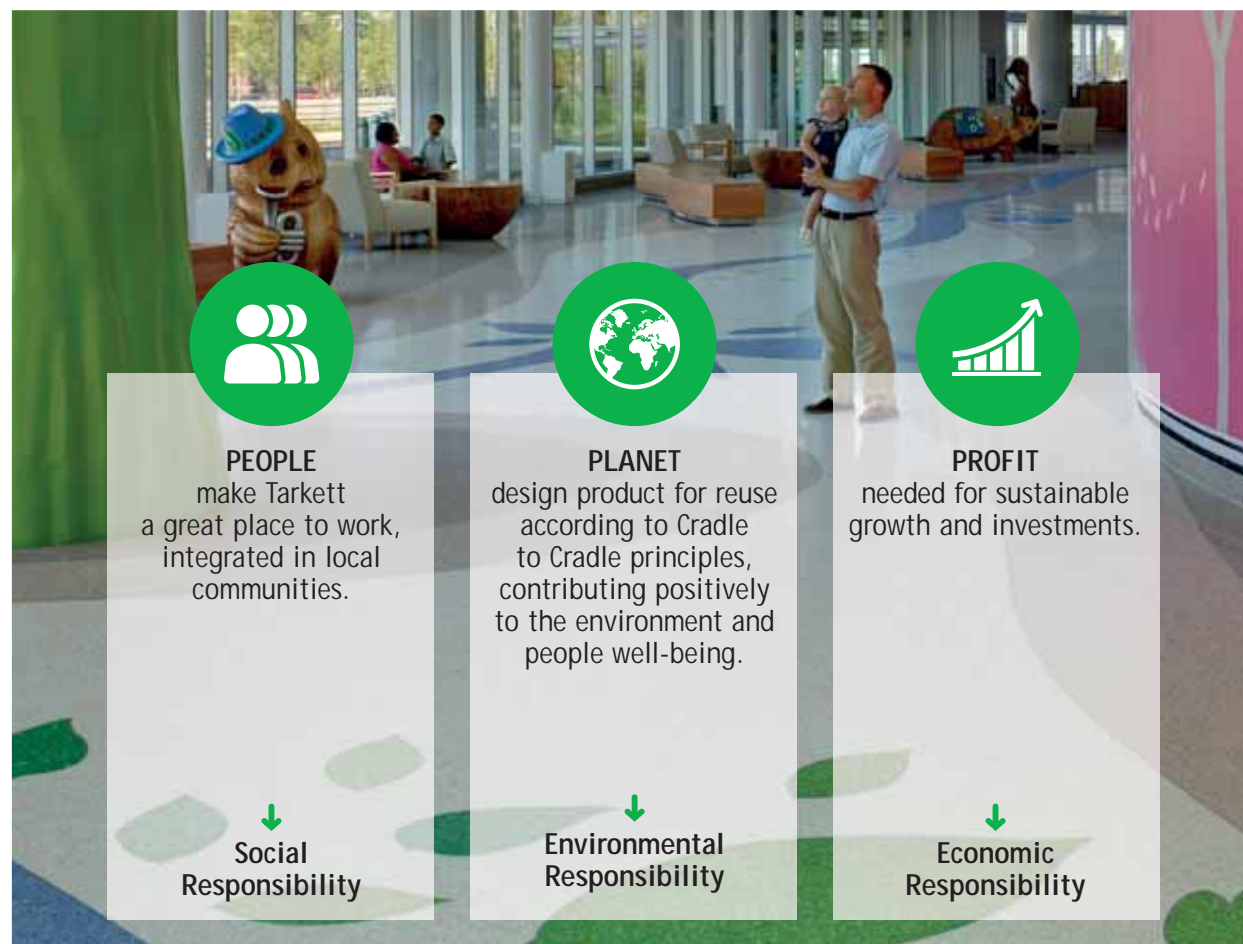
Tarkett believes that driving daily for sustainability in all we do is the best way to assure our stakeholders long-term growth and profit which respect, simultaneously, people as well as the planet. It is part of our responsibility, deeply instilled in our values and integrated within our vision.

With nine billion people projected to live on our planet in the year 2050, resource constraints, and customer aspirations for quality of life, healthy living and complete trust could limit business activities unless we pro-actively work to take the future into account. There really is no other choice than thinking differently.

Instead of thinking in terms of constraints, we believe sustainability opens new territories. Tarkett wants to be ahead of the curve by integrating sustainability in all of our operations and in all of our approaches to our stakeholders (customers, employees, suppliers, shareholders, the communities in which we do business, and society at large).

We are convinced Tarkett has a role to play leading the market for sustainable solutions to business challenges. We are gratified that we are receiving awards which demonstrate that our sustainability drive is being recognized.

OUR CORPORATE GOVERNANCE STRATEGY SUPPORTS THE THREE PILLARS OF SUSTAINABLE DEVELOPMENT



OVERVIEW

Robust Corporate Governance

Tarkett firmly believes that profit can only be short-term if it is not based on respect for ethical business practices, robust rules of transparent corporate governance, risk management and objectives of safeguarding the interests of People and Planet.

That daily commitment reflects our belief that being a recognized responsible corporate citizen is the best evidence that we are serving all of our stakeholders' interests over the long term.

Tarkett's commitment is transformed into measurable best practices defined by the United Nations Global Compact, France's Grenelle Corporate Social Responsibility Principles as well as best corporate governance practices established by the AFEF/MEDEF (Association Française des Entreprises Privées/Mouvement des Entreprises de France) for public reporting on corporate social responsibility.

The "Grenelle" Corporate Social Responsibility Principles

Another measurement of corporate social responsibility is required for public companies in France. The 'Grenelle' law calls for corporate reporting each year on forty-two themes under three overall categories:

- Labor information
- Environmental information
- Information on corporate commitment to sustainable development

The United Nations Global Compact



One measure of corporate responsibility is Tarkett's progress in fulfilling the Ten Principles of the United Nations Global Compact. That commitment requires companies to adopt and implement robust policies and procedures in the areas of human rights, labor standards, the environment, and business ethics to counter corruption.

Since 2010, we have supported and promoted the implementation of the Ten Principles of the United Global Compact within the Group as well as at our main suppliers.

Tarkett encourages its suppliers to respect the UN Global Compact principles, either through adhering to the Global Compact itself or apply its principles of human rights, working conditions, respect for the environment and on anti-corruption.



Michel Giannuzzi, Tarkett Chief Executive Officer

"Corporate responsibility is not something "nice to have" and which we add on to our operations. It is at the very heart of our vision and of our work to ensure a sustainable development of our Company, with a genuine concern for the future of the planet. Our relationships with our customers and suppliers, our employees, our shareholders and the communities in which we operate are based on respect and accountability for our actions towards them. As a responsible company, we are guided by the 10 principles of the United Nations Global Compact which inspire the way we operate and the way we do business."

PEOPLE



Putting People First

Tarkett can claim to best practice the principles of sustainability by putting people first, and starting with respect for its own employees as well as for the communities in which it operates.

Tarkett spirit of corporate social responsibility is reflected in four guiding principles:

- Safety, respect and integrity in relationships with people
- Encouraging talent development, empowerment and diversity
- Pro-active employee communication and dialogue
- Involvement with local communities

We show our respect for people by striving to make Tarkett a great place to work.

This starts with safety and good working conditions, creating dialogue and communication where we listen to employees through opinion surveys and focusing on developing their talent to assure their long-term employability.

We also aim to be good neighbors to our host communities by contributing to their welfare through such activities as local charity events, involving Tarkett teams.

Sharing common Tarkett values

- Positive customer attitude
- Entrepreneurial and Team Spirit
- Empowerment and accountability
- Respect and integrity
- Commitment to the environment

EMPLOYEES **11,000**

SAFETY **26%** progress made on safety (Lost Time Accident) compared to 2012

DIVERSITY **17%** of women on "Top 100" Managers

TALENT **2,924** employees included in talent review

TRAINING **60%** of employees participated in training programs

DIALOGUE **16** different languages used for the last internal survey (Employee Feedback)

RECOGNITION **83** projects were submitted by employees worldwide for Tarkett Awards, involving 530 people.



PEOPLE


 The view from...


Vincent Lecerf
Executive Vice President
Human Resources

What kind of a year was 2013 for Human Resources at Tarkett?

It was a landmark year because we clearly saw the positive impact of a number of important Human Resources actions we have put into place over time.

In talent management, we increased by 34% to reach about 3,000 the number of employees whose individual situation is reviewed in the framework of "Talent Review", our talent management process, assessing their strengths and areas for development, defining a development action plan, fostering training and mobility.

This is not only good for employees; it assures Tarkett

of having the right people ready in the right place.

Training is a second key element. We have significantly invested in training and development over the years, in order to provide the right level of skills and growth opportunities for all our employees. Just one example: Thanks notably to a significant investment in World Class Manufacturing safety training we have recorded a 26 per cent decrease in lost time accidents, another milestone for the year.*

How do you keep the entrepreneurial spirit in the company?

We launched a major effort, and which is continuing, to encourage Entrepreneurial Leadership.

It aims to boost local managerial responsibility while respecting Group's guidelines. It involves workshops, e-learning, and internal communications as well as a new Intranet. It seeks to improve daily work methods, to make process more fluid, and decision-making simpler and quicker.

How do changes in Society impact Tarkett Human Resources management?

It's clear, for example, that people are motivated by teamwork as well as a balance between local empowerment and Group alignment. So we try to create communities of work that feature the best of both, and we use technology such as the new Intranet to connect both worlds.

It's also clear that people are taking pride in the Corporate Social Responsibility of the companies in which they work, including the number of women in top ranks of management. We have an industry-leading position in that area but we aim to do much more.

*Total lost time accidents frequency rate (number of accidents per million hours worked)

PEOPLE



Entrepreneurial Leadership Culture & Training

In 2013, Tarkett launched an internal communication campaign to deploy the Group's Strategy in each division and spread its entrepreneurial leadership values. The 2013 annual meeting of Tarkett's Senior Management put an emphasis on entrepreneurial leadership as the key to Tarkett's success. Attendees had the chance to broaden this strategic orientation through workshops.



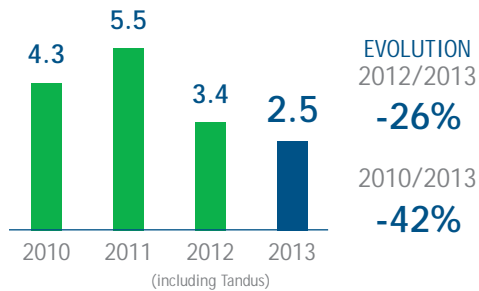
PEOPLE



Safety: no compromise

Safety is our highest priority, with safety training required for every employee in our production sites, such as through the teaching of the World Class Manufacturing program.

Lost time accident frequency rate
per million worked hours:



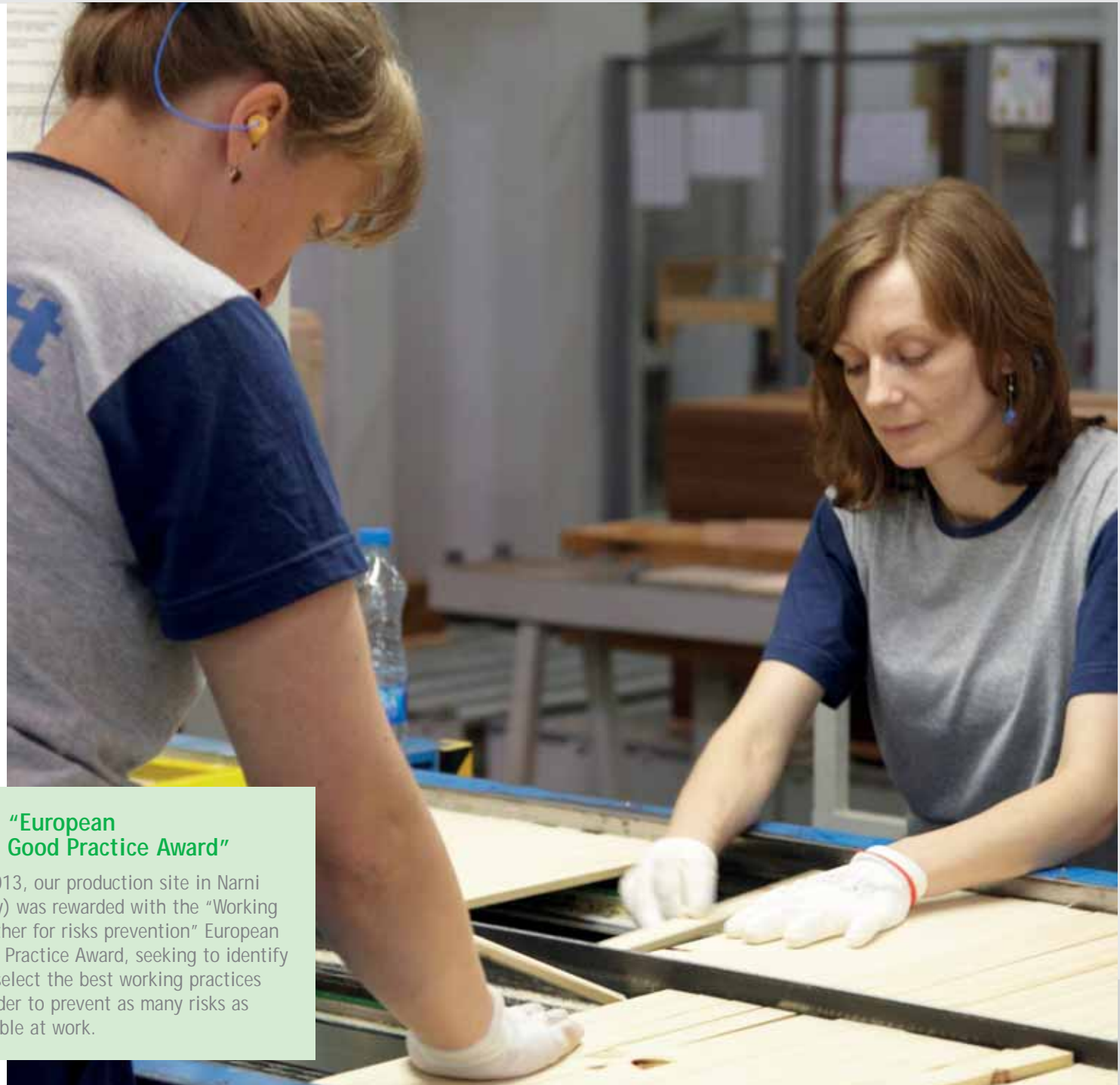
47%

of industrial units with
0 Lost Time Accident
in 2013



"European Good Practice Award"

In 2013, our production site in Narni (Italy) was rewarded with the "Working together for risks prevention" European Good Practice Award, seeking to identify and select the best working practices in order to prevent as many risks as possible at work.



PEOPLE



Develop Talent through Training, Diversity and Mobility

At Tarkett, we are committed towards employees talents, motivating them for satisfying careers, and empowering them through training, internal mobility and encouragement of diversity throughout the organization. By doing so, Tarkett also assures its capacity to have the right talents in the right place for sustainable growth.

At the heart of this process is the Performance and Development Dialogue that allows employees and managers to share feedback from work, assess performance and plan development needs and goals.

From their very first day, new employees participate in the Live Campus experience. This training module, running from one to four days, helps their integration into the business and welcomes them into the world of Tarkett products, principles and operations.

Our E-Campus digital training platform provides additional training.

Throughout their career, courses are offered to employees in key competencies, management development and in ethics. The World Class Manufacturing program's success is due in part to the training which employees are provided for its implementation locally.

The Group created the International Mobility Committee, including HR managers of each division, in order to review Tarkett employees mobility interest in the context of company needs.



Tandus Training

Internally at Tarkett, we innovate with new training tools. In 2013, Tandus teams in North America won a Tarkett Award for their new complete training concept. It brings together classroom, webinar and e-learning modules to offer education that motivates teams across the organization, from sales to office management to manufacturing. Course categories are also comprehensive. They include training on selling, about the company, the market, products, computer use, personal development, and leadership.

PEOPLE



FOCUS

Develop external talents thanks to our installers' expertise

Externally, the Tarkett Academy has trained 2,900 business partners in flooring installation, with courses for both young professionals and experienced installers in sessions of two days to a week.

The Tarkett Academy in Sedan (France) celebrated its twentieth anniversary in 2013. In France, three training centers deliver flooring specialist diplomas recognized by the National Education Ministry.

Tarkett
iAcademy

2,900

external
people
graduated

14

Tarkett
Academies in
the world

PEOPLE



Respect social partners and encourage dialogue

Through the "Tarkett Forum", European Works Council, Tarkett promotes social dialogue at all levels of the company with quarterly meetings, either in plenary or informal meetings focused on common human resources topics. The Tarkett Forum is composed of the EVP Human Resources and 16 union representatives from 6 countries.

In 2014, Tarkett will run the internal Employee Feedback Survey, as every two years.



Award for social dialogue in Serbia

A good example is the award which Tarkett won in Serbia. The "27th April" prize of the Serbian Independent Trade Union recognizes Tarkett locally as a successful company where social dialogue takes place regularly, fully respecting the trade union as a partner and providing it with relevant information regarding employees and their work.

PEOPLE



Involve with local communities

Means concrete actions to show you care. Tarkett supports local initiatives not only through flooring or financing donation but also through time and expertise, supporting employee initiative in participating in charity or in cultural events.

In Montreal, Tarkett through Fieldturf activities was a key sponsor of The Games of Hope/Les Jeux de l'Espoir, a one-day multi-sport fundraiser which generated nearly 275,000 Canadian Dollars for three children's charities. Over 2,000 people attended, including Tarkett employees and their families.

In North America, Johnsonite participates in the United Way of Ohio silent auctions to raise funds to improve education, to help people achieve financial stability, and to promote healthy lives. Centiva's employees have also dedicated time and service in cleaning up Alabama highways or participating in the American Cancer Society Relay for Life race, and contributing to the American Heart Association annual event.



In Serbia, Tarkett created the Tarkett Fund, a humanitarian institution helping the development of local communities and society by financing local sports competition and social activities.

PLANET



Tarkett Sustainability in Practice: Protecting the Planet

By protecting the planet, Tarkett's sustainability drive recognizes that the transition from the 'linear economy' to the 'circular economy' is under way. The linear cycle of taking resources to produce, using products and throwing them away, is giving way to infinite or repeated re-use of resources from the beginning to the end of use of products. In addition, we believe that consumers and users should not be required to make a trade-off between quality of life, planet protection and performance and design. It is our responsibility and our commitment to address all of these values.



2020 Sustainability Roadmap

Moving forward with its sustainability commitment towards the Circular Economy, the company has set its Environmental 2020 Roadmap, with detailed objectives for each of the four pillars. We also closely monitor progress and initiatives across the Group.

Tarkett practices Sustainability through its 'Closed Loop Circular Design' model which is Tarkett's way of best applying the 'Cradle to Cradle' principles to support the development of the 'circular economy'.



- We choose **GOOD MATERIALS** that respect people and the environment and which can enter a manufacturing re-use cycle or can be biodegradable.
- We practice **RESOURCE STEWARDSHIP** in our operations, optimizing the use of resources.
- We provide **PEOPLE FRIENDLY SPACES** to assure the well-being during product use and maintenance.
- We **REUSE** resources through recycling at the end of use to eliminate waste and to design new products with good materials.

PLANET



The view from...



Anne-Christine Ayed
Executive Vice President,
Research, Innovation
and Environment

What were the highlights of 2013 in innovating for sustainability at Tarkett?

One key achievement was the setting of objectives for 2020 for the first time, starting with the Environment indicators. This is a major step forward as it demonstrates a strong commitment to sustainability throughout the company. There is a real operational commitment because for each objective, we measure performance on an annual basis and we have developed a roadmap to get us there.

A second key achievement, aligned with our transparency

value, is our decision to develop an Environmental Health Statement tool, unique in the flooring industry, for some products, certified by a recognized and independent third party, the EPEA. First deployed in North America, this shared information tool, unique in the flooring industry, generated strong interest among architects and designers.

There were also new Cradle to Cradle certifications: Gold level for one linoleum product, basic level for rubber and artificial turf. We also received additional "asthma and allergy friendly" certifications for our work on healthy environments made possible by our products.*

During 2013, we have also been implementing the complex program with research, industrial, marketing and sales teams to deploy the phthalate-free technology combined with low VOC emissions across all our five European sites, to be ready to launch the new vinyl generation of flooring

for housing as of January 2014. We also extend the use of non-phthalate plasticizers in all remaining production sites in North America.

How do you motivate people to work for Sustainability, which is so important in all the Tarkett does?

We have built a multi-disciplinary network of people committed to Sustainability at Tarkett and its importance is recognized for many reasons. To take just one example, our sustainability approach, helps to anticipate and better answer customer's expectation for sustainable solutions. It's also a key differentiator versus the competition.

There is major momentum at all levels. Michel Giannuzzi personally leads and promotes the effort, demonstrating that Tarkett CEO sees Sustainability as a priority and thus that it is a model for people to see. All of us have been involved for several years in big and successful product launches

under way, such as the low emissions of Volatile Organic Compounds, the phthalate-free introduction in North America and Europe and a similar project for Tandus carpet.

We are also encouraging people through involvement with our Sustainability partner programs such as the Circular Economy 100 initiative from the Ellen McArthur Foundation. People are trained, they are in contact with other enterprises to share best practices and identify new opportunities where we should be accelerating such as in recycling. In the US, we give awards to customers who allow us to recycle their used flooring or flooring waste.

External recognition also encourages us to go further. We received two prizes on innovation in Sustainability.

So, all in all, we are motivated to be the industry leader in terms of vision, commitment, deployment and real achievements in innovation for Sustainability.

* Veneto Essenza 100% linen.

PLANET



Good materials

The challenge is to eco-design products at the very beginning with "good materials" that respect people and the environment, and that can be recycled to enter a manufacturing cycle (technical cycle) or that can be biodegradable to reenter the biosphere (biological cycle). We assess our ingredients with the support of the EPEA (Environmental Protection Encouragement Agency) and select them according to strict criteria. For us, "good materials" means: abundant, rapidly renewable, recycled and recyclable, respecting people health and the environment.

67% of our resources do not contribute to resource scarcity.

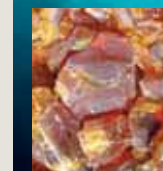
→ 2020 Objective: **75%**

63% of our materials have been assessed, vs 8% in 2011.

→ 2020 Objective: **100%**

Linoleum

In 2013, Tarkett launched Linoville, the new Linoleum xf2™ collection, a recyclable floor made of genuine and renewable ingredients (linseed oil, jute and cork flour). With its bright and trendy colors, and its technical attributes suitable for demanding applications including schools and hospitals, this eco-designed product is a good example of our ability to combine environment, aesthetics and performance. Tarkett has used the same original recipe and has selected materials according to the Cradle to Cradle methodology, while continually improving the performance of its flooring.



Natural pin resin



Linoleum cement



Supporting biodiversity

Tarkett aims at selecting types of wood that best respect natural cycle and availability. For instance, for multilayer wood floorings, we use as a priority fast growing and fast renewable wood species such as spruce. With innovative and modern production methods, we limit the waste of wood.

We have developed partnerships with wood suppliers which are FSC (Forest Stewardship Council) or PEFC (Pan European Forest Certification) certified. Tarkett holds Chain of Custody certificates on both FSC and PEFC. We also implemented internal training program and evaluated our suppliers to conform to the European Union EU Timber regulation effective.

PLANET



Resource Stewardship

Our objective is to reduce and optimize the use of resources during all the manufacturing process, thus participating in limiting resource scarcity and climate change challenges. We aim at saving fresh and potable water optimizing energy consumption and reducing greenhouse gas emissions.

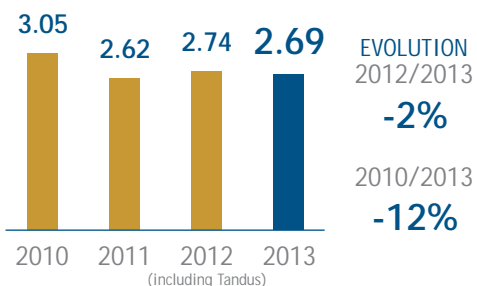
Converting scraps into renewable green energy

Since 2012, Tarkett deploys in Poland, production of wood briquettes intended for dispatch to a nearby power plant to be converted into electricity. The material used to produce the briquettes is sawdust from the production process: when a wooden plank is sawed, dust is generated as well as scraps of wood not used in the final product. Prior to the production of briquettes, the sawdust was previously sent to an external recycling facility.

Water

47% of our manufacturing sites have implemented closed-loop water circuits (or do not use water in their process) which allow us to limit the use of water at 2.69 liters/m² of product manufactured.

Reduce usage of fresh and potable water
(liters/m² of product manufactured)



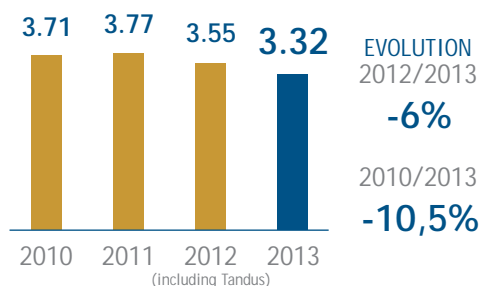
2020
Objective:
100%

of our sites with
closed-loop water circuits
(or do not use water
in their process)

Energy

Tarkett has decreased by 6% vs 2012 the energy consumption per square meter of product manufactured thanks to remarkable work done by all the plant teams to improve the manufacturing process and the implementation of biomass energy systems.

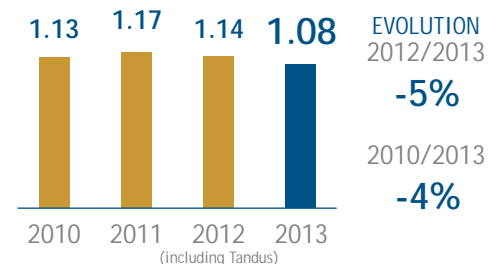
Reduce energy consumption
(kWh/m²)



Greenhouse Gas emissions

Our plants reduced by 5% the Greenhouse Gas emissions per square meter of product manufactured in 2013. In addition, in Northern Europe, we decided to switch from trucks to ferries. We also promote local procurement and local supply-chain and thus reduce non-essential transportation.

Decrease green house gas emissions
(kgCO₂/m² from sites)



2020
Objective:
-20%
vs 2010
baseline

PLANET



People Friendly Spaces

Since people spend more time indoors, they want their indoor space to have a healthy, comfortable and enjoyable environment. Very significant progress has been made in insulation, the challenge is now to improve the indoor air quality and protect people suffering from asthma and allergy. That's why we eco-design products with "good materials", contributing to improve the indoor air quality with TVOC emissions 10 to 100 times lower than the strictest standards in the world*, being in 2011 a pioneer setting high standards. In addition, we have decided to go one step further, widely extending the use of alternatives plasticizers (non-phthalate) already used for toys and food-packaging. We also conceive flooring combining easy cleaning and maintenance system for professional use.



94% of products with low VOC emissions (TVOC below 100 µg/m³) vs 27% in 2010



41% of products with non-quantifiable VOC emissions (TVOC below 10 µg/m³) vs 0% in 2010



20% of vinyl products are phthalate-free (except recycled content), vs 0% in 2010



2020 Objective: 100% of flooring products are phthalate-free and low TVOC emissions.

* Total Volatile Organic Compounds emissions in µg/m³ after 28 days

Protecting the air we breathe

With the ambition to lead eco-innovation in the flooring industry, Tarkett has decided to switch to phthalate-free plasticizer technology throughout the company. It launched in 2014 in Europe its new generation of residential vinyl flooring, which also combines extremely low VOC emissions and outstanding designs and patterns. Launched in 2010 in Europe for professional markets as well as in North America, Tarkett continues to deploy the use of phthalate-free plasticizers, including at North American sites of Tandus, a more recent acquisition.



Dry buffing

For professional use surfaces, Tarkett has developed flooring that can be cleaned and maintained with dry buffing, easy to use and environment-friendly, without use of detergents or water.



PLANET



Reuse

REUSE
Tarkett Environmental Initiative



floore
The Carpet Buy Back Program

retrieve

At Tarkett, products have no longer an end of life but an end of use. We aim to transform waste into resources or new products at equivalent or even better quality. We created new services to collect, reuse and recycle.

At Tarkett, we ensure that manufacturing waste and scraps are reintegrated into the production process. We develop take-back programs (ReUse, ReStart, Floore, Retrieve) to collect and recycle clean post-installations and used post-consumer flooring, thanks to our seven in-house recycling centers as well as partnerships with installers and reclamation networks. To close the loop fostering the circular economy approach, we eco-design our new products with recyclable good materials that can enter into a production or biological cycle at the end of use.

ONLY 30 GRAMS of industrial waste (per m² of product manufactured) are not recycled going to landfill, -37.5% 2013 vs 2010.

→ **2020 Objective:** **0** industrial waste going to landfill.

17,400 TONS have been collected from post-installation and post-consumer flooring and Sports surface products, + 51% vs 2012 (including Tandus).

→ **2020 Objective:** **double** tons vs 2010 baseline (32,000 tons vs 16,000)

A tag for Sustainability

Since 2011, Tarkett also has used the "sustainability tag", called "Balanced Choice", and which provides information on product composition in particular. This covers such information as the part of recycled content, recyclable or renewable materials, the level of VOC and phthalate-free technology. Such transparency through an easy-to-use tool helps customers to make the choice.



Re-using materials in new products

- Our vinyl flooring can contain up to **53% of recycled content** (iD Freedom).
- Linoleum, wood and rubber ranges are **100% recyclable**.
- Tandus carpet backing (ethos®) is produced from pre- and post-consumer recycled polyvinyl butyral (PVB) recovered from the manufacture and recycling of automotive and safety glass made of post-used windshields and safety-film glass.



"ReStart Awards"

ReStart Awards in North America to recognize and encourage our customers to collect and recycle flooring.

New Transparency tool with environmental authority

A new tool we have developed for customers is the Environmental Health Statement (EHS) for products, first implemented in the USA, a complementary tool of the Environmental Product Declaration (EPD). It is a declaration of composition of materials assessed in terms of their respect on health and the environment. It goes a step further than the EPD by requiring that strict construction standards (such as LEED) are met through certification by recognized external environmental experts from EPEA. The deployment has started with Linoleum and Rubber product ranges.



FOCUS

Lino "Green" Tour

The production site in Narni (Italy), where linoleum is produced, is a good example of Tarkett's commitment towards sustainability with the application of the Cradle to Cradle principles. In 2013, Tarkett inaugurated the Narni Green Tour, an innovative approach combining an educational tour and operational implementation. The objective is to show to customers and employees that Tarkett's environmental responsibility extends beyond recycled materials and recycling operations. Rather, it takes into account the entire product life cycle. This project was achieved thanks to effective communications within the site to understand and measure progress made on the 4 pillars of the sustainability strategy:

**GOOD MATERIALS**

Eco-design the new linoleum range containing:

- from 74 to 77% of renewable materials (ex: linseed oil, pine resin, jute)
- from 30 to 36% of recycled content (ex: cork flour from post production scraps)

**RESOURCE STEWARDSHIP**

During the production step:

- Cold Water closed-loop circuit has been implemented
- The emissions from manufacturing units are abated and conveyed to a post combustor for generating energy

**PEOPLE FRIENDLY SPACES**

Well being and Quality of Life during the use phase:

VOC: Linoleum flooring now features an extremely low level of Volatile Organic Compounds emissions (inferior or equal to 100 µg/m³ after 28 days). This contributes to the quality of indoor air, a critical factor for schools, universities, and hospitals where linoleum is used extensively.

**REUSE**

Post production scraps are recycled.

ZERO EMISSION FACTORY

Tarkett

PLANET



Recognition

'The Circular Economy'



Tarkett's sustainable product design approach earned its recognition through its selection as one of the first companies to join the Ellen MacArthur Foundation's 'Circular Economy 100' program in February, 2013.

Cradle to Cradle

Tarkett is working closely with the authoritative research institute EPEA (Environmental Protection & Encouragement Agency) to assess and select environment-friendly materials and apply the Cradle to Cradle principles at each step of the product's life, where end of life becomes end of use. The approach aims at choosing product materials that can be reused in technical or biological cycles.

Cradle to Cradle certifications

In Addition to the existing Cradle to Cradle certifications (Wood, Linoleum), Tarkett has been Cradle to Cradle Certified™ Gold for its Linoleum Veneto Essenza 100% linen produced in Narni (Italy), Basic for Artificial Turf produced in Auchel (France), Valls (Spain), and Calhoun (USA), and for Rubber produced in the USA.

NEW



NEW



Product labels and certifications

Tarkett products have received many recognized certifications in the previous years in different countries, such as floorscore, USDA BioPreferred, Vitality Leaf, NSF-332, Green Tag Ecolabel. Other product ranges have been recognized in 2013 for their attention to the well-being of people and the environment including:



The Asthma and Allergy Foundation of America (AAFA) has certified **"asthma and allergy friendly"** several vinyl products for home (I.D. Inspiration™ luxury vinyl plank flooring lines), for hospitals (iQ™ vinyl flooring) and for indoor sports (Omnisports 6.5mm and 8.3mm).



All heterogeneous vinyl products manufactured in Serbia have received the **Vitality Leaf eco label** for the use of good materials for people well-being and for the practice of resource stewardship.



For its Beynon tracks, Tarkett received the **US Greenguard Gold Certification** (for PolyTurf®, PolyTurf Plus®, PolyTurf Pad & Pour®, and BSS 1000®), after rigorous testing processes on ingredients and VOC emissions.

Long-lasting commitment and leadership on sustainability

- Recycling since 1957 (Homogeneous vinyl flooring in Sweden)
- TVOC emissions 10 to 100 times lower than the worldwide strictest standards (µg/m³ after 28 days)
- Cradle to Cradle certifications (Linoleum, Wood, Artificial Turf, Rubber)
- Flooring with a renewable plasticizer (iQ Natural)
- New generation of phthalate-free flooring in North America and Europe

The KKR Green Portfolio

Since 2010, Tarkett is a member of the "KKR Green Portfolio". Designed in partnership with the non-governmental organization Environmental Defense Fund (EDF), the program is an opportunity for Tarkett to get guidance and share best practices to improve its environmental performance, including in the areas of greenhouse gas emissions, waste and water stewardship.





Practicing the 'Circular Economy' Worldwide

All over the globe, Tarkett is contributing with its partners to the 'Circular Economy'.

In **North America**, Tarkett has pioneered with its customer Walmart since 2009 to recycle used flooring, to produce VCT vinyl tile for shipment back to Walmart for new installation. The program is a model in sustainability, supporting a Circular Economy, reducing use of virgin resources, energy, greenhouse gases and waste disposal in landfills.



In **Brazil**, Tarkett has launched an innovative program to produce PVC floor tiles from materials used in other industries, a good example of eco-design with recycled good materials. Tarkett in Brazil obtains aggregates from medicine blisters for transformation into granulates used in producing new flooring products. Using local recycled raw materials supplied close to the Tarkett plant, allows not only to reduce virgin materials use and energy consumption, but also improves the competitiveness of Brazilian products against Asian low-cost producers.

In **Europe**, Tarkett's ReUse program collects clean excess flooring materials following installation. Sent to Clervaux (Luxembourg) and Ronneby (Sweden) recycling centers, they are used to produce granulates to manufacture new vinyl flooring products.



At Clairefontaine, outside of Paris, **France** National Technical Football Center decided to replace Tarkett FieldTurf artificial turf for the surface of new training facilities in a project featuring the re-cycling or reusing of materials. The project exemplifies Fieldturf's TotalCare replacement program in Europe and North America, launched in 2013, and featuring Tarkett assistance to stadiums for consulting, recycling, installation and maintenance and financing over eight years. The objective is to reuse or recycle as much as possible each component of the field: rubber and sand from the infill, synthetic fibers and backing. In addition, using artificial turf field allows to save water and pesticides and offers a cost-efficient and long-lasting sport installation.



Environmental Sustainability Dashboard

We have built Tarkett's Sustainability dashboard to track our progress in achieving our environmental, social and corporate sustainability commitments. Designed as an internal management tool, the dashboard includes both qualitative and quantitative elements for all dimensions of our Corporate Sustainability Strategy.

(1) Restatements of Calhoun and Jacarei data: impact is +0,06 in 2012, +0,08 in 2011 and 2010






(2) Restatements of Calhoun, Houston, Lenham and Konz data: impact is +0,09 in 2012, +0,11 in 2011, +0,10 in 2010

(3) Restatement historical KPIs because of restatement of Calhoun volumes, addition of 2011 figures for Centiva, Absteinach and Valls sites, and exclusion of Kalush Wood (semi-finished goods production)

(4) Restatement of Calhoun data: impact is +1 in 2012, 2011 and 2010

Environmental Responsibility Strategic Initiatives	Indicators		Var 2010/2013
Reduce usage of fresh and potable water	Fresh water consumption ⁽¹⁾ (liters/m ²)	2010 3.05 2011 2.62 2012 2.74 2013 2.69	-12%
	% of manufacturing sites that have implemented closed-loop water circuits (or do not use water in their process)	2010 52% 2011 47% 2012 47% 2013 47%	
Decrease energy consumption and greenhouse gas emissions	Energy consumption ⁽²⁾ (kWh/m ²)	2010 3.71 2011 3.77 2012 3.55 2013 3.32	-10%
	Greenhouse gas emissions (kgCO ₂ e/m ²)	2010 1.13 2011 1.17 2012 1.14 2013 1.08	-4%
Design solutions ensuring indoor air quality, health and well-being	Phthalate-free products ⁽³⁾ (% of m ² produced, vinyl flooring only)	2010 0 2011 16% 2012 19% 2013 20%	+20 pts
	Low VOC emissions products ⁽³⁾ (% of m ² produced, flooring only)	2010 27% 2011 90% 2012 96% 2013 94%	+67 pts
	Non-detectable VOC emissions products ⁽³⁾ (% of m ² produced, flooring only)	2010 0% 2011 6% 2012 41% 2013 41%	+41 pts
Ensure that all manufacturing wastes enter into a biological or technical cycle	Industrial waste going to landfill ⁽⁴⁾ (g/m ²), including hazardous waste	2010 48 2011 46 2012 36 2013 30	-37%
Develop take-back programs for our flooring solutions, allowing to close the loop	Volume (metric tons) of collected post-installation or post-consumer products	2010 16,100 2011 13,800 2012 11,500 2013 17,400	+8%

Social & Corporate Sustainability Dashboard

Social Responsibility Strategic Initiatives	Indicators		Var 2010/2013
Guarantee a safe place to work	Lost time accident frequency rate ⁽¹⁾ (# LTA per million hours worked)	2010 4.3 2011 5.5 2012 3.5 2013 2.5	 -42%
Ensure respect and integrity	Progress on Tarkett values adhesion in employee feedback ⁽²⁾	2010 56 2011 n/a 2012 58.5 2013 n/a	-
Foster diversity	% of women in top 100 positions (CEO to CEO-2 executive positions)	2010 n/a 2011 16% 2012 18% 2013 17%	 +6% 2011/13
	% of employees with disabilities (only in countries where disability is defined by law)	2010 n/a 2011 1.5% 2012 1.9% 2013 1.4%	 -6% 2011/13
Develop talents and promote an entrepreneurial culture	% of people trained ⁽³⁾ (at least 1 day in total during the year)	2010 n/a 2011 37% 2012 56% 2013 60%	 +62% 2011/13
Listen to employees and engage in social dialogue	Progress on related questions in employee feedback ⁽²⁾	2010 53,5 2011 n/a 2012 56 2013 n/a	-
Communicate proactively towards all employees	Progress on related questions in employee feedback ⁽²⁾	2010 55,7 2011 n/a 2012 58,7 2013 n/a	-
Provide professional training to the community	Number of external people having received Tarkett Academy training ⁽¹⁾ (min 2 to 5 days professional training on installation and/or maintenance)	2010 n/a 2011 1,893 2012 2,541 2013 2,903	 +53%
Corporate Governance Strategic Initiatives	Indicators		Var 2010/2013
Promote Corporate Sustainability values to stakeholders	Raw material purchases base with suppliers committing to UN Global Compact principles ⁽⁴⁾ (% of purchase value)	2010 n/a 2011 42% 2012 50% 2013 60%	 -60pts
Ensure regular audits of businesses	Group perimeter audited during the last 4 years ⁽⁵⁾ (% of operating assets of audited entities)	2010 n/a 2011 52% 2012 93% 2013 74%	 +42%

		2013	2012	2011
Total employees	Worldwide	10,850	10,670	9,152
	EU another countries OECD	34%	34%	40%
	North America	30%	32%	21%
	Emerging countries	36%	34%	38%
Diversity	Men / Women	74%/26%	73%/27%	74%/26%
Age	under 29 years	16%	16%	18%
	30/39 years	29%	29%	30%
	40/49 years	29%	29%	29%
	50/59 years	21%	21%	19%
	above 60 years	5%	5%	4%
Absenteeism	absenteeism on industrial sites ⁽⁶⁾	2.50%	2.40%	2.70%

(1) 2012 excluding Tandus

(2) Employee survey not conducted in 2013

(3) 2012 figures restated for Russia, impacting overall KPI: 61%>56%

(4) Excluding textile

(5) 2012 excluding Tandus. Change of perimeter

(6) Excluding Tandus

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TERRE DE SIENNE Paris | www.terredesienne.com

Photos credits: CL2P/WPA/Tarkett, CAPA/Gaston Berguet – Nanigutierrez –
Group External Communications: Véronique Bouchard Bienaymé.

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