

UNGC Criteria (advanced level)		Contents in the 2016 CSR report (extract from the registration document)	Index in 2016 CSR report
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 - Executive Vice-Presidents (Research, Innovation & Environment, Operations, Human Resources) and the Group General Counsel are in charge of the execution of the sustainability strategy and duly incentivized on related KPIs	p. 4
2	The COP describes value chain implementation	- <u>Suppliers side</u> : contractual commitment to UNGC principles, audits including CSR criteria, partnerships with FSC and PEFC to select wood suppliers - <u>Customers side</u> : "Sustainability Tag" on products to inform on composition, Environmental and Health Statements available on North America websites, ReStart take-back program to foster recycling practices in partnership with our customers	pp. 21-22  p. 10 p. 35
Robust Human Rights Management Policies & Procedures			
3	The COP describes robust commitments, strategies, or policies in the area of human rights	- 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 - In 2015, Tarkett established and circulated its "Human Resources Policy & Principles", describing the group's commitment in "Promoting the essential rights of our people", "Building a learning organization", "Engaging in talent development", "Ensuring fair compensation", "Encouraging dialog"	p. 4  p. 14  p. 12
4	The COP describes effective management systems to integrate the human rights principles	Multiple management systems to fully integrate human rights principles: - Employee feedback survey - Training programs (including Code of Ethics) - New collaborative online platform for people development (Talent Inside) - Open dialogue on diversity on inclusion	p. 15 pp. 17 - 18 p.17  p. 14
5	The COP describes effective monitoring and evaluation mechanisms of human rights integration	Human rights integration monitored with 4 themes and 16 KPIs in the Group's CSR dashboard	p. 14-15 p.40
Robust Labour Management Policies & Procedures			
6	The COP describes robust commitments, strategies, or policies in the area of labour principles	- Commitment to safety through "0 accident" objective - In 2015, Tarkett established and circulated its "Human Resources Policy & Principles", describing the group's commitment in "Promoting the essential rights of our people", "Building a learning organization", "Engaging in talent development", "Ensuring fair compensation", "Encouraging dialog"	p. 19 p. 12
7	The COP describes effective management systems to integrate the labour principles	- WCM program deployed in 84% of manufacturing sites, targeting safety improvement in all manufacturing sites - Continuous training program on ethics and individual support with development plan - Tarkett Awards recognizing and promoting employee ideas and innovation - UNGC clause embedded in suppliers contracts to make them committed to labour management principles	p. 19 p. 17 p. 18 p. 21
8	The COP describes effective monitoring and evaluation mechanisms of labour principles integration	Integration of labour principles monitored with 5 themes and 13 KPIs in the Group's CSR dashboard: "Safety & Values", "Talent", "Dialogue", "Communities", and "Corporate Governance"	
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"> <li>- Description of Tarkett's commitment to the circular economy and Cradle to Cradle approach</li> <li>- 2020 objectives set in Sustainability Dashboard on the following topics: good materials, resource stewardship, people friendly spaces, reuse</li> </ul>	
10	The COP describes effective management systems to integrate the environmental principles	<ul style="list-style-type: none"> <li>- World Manufacturing Program rolled out across manufacturing plants with a focus on environmental management</li> <li>- Closed-loop circular design implemented for product development</li> <li>- In 2016, each division has set up its 2020 roadmap</li> </ul>	<p>p. 24</p> <p>p. 32</p> <p>p.25</p>
11	The COP describes effective monitoring and evaluation mechanisms for environmental stewardship	<p>13 environmental-related KPIs monitored in the CSR Dashboard:</p> <p>7 of them (water consumption, energy consumption, greenhouse gas emissions, closed-loop water circuits, waste generation) reviewed on a monthly basis through WCM management system</p>	p. 42
<b>Anti-Corruption Management Policies &amp; Procedures</b>			
12	The COP describes robust commitments, strategies, or policies in the area of anti-corruption	<ul style="list-style-type: none"> <li>- Statement from Group General Counsel in the Activity and Sustainability report</li> <li>- Worldwide compliance program including fair competition practices and anti-corruption, to train specific employee groups (sales force, purchasing and managers)</li> </ul>	p. 18
13	The COP describes effective management systems to integrate the anti-corruption principle	<ul style="list-style-type: none"> <li>- Mission of Internal Control &amp; Audit Department to implement: risk-mapping exercise, internal controls, regular internal audits, insurance coverage</li> <li>- Training on Code of Ethics to all employees, including anti-corruption practices</li> </ul>	p. 14
14	The COP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption	<ul style="list-style-type: none"> <li>- KPI on percentage of assets (subsidiaries) audited over the last 4 years</li> <li>- KPI on deployment of Code of Ethics</li> </ul>	p. 43
<b>Taking Action in Support of Broader UN Goals and Issues</b>			
15	The COP describes core business contributions to UN goals and issues	<p>Tarkett contributes to meeting 3 global challenges:</p> <ul style="list-style-type: none"> <li>- Combatting climate change</li> <li>- Managing scarce natural resources sustainably</li> <li>- Promoting people's well-being and the development of healthy living spaces, especially within a context of rapid urbanization and aging population</li> </ul>	p. 4
16	The COP describes strategic social investments and philanthropy	Tarkett encourages employees' initiatives to support non-profit organizations' initiatives during working hours, via funding and product donation (Tarkett Cares program)	p. 23
17	The COP describes advocacy and public policy engagement	<p>Tarkett contributes to the World Economic Forum discussions to accelerate wider engagement with the circular economy and the "Future of Construction". In 2016, Tarkett contributed throughout the year to the World Economic Forum's debates in three areas:</p> <ul style="list-style-type: none"> <li>• Accelerate innovation and develop the circular economy model under a collaborative program coordinated by business leaders and managed by the World Economic Forum and the Ellen MacArthur Foundation (Global Challenge Initiative on Environment and Natural Resource Security).</li> <li>• Combat climate change by setting objectives and implementing concrete measures together with businesses and governments through the CEO Climate Leaders network.</li> <li>• Innovate and develop solutions promoting quality of life in urban environments and foster cross-sector cooperation as part of the Future of Construction initiative.</li> </ul>	p. 9

18	The COP describes partnerships and collective actions	<p>Various partnerships in relation to the 3 global challenges addressed by Tarkett. In link with urbanization and resource scarcity, our most important partnerships are with the following organizations:</p> <p>Environmental Protection and Encouragement Agency (EPEA), the Ellen MacArthur Foundation, the Circular Economy 100 program, Forest Stewardship Council (FSC), Pan European Forest certification (PEFC), US Chamber of Commerce, Veolia in France, NXT Health, Practice GreenHealth, Center for Health Design in North America</p>	p. 31
<b>Corporate Sustainability Governance and Leadership</b>			
19	The COP describes CEO commitment and leadership	<ul style="list-style-type: none"> <li>- "We support Global Compact" logo in "Tarkett in brief" section of the Activity and Sustainability Report, and in the introduction of the CSR Report with description of the 10 principles of the UNGC</li> <li>- CEO's inaugural interview outlining Tarkett's purpose and sustainability strategy</li> <li>- CEO's statement of continuous support to UNGC principles</li> </ul>	p. 5
20	The COP describes Board adoption and oversight	<ul style="list-style-type: none"> <li>- In line with standard governance practices, the Supervisory Board has an audit committee in charge of monitoring risks in the company</li> <li>- In line with French Grenelle regulations, the Board validates the sustainability report of the company during the audit committee</li> </ul>	
21	The COP describes stakeholder engagement	<ul style="list-style-type: none"> <li>- CEO states public engagement to respond to 3 major long-term challenges: urbanization, resource scarcity, climate change, and ageing population</li> <li>- The company encourages teams to build long-lasting relationships with customers, suppliers, and communities</li> </ul>	p. 4