

UNITED NATIONS GLOBAL COMPACT

2014 Communication On Progress – Advanced Level

Correspondence table

July 2015

Tarkett supports the 10 principles of the Global Compact and reports its commitments according to the 21 criteria required by the COP guidance for advanced level.

Our 2014 Activity and Sustainability Report (ASR) should be regarded as our COP. This correspondence table below should help the reader navigate it, in directly linking the 21 criteria with its contents. The ASR is also publicly available on our corporate website.

<i>UNGC Criteria (advanced level)</i>		<i>Contents in the 2014 ASR</i>	<i>Index in 2014 ASR</i>
Implementing the Ten Principles into Strategies & Operations			
1	The COP describes mainstreaming into corporate functions and business units	- CEO's interview and statement supporting UNGC - 3 Executive Vice-Presidents (Research, Innovation, and Environment / Operations / Human Resources) responsible for the execution of the sustainability strategy	p. 4, 5, 51 p. 18, 23, 49
2	The COP describes value chain implementation	- Suppliers side: contractual commitment to UNGC principles, audits including CSR criteria, investment in safety equipment at suppliers facilities, partnerships with FSC and PEFC - Customers side: Restart program to foster recycling practices in partnership with our customers	p. 52, 53

UNGC Criteria (advanced level)		Contents in the 2014 ASR	Index in 2014 ASR
Robust Human Rights Management Policies & Procedures			
3	The COP describes robust commitments, strategies, or policies in the area of human rights	<ul style="list-style-type: none"> - Formal CEO's commitment to Declaration of Human Rights and fundamental social rights - Code of Ethics spelling out the business principles expected from every stakeholder: employees, customers, and suppliers 	p. 51 p. 63
4	The COP describes effective management systems to integrate the human rights principles	Multiple management systems to integrate human rights principles: employee feedback survey, training programs, talent Review, e-learning on Code of Ethics, new collaborative internet platform, UNGC related clause in suppliers contracts, 'Integrating acquisitions' principles	p. 49, 50
5	The COP describes effective monitoring and evaluation mechanisms of human rights integration	<ul style="list-style-type: none"> - Human rights integration monitored with 7 themes and 10 KPIs in the Group CSR dashboard: 'Guarantee a safe place to work', 'Ensure respect and integrity', 'Foster diversity', 'Develop talents and promote an entrepreneurial culture', 'Listen to employees and engage in social dialogue', 'Communicate proactively toward all employees', 'Provide professional training to the community' - Dashboard reviewed by top management and approved by Board of Directors 	p. 72
Robust Labour Management Policies & Procedures			
6	The COP describes robust commitments, strategies, or policies in the area of labour principles	<ul style="list-style-type: none"> - EVP Human Resources' statement: "[We] invest in people", meaning that we train, we promote, we share our entrepreneurial values, and we engage in continuous dialogue with them - Commitment to safety through 0 accident objective <p>NB: In March 2015, we issued and circulated throughout the Group 'Tarkett Human Resources Policy and Principles' to strengthen our strategy, policy, and commitment to robust labour principles (to be integrated in 2015 COP)</p>	p. 49 p. 72
7	The COP describes effective management systems to integrate the labour principles	<ul style="list-style-type: none"> - WCM program targeting safety improvement in all manufacturing sites - E-learning on Code of Ethics and dedicated training for Managers, addressing labour management principles - UNGC clause embedded in suppliers contracts to make them committed to labour management principles 	p. 22-23 p.63
8	The COP describes effective monitoring and evaluation mechanisms of labour principles integration	<ul style="list-style-type: none"> - Monthly monitoring of safety KPIs with review by Group's Executive Committee - Objective set in the Sustainability Dashboard: "0 accidents" 	P. 72

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Robust Environmental Management Policies & Procedures			
9	The COP describes robust commitments, strategies, or policies in the area of environmental stewardship	<ul style="list-style-type: none"> - Description of Tarkett's commitment to the circular economy and Cradle to Cradle approach - 2020 objectives set in Sustainability Dashboard on the following topics: good materials, resource stewardship, people friendly spaces, reuse 	p. 18, 19 p. 71
10	The COP describes effective management systems to integrate the environmental principles	<ul style="list-style-type: none"> - World Manufacturing Program rolled out across the company's plants: description of program's principles and illustration with WCM's pillar work and achievements in one specific plant in Italy - Closed-loop circular design of our products 	p. 22, 23 p. 56 p. 19
11	The COP describes effective monitoring and evaluation mechanisms for environmental stewardship	<ul style="list-style-type: none"> - 11 KPIs monitored in the Sustainability Dashboard - 3 of them (water consumption, energy consumption, waste generation) reviewed on a monthly basis through WCM management system - Regular WCM audits to verify and improve environmental performance 	p. 71
Anti Corruption Management Policies & Procedures			
12	The COP describes robust commitments, strategies, or policies in the area of anti-corruption	<ul style="list-style-type: none"> - Statement from Group General Counsel - Worldwide compliance program including fair competition practices and anti-corruption, to train specific employee groups (sales force, purchasing and managers) 	p. 63
13	The COP describes effective management systems to integrate the anti-corruption principle	<ul style="list-style-type: none"> - Statement from Group General Counsel - Training on Code of Ethics to all employees, including anti corruption practices - Risk mapping exercise (updated yearly) to assess and address operational risks in the company, including corruption - 2 arms: internals audits carried out throughout the Group's subsidiaries + internal controls on process-related risks (Tarkett Risks And Controls Evaluation program) 	p. 63
14	The COP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption	<ul style="list-style-type: none"> - 2 arms: internals audits carried out throughout the Group's subsidiaries + internal controls on process-related risks (Tarkett Risks And Controls Evaluation program) - KPIs on percentage of assets (subsidiaries) audited over the last 4 years 	p. 63 p. 72

UNGC Criteria (advanced level)		Contents in the 2014 ASR	Index in 2014 ASR
Taking Action in Support of Broader UN Goals and Issues			
15	The COP describes core business contributions to UN goals and issues	Tarkett contributes to meeting 3 key challenges in designing innovative products in a sustainable way: - urbanization: promoting well-being, healthy, and safe living environments - aging population: maintaining health, well-being and independence for seniors - resource scarcity: solve the resource challenges	p. 6-19
16	The COP describes strategic social investments and philanthropy	Tarkett engages for communities in multiple ways: - Giving hours (Games for Home in Montreal, assistance program in Serbia) - Provide flooring (Serious Fun program to build summer camps for children)	p. 51 p. 53
17	The COP describes advocacy and public policy engagement	Tarkett organized a Sustainability Summit in Cleveland to share our 4P vision with various stakeholders in the industry	P. 66
18	The COP describes partnerships and collective actions	Various partnerships with organizations and customers to tackle together the world's most burning issues: Cradle to Cradle, E Forest Stewardship Council (FSC), Pan European Forest certification (PEFC), Wal-Mart and Linron company, French National Education Ministry	p.16-17 p.47-48 p. 52
Corporate Sustainability Governance and Leadership			
19	The COP describes CEO commitment and leadership	- CEO's inaugural interview stressing the importance of a sustainable development and explaining Tarkett's strategy - CEO's statement of continuous support to UNGC principles	p. 4 p. 51
20	The COP describes Board adoption and oversight	- In line with standard governance practices, the Supervisory Board has an audit committee in charge of monitoring risks in the company - In line with French Grenelle regulations, the Board validates the sustainability report of the company during the audit committee	p. 62
21	The COP describes stakeholder engagement	- Public engagement to meet 3 key challenges: urbanization, aging population, and resource scarcity - Consult key stakeholders (scientists, sociologists, architects) to sharpen our sustainability strategy and policy	p. 6-19