2024

Universal Registration Document

Overview

Tarkett

Joint-stock company with a Management Board and a Supervisory Board with a capital of 327,751,405 euros

Head offices: Tour Initiale – 1 Terrasse Bellini – 92919 Paris La Défense

352 849 327 R.C.S. Nanterre

UNIVERSAL REGISTRATION DOCUMENT 2024

including the Annual Financial Report

This Universal Registration Document was submitted to the AMF on 31 March 2025, within its capacity as competent authority under regulation (EU) 2017/1129, without prior approval in compliance with Article 9 of this regulation.

This Universal Registration Document may be used for the purposes of financial security public offerings or the admission of financial securities to negotiations on a regulated market if it is supplemented by an offering notice and, if applicable, a summary of any amendments made to the Universal Registration Document. The set thus formed is approved by the AMF, in compliance with regulation (EU) 2017/1129.

This Universal Registration Document, which includes the annual financial report for the financial year ended 31 December 2024, is an official copy of the document in xTML format, available on the AMF's website (www.amf.org) and on the Company's website (www.tarkett-group.com).

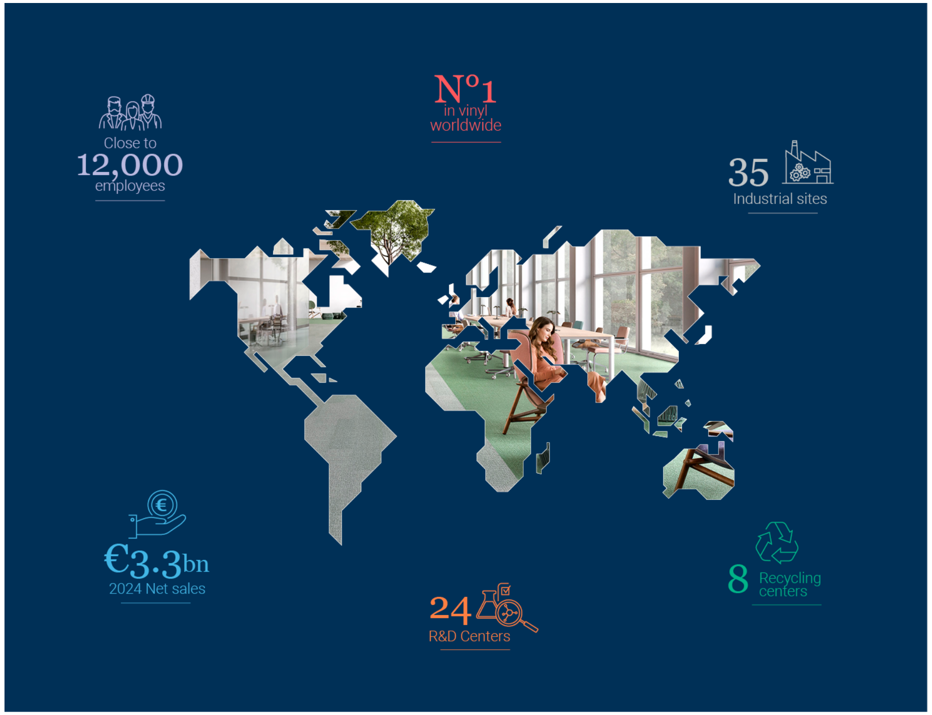
Tarkett at a glance

A world leader in flooring and sports surface solutions

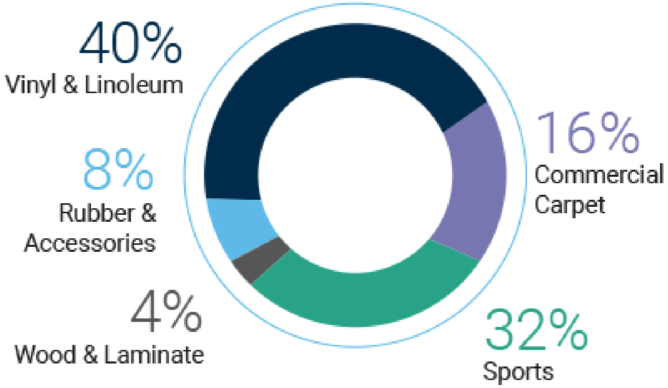
For over 140 years now, we commit every day to the design of great spaces. For Tarkett, this means putting people and planet first, caring about the environment and the health of present and future generations incorporated by our Tarkett Human-Conscious Design® approach.

It is our holistic way of doing business, capable of combining the specific expectations of each of our customers with the profound challenges of protecting our planet, reducing our carbon footprint and changing the game with circular economy. Working together with our partners, we deliver safer and healthier spaces in which people can reach their full potential. By joining forces, we build a stronger foundation-one we can all stand firmly on, for generations to come.

TARKETT WORLDWIDE



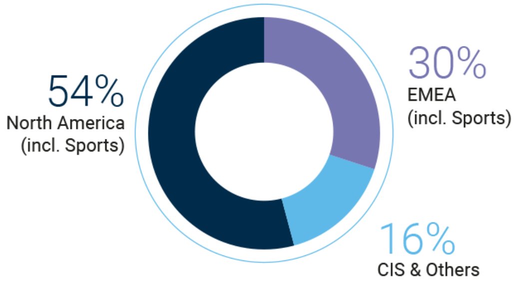
DISTRIBUTION OF 2024 NET REVENUE BY PRODUCT CATEGORY



In % of 2024 net sales

Tarkett in figures

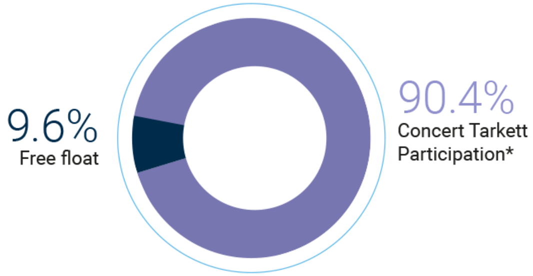
DISTRIBUTION OF 2024 NET REVENUE BY GEOGRAPHICAL AREA



In % of 2024 net sales

SHAREHOLDING STRUCTURE

(31.12.2024)



Tarkett is listed on Euronext Paris (compartment B, ISIN: FR0004188670, ticker: TKTT).

ATTRACTIVE END-MARKET EXPOSURE

In % of 2024 net sales

SALES DRIVEN BY RENOVATION

In % of 2024 net sales

* *Tarkett Participation, Société Investissement Deconinck (SID), Expansion 17 S.C.A. and Global Performance 17 S.C.A. (the latter two companies being part of the Wendel group) as well as the members of the Company's Supervisory Board linked to the Deconinck family have been acting in concert vis-à-vis the Company since the simplified tender offer for Tarkett shares implemented in 2021. Section 7.3 presents a detailed breakdown of the Company's shareholding structure.*

TARKETT RECOGNIZED FOR ITS ESG PERFORMANCE

EcoVadis: Platinum in 2024, i.e. top 1% of all 130,000 rated companies in 180 countries.

CDP Climate Rating: Joined A level in February 2025, top 2% performing out of 24 800 rated companies.

Global Compact: First flooring manufacturer to join the United Nations Global Compact in 2010.

Europe's Climate Leaders: Achieved ranking by Financial Times UK and Statista since 2022.

Supervisory Board

The Supervisory Board is composed of 12 members of which 2 independent members, 2 members representing the employees and 2 observers.

Éric La Bonnardière

Chairman
Member since 2015

Julien Deconinck

Vice-Chairman
Member since 2014

Marine Charles

Member since 2023

Marie Deconinck

Member since 2024

Nicolas Deconinck

Member since 2015

Tina Mayn

Member since 2023

Didier Michaud-Daniel

Member* since 2019

Sabine Roux de Bézieux

Member* since 2017

Philippe Willion

Member** since 2024

Caroline Tith

Member** since 2021

Bernard André Deconinck

Observer

Claude Ehlinger

Observer

Audit, Risks and Compliance Committee:
- Marine Charles (Chair)
- Sabine Roux de Bézieux*
- Didier Michaud-Daniel*

Appointments, Compensation and Governance Committee:
- Didier Michaud-Daniel* (Chair)
- Nicolas Deconinck
- Sabine Roux de Bézieux*

Climate, Durability and Innovation Committee:
- Sabine Roux de Bézieux* (Chair)
- Nicolas Deconinck
- Tina Mayn

* Independent
** Member representing the employees appointed by the Tarkett Economic and Social Committee.

Executive Management Committee

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

Fabrice Barthélemy

CEO

Winn Everhart

President Tarkett North America

Slavoljub Martinovic

President Tarkett EMEA & LATAM

Stanislav Mitrović

President Tarkett Eastern Europe & APAC

Eddy Schmitt

President & CEO of Tarkett Sports

Raphaël Bauer

Chief Financial Officer

Eline Cormont-Girardey

Group General Counsel

Hervé Legrand

Group Chief Information Officer (CIO)

Arnaud Marquis

Chief Sustainability & Safety Officer

A word from the CEO

Two years ago, we set a clear ambition for Tarkett: to be the easiest, the most innovative and the most sustainable flooring and sports surfaces company to work for, and to work with.

Fabrice Barthélemy, CEO

To continue to make a positive impact for our people, our customers, and the planet, in 2024 we undertook a detailed assessment of our sustainability impacts, risks and opportunities throughout our value chain as part of the first year of application of the new European Corporate Sustainability Reporting Directive (CSRD). We performed this exercise in full alignment with the priorities and objectives set out in our ImpactT2027 strategic plan.

Empower our high performing teams, to deliver on the promise

The safety of our workforce remains our number one commitment. We continually strengthen our safety culture through assessments, procedures, action plans and training. While we must continue to improve, I recognize the efforts and actions being taken which will help us achieve our ultimate target of reducing the recordable accident frequency rate down to 1.0.

In 2025, we will continue to improve our safety and fire performance, every day and everywhere.

Offer a best-in-class customer experience with innovative products and services

We constantly design and offer circular flooring products and sports surfaces with lower carbon footprints compared to average equivalent products in the industry. We also help our customers address their own challenges, by offering simple and cost-effective take-back and recycling services for end-of-life products, such as our ReStart® program for flooring and our Infill Take Back program for artificial turf.

Developing partnerships (e.g. with suppliers for innovative raw materials, with logistics and recycling partners for take-back and recycling services) helps us continue to deliver innovative products and services to our customers.

Lead with sustainability

We are reducing our greenhouse gas (GHG) emissions across our whole value chain[1], by optimizing energy consumption and resorting to renewable energy in our operations, by procuring more low carbon raw materials for manufacturing our products, and by collecting and effectively recycling post-installation and end-of-use flooring and sports surface waste. In 2024, our Scope 1, 2 and 3 value chain GHG emissions have decreased by -23% compared to 2019, on track to meet our target of 30% reduction by 2030.

To accelerate the transition to a circular economy, we also increase the share of closed-loop and open-loop recycled materials among our raw materials, reaching 19% in 2024, half-way through our objective of tripling the share of recycled raw materials from 10% in 2018 to 30% by 2030.

[1] Encompassing Scope 1, Scope 2, and Scope 3 GHG emissions related to purchased goods and end-of-life treatment of sold products

Our Business Model: Have a positive impact on our customers, our teams, the planet and our stakeholders

Our inputs: sustainable capital

Financial capital

- Listed on Euronext Paris
- Concert Tarkett Participation (90.4%) / Free float (9.6%)

Governance / compliance capital

- Management Board, Supervisory Board and 3 specialized committees (including Climate, Durability & Innovation Committee)
- Executive Management Committee
- Codes of Ethics and Conduct
- Whistleblowing system
- Code of Conduct Securities Markets

Social / relationship capital

- 11,400 employees in 46 countries, representing more than 50 nationalities
- Diversified B2B2C clients present in over 100 countries
- Diversified supplier's base

Intellectual capital

- 137 patent families active in more than 40 countries
- 24 R&D laboratories
- Network of internal experts
- Scientific partnerships (universities, EPEA, C2CPII, suppliers…)

Manufacturing capital

- 35 production sites in 21 countries worldwide (Europe, Russia, North America, Serbia, China, Ukraine, Brazil, Mexico, Australia, Turkey, United Arab Emirates, Saudi Arabia)
- 8 recycling centers

Natural capital

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

Our material sustainability matters arising from impacts, risks and opportunities

- **Climate change mitigation, resource use and circular economy:**
  - Energy and raw materials consumption
  - Scope 1, 2 & 3 GHG emissions (from own operations, raw materials, product's end-of-life)
  - Generation/management of production waste and end-of-life product's waste
  - Risk of increased cost of raw materials
  - Opportunity to develop low carbon circular products
- **Climate change adaptation: exposure of our sites to climate physical risks**
- **Microplastics in rubber infill for artificial turfs**
- **Pollution, use of hazardous substances and water use in the supply chain**
- **Health and safety of Tarkett workers**
- **Diversity and inclusion within Tarkett workforce**
- **Business conduct risks: corruption, fair competition, international sanctions**

Refer to Section 3.1.10 for details of material impacts, risks and opportunities

Our value chain and our stakeholders

Our ambition to transition to a low carbon and circular economy through continual dialogue and collaboration with our stakeholders throughout our value chain

UPSTREAM VALUE CHAIN

Raw materials' suppliers

- Main raw materials: PVC, plasticizers, fillers, polymers, fibers, latex /rubber, wood…
- Diversified suppliers, from international key raw materials suppliers (e.g., PVC, plasticizers…) to local suppliers (e.g., wood)

Upstream Logistics ▶

OWN OPERATIONS

Tarkett

- Production sites and recycling centers
- R&D laboratories, warehouses, offices, showrooms
- Employees and other external workers (e.g., temporary workers, on-site contractors)

Downstream Logistics ▶

DOWNSTREAM VALUE CHAIN

Product's sale / installation

- Our customers: distributors, large retail chains / independent stores (DIY), digital online platforms, architects /designers, installers, building contractors
- A local service tailored to our different clients and regions

▶

Product's usage

- End-users: facility occupants /users, facility managers

▶

Product's end-of-life

- Disposal facilities
- Recycling partners
- Reverse logistics partners

Reverse Logistics

Other key stakeholders include:
- Shareholders, investors, creditors and the financial community
- Regulatory bodies at regional (e.g. EU) and national levels
- Trade associations, business networks, academic and scientific institutions

Refer to Section 3.1.9 for details of interests and views of key stakeholders

Our strategy to address sustainability matters

impacT
2027

1. Empower high performing teams
2. Offer a best-in class customer experience
3. Create innovative products & services
4. Lead with sustainability

> **Mission:** Create unique surfaces that improve people's lives and are good for the planet
> **Vision:** Be the easiest, most innovative and most sustainable flooring and sports surfaces company to work for and with
> **Values:** Committed – Collaborative – Creative – Caring

Our sustainability **targets:**

> **GHG emissions**: -50% Scope 1 & 2 GHG emissions and -27.5% Scope 3* GHG emissions by 2030 vs 2019
> **Circular economy**: Triple the share of recycled raw materials from 10% in 2018 to 30% by 2030
> **Safety:** Reduce the recordable work-related accidents frequency rate [FR1t]** for all employees to 1.0 by 2025
> **Diversity:** Increase the share of women among managers and senior executives to 30% by 2025
> **Responsible sourcing:** 75% of suppliers adhering to our Supplier's Code of Conduct (or equivalent) by 2025

** related to purchased goods and end-of-life treatment of sold products*

*** # Lost Time Accidents (LTA - unavailability greater than 24 hours) and Non-Lost Time Accidents (NLTA - ability to come back to work within 24 hours) per million worked hours*

Our outputs: sustainable performance despite challenging context

Demonstrating the resilience of our business model

- €3,332 million net sales (-0.4% organic growth)
- €329 million adjusted EBITDA
- 9.9% adjusted EBITDA margin (% of net sales)
- €-62.6 million net profit (Group share)
- €816 million remuneration
- €96 million investments
- €39 million income paid tax

Confirming our solid global positions

- 3rd largest flooring group worldwide
- No. 1 in vinyl flooring

Maintaining our efforts to protect our teams and promote diversity

- 2.78 recordable work-related accidents frequency rate [FR1t]
- 29% of managers and senior executives are women

Responding to the climate emergency and developing a circular economy approach

- Reducing greenhouse gas emissions to be aligned with the Paris Agreement (-36% Scope 1 & 2 vs. 2019, 34% renewable energy, -22% Scope 3 vs. 2019)
- Selecting raw materials not contributing to resource scarcity (69% renewable, abundant or recycled)
- Shifting to a circular economy model, using more recycled materials (~157,000 tons , 19.4% of raw materials in volumes)
- Recycling our production waste internally and externally
- Collecting flooring via the ReStart® program (~124,000 tons between 2010 and 2024)
- Innovating and eco-designing with new technology for low carbon products that can be disassembled and recycled
- Offering artificial turfs with no infill or natural bio-based infill

Promoting sustainability in the supply chain

- Responsible Sourcing Program with 40% of suppliers adhering to our Supplier's Code of Conduct or equivalent

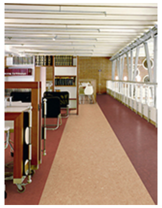
Our products and markets

Our solutions

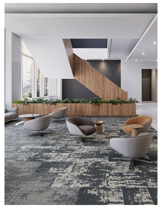
We offer to our customers a comprehensive, innovative and coordinated offer of flooring and sports surface solutions

Vinyl

Linoleum



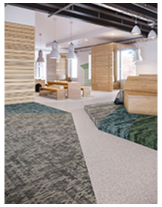
Carpet



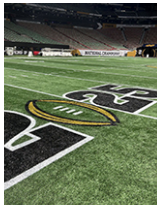
Wood

Laminate

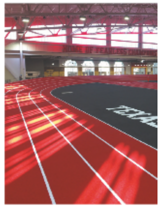
Rubber & Accessories



Artificial turf



Athletic tracks



Our segments

A recognised expertise in specific segments, in renovation and new construction

- Health and aged care
- Hospitality
- Education
- Sport
- Workplace
- Residential

1

GROUP PRESENTATION

1.1 General presentation

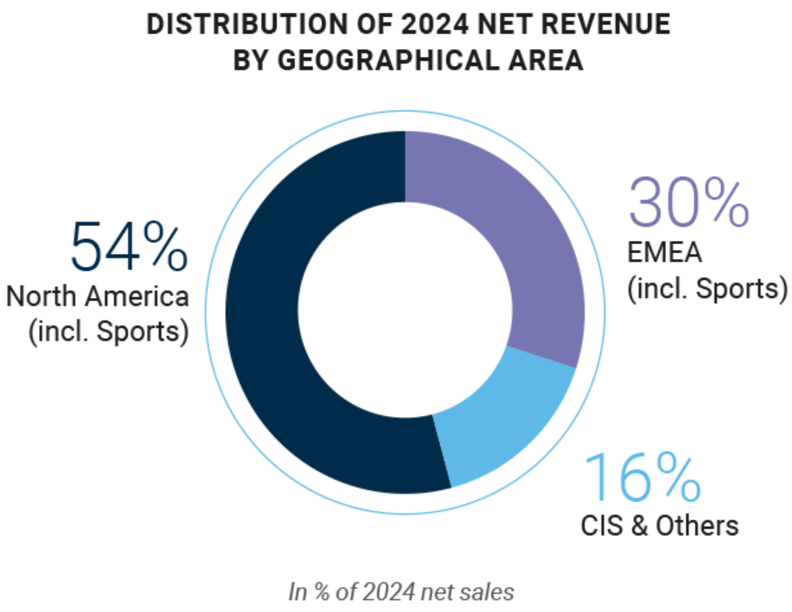
1.1.1 Group activity

With more than 140 years of experience, Tarkett is a worldwide leader in innovative flooring and sports surface solutions.

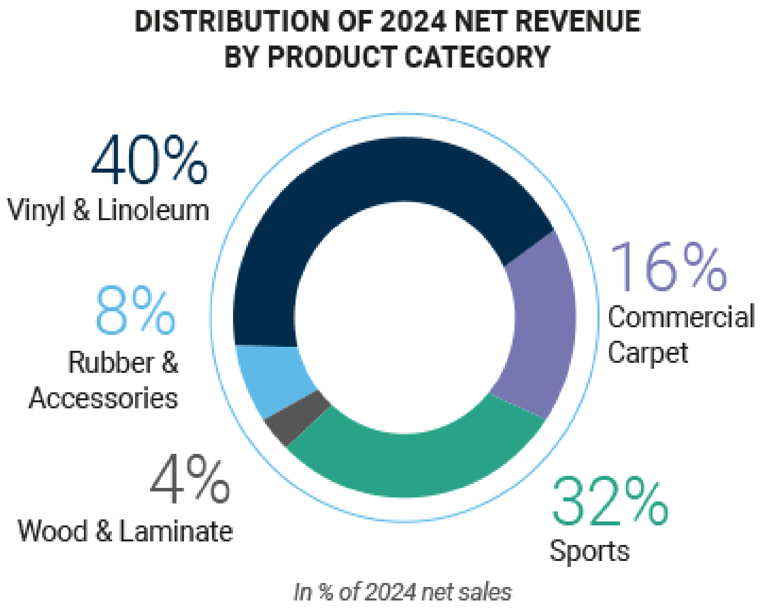
Tarkett offers one of the widest ranges of flooring solutions in the industry. With experienced teams and sales in more than 100 countries, the Group has acquired extensive knowledge and an excellent understanding of customer cultures, tastes and requirements, local regulations, and the use of flooring in each country.

With 35 industrial sites and customer service centres located close to local markets, the Tarkett Group is able to offer a large range of solutions to meet specific customer needs.

Distribution of 2024 net revenue by geographical area

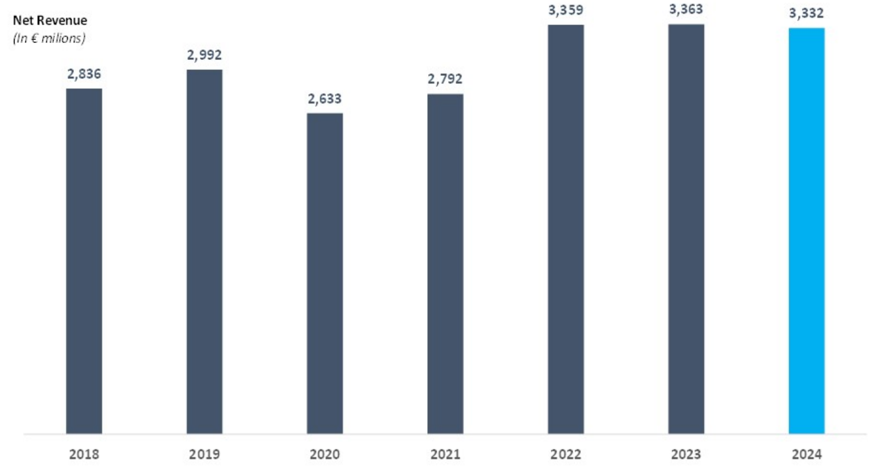


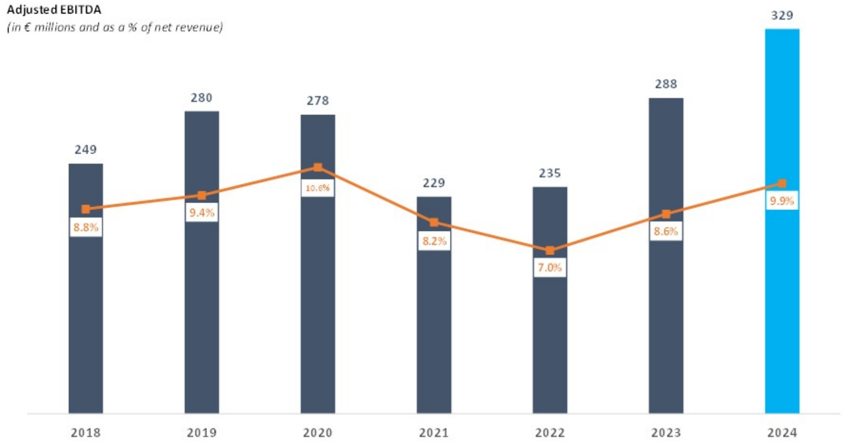
Distribution of 2024 net revenue by product categories

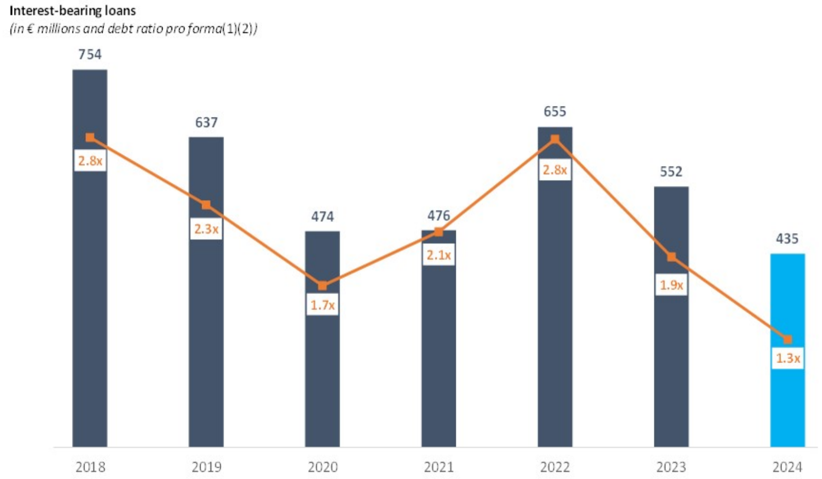


1.1.2 Main key figures

The financial data presented below is derived from the Group's Consolidated Financial Statements for the fiscal year ended 31 December 2024, prepared in accordance with IFRS as adopted by the European Union, which are included in Section 5.1 "Consolidated Financial Statements for the year ended 31 December 2024". The Consolidated Financial Statements for the year ended 31 December 2024 were audited by the Company's Statutory Auditors. The Statutory Auditors' Report is included in Section 5.9 "Statutory Auditors' Report on the Consolidated Financial Statements".







[1] Net debt/EBITDA 2018 pro forma adjusted: including EBITDA from Lexmark (acquired in September 2018) for the full year.
[2] 2019 net debt includes the implementation of receivable disposal programmes amounting to 126 million euros

(in millions of euros)	**31 December 2024**	**31 December 2023**
Consolidated results		
Net revenue	**3,331.9**	**3,363.1**
Organic growth [1]	(0.4%)	+4.5%
Adjusted EBITDA before IFRS 16 [1]	**286.2**	**248.0**
% of net revenue	8.6%	7.4%
Adjusted EBITDA [1]	**329.3**	**287.8**
% of net revenue	9.9%	8.6%
Adjusted EBIT before IFRS 16 [1]	**184.8**	**147.6**
% of net revenue	5.5%	4.4%
Adjusted EBIT [1]	**190.8**	**154.1**
% of net revenue	5.7%	4.6%
Result from operating activities (EBIT)	**36.2**	**125.1**
% of net revenue	1.1%	3.7%
Income for the period - Group Share	**(62.6)**	**20.4**
Dividends per share (in euros) [2]	**(0.95)**	**0.31**
Consolidated financial position		
Equity attributable to equity holders of the parent	820.9	864.7
Net debt before IFRS 16 [3]	309.3	408.3
Net debt [3]	434.7	551.7
Balance sheet total	**2,484.9**	**2,483.3**
Consolidated cash flow		
Cash generated from operations	287.2	278.5
Investments	(125.4)	(94.9)
Free cash flow [1]	169.8	147.1
Market capitalisation as of 31 December	**701**	**611**
Average workforce	**11,635**	**11,838**

[1] *See Section 4.7.*

[2] *It will be proposed at the next General Meeting held in 2025 to adjudicate on the accounts for the 2024 financial year, to allocate the profits from the financial year ending 31 December 2024 to retained earnings and not to distribute dividends.*

[3] *See Section 4.3.3 and Note 7 in Section 5.2.*

1.2 History

The Group was formed in 1997 through the merger of the French company Sommer Allibert S.A. and Tarkett AG (at the time listed on the Paris and Frankfurt Stock Exchanges respectively). Sommer Allibert S.A. was also formed as the result of a merger in 1972 between two French companies. The Sommer company, established at the end of the 19th century, and the Allibert company, founded at the beginning of the 20th century by Mr. Joseph Allibert, with members of the Deconinck family, the majority shareholders, who are the heirs. Tarkett was formed at the end of the nineteenth century in Sweden.

In 1997, the Group embarked on a strategy which refocused on flooring by transferring its other activities, in particular automotive equipment (2001) obtained from Sommer Allibert S.A., and was renamed Tarkett (in 2003).

The Group began a strategy of dynamic growth in the flooring sector through a series of acquisitions and joint ventures. As a result, the Group stepped up its activities in Eastern Europe in 2002 and acquired a strong base in Russia with the establishment of a partnership with the Serbian company Sintelon AD, which was to be completely absorbed by the Group in 2009. In 2004, the Group entered the sports sector by taking a minority interest in the Canadian company FieldTurf, a manufacturer of synthetic grass, later acquiring the company the following year. At the same time, the Group began to develop its flooring activities in North America, notably with the acquisition of Johnsonite Inc., a manufacturer of resilient flooring and accessories.

In 2006, the Group finalised the withdrawal of its subsidiary Tarkett AG from its listing on the Frankfurt stock exchange and in 2007, investment funds recommended and managed by Kohlberg Kravis Roberts & Co. L.P. (“KKR”) indirectly acquired approximately 50% of the Company’s shares while the Deconinck family retained approximately 50% of the share capital, the remaining shares being held directly and indirectly by management.

Since then, Tarkett has intensified its external growth policy and has made several acquisitions in the field of sports surfaces which have established its position as market leader. The Group has also made various acquisitions in the flooring sector in order to strengthen its position in certain regions or to penetrate countries where the company is not yet present. The Group entered the commercial carpet market in the United States in 2012 with the acquisition of the Tandus group, an American designer, manufacturer and retailer of carpets for commercial segments. With this acquisition, the Group established itself as a major player in the North American commercial carpet market.

In 2013, the Group proceeded with its listing on the Paris stock exchange and continued its dynamic external growth strategy, notably with its acquisition of the Desso group in 2014, one of the European leaders in commercial carpet. In terms of capital, KKR, which had already decreased its ownership stake at the time of the Group’s IPO, sold the remainder of its ownership in the Company over the course of 2016. In 2018, Tarkett acquired Lexmark Carpet Mills, a manufacturer of high quality carpets, mainly for the North American hospitality industry. The Group has also continued to strengthen its activity in the sports surface sector by means of targeted acquisitions.

Tarkett focussed on its debt reduction in 2019 and launched a new strategic plan *“Change to Win”* in June that year. In view of the situation with the COVID-19 pandemic, Tarkett did not resume its external growth strategy in 2021, preferring to focus its efforts on maintaining the Group’s profitability and cash flow while continuing its debt reduction.

On 26 April 2021, Tarkett Participation, acting in concert with Société Investissement Deconinck (“SID”) Global Performance 17 S.C.A., FIAR and Expansion 17 S.C.A., FIAR (which superseded Wendel Luxembourg S.A. (formerly Trief Corporation SA) on 27 July 2021) and the members of the Supervisory Board associated with the Deconinck family (together the “**Concert**”), filed a simplified tender offer with the French Financial Markets Authority (AMF) targeting all Tarkett shares not held by Tarkett Participation, namely 29,085,420 shares representing 44.37% of the Company's capital and 29,893,484 voting rights equal to 45.05% of the Company’s voting rights, at the price of 20 euros per share. The tender offer, declared compliant by the French Financial Markets Authority on 8 June, was opened on 10 June and closed on 9 July 2021.

Following the simplified tender offer and the various acquisitions on and off the market after the closing of the offer, Tarkett Participation, acting in concert within the meaning of Article L. 233-10 of the French Commercial Code, namely Société Investissement Deconinck (SID), Global Performance 17 S.C.A. and FIAR, Expansion 17 S.C.A. FIAR (the latter two belonging to the Wendel group) and the members of the Company’s Supervisory Board associated with the Deconinck family held 90.4% of the Company’s capital and 94.7% of its voting rights at 31 December 2024.

In 2024, against a challenging macroeconomic backdrop, Tarkett’s organic sales remained stable and the Group continued to improve its operational performances. The Group continued with its “impacT 2027” strategic plan which structures its ambition to be the most innovative and environmentally-friendly flooring and sports surfaces company for both its customers and employees.

1.3 Strategy

Tarkett's ambition is to be the world leader in commercial flooring and sports surfaces and to grow in a targeted manner in the residential sector. The Group's vision is also to become a leader in the circular economy, an area in which it has set itself some ambitious objectives.

The Group strives to provide innovative solutions to create value for its customers and designs flooring and sports surfaces which offer end users a good return on investment, high technical performance and clear, strong commitments in terms of the environment.

1.3.1 Group strategic objectives

Group outlook

The "impacT 2027" strategic plan outlines Tarkett's ambition: to become the most innovative and sustainable flooring and sports surfaces company, offering the best experience for our customers and employees

To achieve this, we will focus on 4 pillars:

- Empowering our high performance teams to deliver on our promise
- Providing a first-class customer experience
- Creating innovative products and services
- Leading the way in sustainability

With this new strategic plan, we want to have a positive impact on our customers, our teams and the planet.

Our mission

We create unique surfaces that improve people's lives and are good for the planet.

Our vision

We want to become the most innovative, the most sustainable flooring and sports surfaces company, offering the best experience for our customers and employees.

Our strategic pillars

To achieve our vision, our strategic plan is based on 4 pillars.

a) **"Be the simplest" by providing a first-class customer experience**

As the world's leading innovator of flooring and sports surfaces, we want to offer our customers a holistic approach: from design to product recommendation, availability, delivery, installation and service.

We want our customers to benefit from our expertise by providing the best possible experience and responding to their needs with speed and agility.

b) **"Be the most innovative" by creating cutting-edge products and services**.

Our customers expect our products to combine design, innovation, performance, and ease of maintenance.

Our expertise lies in our ability to select innovative materials, improve and recycle flooring, and reuse recycled materials.

We will focus on significant innovations selected based on market needs and aim to deliver them on time.

c) **"Be the most sustainable", as we continue to lead the way in sustainability.**

Integrating sustainability into everything we do is at the heart of our strategy.

We are committed to reducing CO_2 emissions and decreasing raw material consumption, while maintaining the high performance of our products.

Our ambitions for a reduction in CO_2 emissions and the circular economy are fully aligned with our vision to be the most sustainable flooring and sports surfaces company, as they help to combat climate change and protect resources.

d) **To deliver on our promise, we empower our teams to act and perform.**

Not only are our teams at the heart of this strategy, but more importantly, they are the driving force behind it.

Being in a leadership position means leading change and showing others the way.

With a high level of commitment from our teams and our entrepreneurial DNA, we encourage our employees to take risks in order to deliver on our promises and achieve our vision.

Our operating model

We are close to our markets: our organisation is centred on geographical or business divisions.

We are a global company: we share values, methods, IT systems, financial resources, etc. We select relevant processes and initiatives where it makes sense.

We act like entrepreneurs: we place particular emphasis on customer satisfaction, eager to achieve results, willing to take risks and be bold in our area of responsibility.

1.3.2 Group outlook

The geopolitical and macroeconomic context remains uncertain and falling interest rates have not led to a recovery in new construction or renovation.

The European market remains sluggish in the major Eurozone countries (France, Germany, the Nordic countries), with no clear positive outlook for the medium term. The American market is considered to be structurally more dynamic, even if short-term demand remains uncertain in a volatile environment. The commercial activity has been more resilient. However, the residential market has not yet recovered, and the leading indicators show no signs of recovery in the short term.

In the CIS, the Russian market has slowed for some time, and the Group does not expect the situation to improve in the medium term.

Sport remains the most buoyant segment, driven by a market that continues to grow, albeit at a slower pace than in previous years. The Group intends to grow by reinforcing its geographical coverage in North America, and by continuing to innovate and bring complementary products to the existing portfolio. Priority is being given to integrating recently acquired companies, without excluding other targeted acquisitions.

As in 2024, the Group's objective is to continue to grow in a difficult macroeconomic environment and is aiming for an Adjusted EBITDA around €360 million in 2025, including the effect of acquisitions made in Sport.

1.3.3 Group strategic assets

The Group benefits from many assets that it believes make it unique in the international flooring market. These assets include the following:

- **A top-tier position**: The Group occupies leading positions among flooring manufacturers for the products that constitute the heart of its business and in the principal geographical markets in which it does business. The Group is the third-largest flooring supplier worldwide (based on 2024 sales). The Group is the leading supplier of vinyl flooring and sports surfaces in the world. The Group is also a leader in the vinyl flooring sector in Russia and more generally in the countries of the Commonwealth of Independent States (hereinafter "CIS"), as well as in a large number of European countries, notably France and Sweden.
- **Balanced geographical exposure and diversified market segments mitigate the cyclical nature of** the construction and renovations business: the Group's diversified geographic exposure and its large customer base provide the Group with natural protection against regional economic cycles in the construction and renovation sectors. Approximately 80% of the Group's sales (in square metres) come from the renovation projects, a market that is subject to less volatility than new construction. Group sales are divided between commercial users (78% of 2024 sales) and residential users (22% of 2024 sales). It enjoys a wide customer base throughout the world, which reduces concentration risk. In 2024, the Group's largest customer represented less than 5% of total consolidated net revenue. The Group believes its wide product range, diverse and extensive customer base as well as its global footprint reduce its dependence on any one industry, region or sector of the economy.
- **A product range among the widest in the flooring and sports surfaces** industry means the Group can offer unique integrated solutions, adapted to the technical specifications, budgets and requirements in terms of safety and design of the various activity segments (health and care for the elderly, health centres, housing, education, corporate, sports facilities and hospitality). Tarkett has one of the widest product ranges available in the flooring market consisting of vinyl, linoleum, parquet and laminate flooring, commercial carpets and rubber flooring. The Group is therefore in a position to create integrated solutions using different types of flooring and to establish a position as a single point of contact for its customers. Tarkett also carries out regular surveys among its customers that confirm the high level of satisfaction in terms of product quality which is a particularly important selection criteria for all customers.
- **The Group continuously works on** nurturing long-term relationships with customers. Tarkett has also developed co-design tools for its customers. Thus, during 2017, Tarkett opened the "Atelier Tarkett" (Tarkett Workshop) in the heart of Paris, a place to exchange and gain inspiration dedicated to architects and designers, acting as an extension of the architect's practice. This place consists of various areas centred on products and services, such as a library, lab, digital tools, meeting room, kitchen. Approximately 40 showrooms globally will be accessible in 2025.
- **Special long-term relationships with fitters and contractors** play an essential advisory role in the choice of flooring, especially among commercial users. The Group also created training programmes, called "Tarkett Academy", aimed at building professionals and fitters. These programmes help develop the Tarkett trademark loyalty and ensure higher quality installation services for the Group's products.

- **A “GloCal” position:**
  - The Group draws leverage from its global geographic footprint, one of the largest in the industry. It markets its products to thousands of customers in over 100 countries, having production sites and sales teams in Europe, North America, the CIS countries, Latin America and Asia Pacific. This geographical presence is the result of significant investments made over several years and various acquisitions. This broad geographical coverage is now a key competitive differentiator for the Group over its competitors, and one of the main reasons for its long-term success. The Group's global scale and size also enable it to pool its research and innovation efforts and optimise the investments made in these areas. Economies of scales are also essential for the Group, reducing purchasing costs of raw materials (particularly PVC, plasticisers and polyurethane), and benefiting from operational best practices in the different regions.
  - The Group also has in-depth knowledge of the technical specificities, designs, tastes and local preferences of users in the major countries in which it operates. It can thus design products perfectly adapted to the needs and tastes of local users, distinguishing itself from its competitors by its geographical presence and market knowledge.
  - The Group has production sites in the main countries in which it operates. This enables it to offer its customers high quality service while reducing delivery times, transportation costs, customs duties and working capital requirements.
  - The Group believes its in-house research and innovation teams are best-in-class, allowing it to provide innovative and durable products that are tailored to the needs and demands of each of its local users while promoting environmentally responsible solutions that keep it ahead of regulatory and industry norms.
- **An eco-innovation pioneer**. Respect for the environment and human health at every stage of the product lifecycle is at the heart of the Group's virtuous cycle design approach, applied to all of its activities around the world. By offering ever more innovative products having very low Volatile Organic Compounds (VOC) emissions or phthalate-free plasticisers, Tarkett positions itself as a pioneer, influencing industry standards, encouraging a collaborative circular economy and involving all stakeholders in this sustainable approach.
- **An international and experienced management team** heads up a decentralised and agile organisation. The management team, whose members have varied international profiles and solid expertise, promotes an entrepreneurial spirit within the Group. The current management team has played a key role in the development of the new strategic plan which it is currently implementing.

1.4 Overview of Group activities

1.4.1 Preamble on sources of information

Unless otherwise noted, the information included in this section is based on Group estimates for 2023 and is provided solely for informational purposes. The Group is currently in the process of updating its estimates for 2024. To the best of the Group's knowledge, there are no authoritative external sources providing exhaustive and comprehensive coverage or analysis of the flooring market. Therefore, the Group has made estimates based on a number of sources, including studies and statistics published by independent third parties (in particular Freedonia, the European Parquet Industry Federation and the European Resilient Flooring Manufacturers' Institute), data published by other players in the market and data obtained from its operational subsidiaries. These various studies, estimates, research and information, which the Group considers reliable, have not been verified by independent experts. The Group does not guarantee that a third party using other methods to gather, analyse or compile the market data would obtain the same results. In addition, the Group's competitors may define their geographic regions and categories differently.

1.4.2 General presentation of Group activities

The Tarkett Group is one of the global leaders in flooring and sports surfaces, providing integrated flooring and sports surface solutions to professionals and end-users in the residential and commercial markets. Backed by more than 140 years of experience, the Group believes that it offers the widest and most innovative product range in the industry. The Group sells more than 1 million square metres of flooring per day through 35 production sites located around the world, in each of its principal geographic regions where it markets its products. The Group has an extensive geographical footprint which enables it to capture growth opportunities wherever they arise. The Group holds a leading position in each of its main regions and product categories.

In 2024, the Group's consolidated net revenue was 3,332 million euros and adjusted EBITDA amounted to 329 million euros. The Group's financial information is split into four segments: three geographic segments for flooring (EMEA segment (inc. Latin America), the North America segment and the CIS segment, Asia-Pacific (APAC), and a global segment for the sports surface business.

1.4.3 General presentation of Group activities

The Group sells its products in more than 100 countries worldwide. Thanks to its local salesforces and production sites located in its principal geographic regions, the Group is able to match its products to local and regional demands and preferences. The Group's net revenue from flooring sales are well balanced geographically between the different regions with 30% of 2024 revenue generated in EMEA (including sports surfaces), 54% in North America (including sports surfaces) and 16% in CIS, APAC and Latin America.

Group product sales are divided between commercial users (approximately 78% of 2024 sales) and residential users (approximately 22% of 2024 sales). In these two principal channels, renovation projects typically account for the large majority of sales (approximately 80% of sales in terms of square metres). The Group sells residential flooring with designs and styles adapted to the local specificities of each geographical region that it serves. The CIS countries represent the Group's largest geographic region for residential products. The Group's products for commercial end-users are sold mainly in North America and Western Europe, although the Group's business is seeing growth in the APAC and Latin American markets. The Group's commercial products benefit from the significant research and development strategy led by the Group which is essential for meeting the technical specifications of commercial end-users (such as offices, schools, universities, hospitals, health centres, hotels and retail establishments). The Group's innovation capacity is also a key factor in its success in the sports surface segment, where the Group is the leader in synthetic grass and athletic tracks in North America and occupies a privileged position in the synthetic grass sector in many European countries.

The Group has national and international trademarks that are recognised by professionals and the general public and are fully integrated into the distribution strategies used in each geographical region. Tarkett uses a diversified mix of distribution channels that include wholesalers, speciality chains, independent retailers, large DIY retail chains, key account customers and professional fitters from the building trade. Furthermore, the quality of the Group's products is widely recognised by architects, fitters and contractors who are instrumental in specifying and choosing flooring solutions, particularly for commercial applications. The Group has also adapted its distribution strategy according to the characteristics of the different segments in which it is involved. In particular, it has created logistic platforms which enhance proximity with customers. The Group has also created training centres intended for professionals in the building sector and fitters to guarantee the optimum installation of its products and develop brand loyalty. The Group has a broad network of sales and marketing offices with a local salesforce in each of its geographical regions.

1.5 Flooring and sports surfaces markets

The Group estimates that approximately 11.4 billion square metres of flooring were sold globally in 2023, excluding sales of specialised products (concrete, bamboo and metal flooring). The product categories sold by Tarkett account for approximately 26% of the market, equal to 3 billion square metres in 2023.

The table below presents an estimated breakdown of the global flooring market in 2023 by product category, based on the number of square metres of product sold.

(in millions of square metres)	Volume	% of global market
Resilient flooring (vinyl, linoleum and rubber)	1,503	13%
Parquet and laminate	1,008	9%
Carpet (commercial)	480	4%
Total sold by the Group	**2,991**	**26%**
Carpet (residential)	1,055	9%
Ceramic	6,992	61%
Other	400	4%
Total	**11,438**	**100%**

The flooring market segments in which the Group is present are resilient flooring (vinyl, linoleum and rubber), parquet, laminate flooring and carpet for commercial users.

The Group believes that its current product categories still have strong growth potential, however it may pick up opportunities in other categories if they are aligned with the Group's profitable growth strategy. For more information, see Section 1.3 "Strategy".

The Group's sports surface products are generally intended for commercial use, primarily by universities, schools and public facilities. Synthetic grass is also sold to residential end-users, particularly for landscaping purposes in the southern United States.

1.5.1 Flooring market

Demand for flooring products presents certain disparities depending on the geographical area due to different cultures, as well as climatic and regulatory factors. However, the globalisation of certain hospitality and corporate customers in particular, the dynamism of worldwide players such as LVT and the consolidation of design trends enable worldwide players to differentiate from those present at local level.

The table below presents a breakdown of the global flooring market in 2023 by product category and geographic area, based on the number of square metres of product sold.

	EMEA		North America	CIS, APAC and Latin America			Total
(in millions of square metres)	Western Europe[1]	Middle East/Africa		CIS & Balkans[2]	APAC	Latin America	
Resilient flooring (vinyl, linoleum and rubber)	342	59	459	179	431	32	1,503
Parquet and laminate	245	77	165	124	374	24	1,008
Carpet (commercial)	76	19	147	5	224	8	480
Total sold by the Group	**663**	**155**	**771**	**308**	**1,029**	**64**	**2,991**
Carpet (residential)	161	45	726	47	75	-	1,055
Ceramic	484	1,306	263	203	3,754	981	6,992
Other	-	-	24	-	376	-	400
Total	**1,308**	**1,506**	**1,784**	**558**	**5,234**	**1,045**	**11,438**

[1] The countries included in Western Europe are Germany, Austria, Belgium, Luxembourg, Denmark, Finland, France, Italy, the Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland, the United Kingdom and other Central and Southern European countries.

[2] The countries included in the Balkans category are: Albania, Bosnia, Bulgaria, Croatia, Macedonia, Montenegro, Romania, Serbia, Slovenia and (Western) Turkey.

The information below presents the principal characteristics of the geographic regions in which the Group does business.

1.5.1.1 EMEA region

Market characteristics

In 2023, demand for flooring in Western Europe was 1.3 billion square metres, representing 11% of worldwide flooring demand. The product categories sold by the Group accounted for 663 million square metres in 2023, equal to 51% of flooring sold in Western Europe, including 19% of wood and laminate product sales, 26% resilient flooring and 6% carpets for commercial use. Products in these categories are used by both the residential and commercial market.

In Western Europe, the demand for different flooring product categories varies considerably from one country to the next, particularly between Northern and Southern Europe. For example, carpet is extremely common in the United Kingdom, while wood flooring is more popular in the Nordic countries and demand for ceramics is greater in the south. In Germany and France, the breakdown by product category is more balanced.

In Western Europe, the Group sells mainly resilient vinyl flooring, parquet and laminate woods, as well as carpet for commercial use. The majority of these sales are made in France, Sweden, Germany and the United Kingdom, with the majority of resilient flooring sales taking place in France, Germany and the United Kingdom, and the majority of sales of parquet and laminate woods in the Nordic countries.

In 2023, demand for flooring in the Middle East/Africa region was 1.5 billion square metres, representing 13% of worldwide flooring demand. In this region, where ceramics counts for nearly 87% of flooring demand, product categories sold by the Group represented 155 million square metres in 2023, equal to 10% of volume sold in the Middle East/Africa region, including 5% parquet and laminate woods, 1% carpet tiles for commercial use and 4% resilient flooring.

Competitive position of the Group

The Group is a leader in the Western Europe flooring market. It is a leader in vinyl flooring in Europe and a leading company in the field of parquet in Sweden. It is also the third largest wood and linoleum flooring manufacturer in Western Europe. It is a leader in wood and laminate flooring in Scandinavia. Moreover, the Group is the second largest manufacturer of carpets for commercial use in the EMEA region.

The Group's main competitors in this region are European groups, which generally focus their business on a limited number of products. Its major competitors in the region are Forbo (resilient flooring), Gerflor (resilient flooring), Kährs-Karelia Upofloor (wooden parquet and resilient flooring), IVC (resilient flooring, part of the Mohawk group), Beauflor (resilient flooring), James Halstead (resilient flooring) and Bauwerk-Boen (wooden parquet). In addition, the Group faces local competitors in certain countries. Finally, in terms of the commercial use carpet market, the main competitor of Desso (the Tarkett Group trademark) is the American group Interface.

1.5.1.2 North America region

Market characteristics

In 2023, demand for flooring in North America was 1.8 billion square metres, representing 16% of worldwide flooring demand. This market is dominated by the carpet sector which represented 49% of demand in 2023, however LVT is experiencing fast growth in the majority of commercial and residential market segments. The product categories sold by the Group accounted for 771 billion square metres in 2023, equal to 43% of flooring sold in North America. 26% of products sold was resilient flooring and 8% carpets for commercial use. In North America, these product categories are sold by the Group primarily to commercial users and, to a lesser extent, to residential users.

Group flooring sales in North America are fairly evenly distributed across carpet for commercial use, resilient flooring and vinyl and rubber accessories; laminate and rubber flooring account for a smaller share of residential sales. The Group sells its products primarily to the United States, and to a lesser extent Canada. The Mexican market is regarded as part of the CIS/APAC/Latin America region.

Competitive position of the Group

The Group enjoys a strong presence in several product categories in North America. It is the third largest commercial flooring company in this region. Through the acquisition of Tandus in 2012 and Lexmark in 2018, it is also the fourth largest commercial carpet company in North America. The Group holds a leadership position for vinyl and rubber accessories.

The Group's main competitors in this region are Mohawk, Shaw, Interface, Mannington and Engineered Floors. The vast majority of sales for most of these competitors take place in the American market. In keeping with the strong North American preference for carpet, this product category represents a significant share of sales for these companies (this is particularly the case for Mohawk, Shaw, Interface and Engineered Floors). However, some of these companies, such as Mohawk, Shaw, Mannington and Interface, also sell resilient flooring as well as parquet and laminate wood. On the accessories side, the Group counts Nora/Interface among its competitors, which manufactures rubber flooring, as well as local manufacturers.

1.5.1.3 CIS & Balkans region

Market characteristics

In 2023, demand for flooring in CIS (Commonwealth of Independent States) region countries and the Balkans was 558 million square metres, representing 5% of worldwide flooring demand. Resilient flooring for residential and commercials use is extremely popular in these countries: it represents 32% of the flooring market, compared to 13% for the global market as a whole. Besides resilient flooring, the main products sold are ceramic (36% of total flooring demand), parquet and laminate (approximately 22%) and carpet (9%).

Unlike Western Europe and North America, resilient flooring is used primarily in the residential market in CIS countries. Renovation is a high priority for individual owners and resilient flooring is both adapted to local tastes and the climate and attractive for household budgets. The commercial market has been slower to develop in this region but shows good growth potential. The Group primarily sells vinyl flooring for residential use (and to a lesser extent parquet and laminate), as well as commercial flooring products such as resilient flooring and carpet for commercial use.

Competitive position of the Group

The Group has been active in the CIS region and the Balkans for over 20 years, primarily in Russia, Serbia, Ukraine, Kazakhstan and Belarus. Thanks to its long history in this geographical region, the Group is seen as a local company and a market leader. It is the number one company for resilient flooring in Ukraine, Kazakhstan, Serbia, Russia and Belarus.

Tarkett's position as market leader for resilient flooring is the result of brand recognition, local production, efficient distribution platforms and deep understanding of local tastes. IVC (a member of the Mohawk group since 2015), Komiteks and Juteks/Beaulieu, three companies with a local presence, are the other players and main competitors in this region and category.

Other prominent companies in this market are Kronostar, Kronospan, Kastomonu, Egger, Classen and Unilin (part of the Mohawk group since 2005).

Lastly, the Group is the third largest seller of parquet in the CIS countries, where its main competitors are Barlinek and Kährs-Karelia Upofloor in the parquet category.

1.5.1.4 Latin America and Asia Pacific region (APAC)

Market characteristics

In 2023, demand for flooring in Latin America and Asia Pacific was 1.0 billion and 5.2 billion square metres respectively, representing 9% and 46% of worldwide demand. Ceramic was the most used material in Latin America and Asia Pacific due to the local climate, ease of production and number of local suppliers. In Latin America, the Group mainly operates in Brazil where the majority of its sales are vinyl products for commercial use.The Group is also present in Argentina.

In Asia Pacific, the Group primarily sells carpets and vinyl flooring in China, Australia and to a lesser extent in the rest of Asia.

Competitive position of the Group

The Group's position in Latin America was strengthened in 2009 with the acquisition of Brazilian vinyl flooring manufacturer Fademac (now called Tarkett Brazil Revestimentos LTDA). It is currently the leader in vinyl flooring for commercial use in Brazil. New commercial organisations in Argentina are allowing Tarkett to develop its presence in this significant market.

In Latin America, the Group's main vinyl flooring competitors are Gerflor and Forbo. Its main vinyl flooring competitors in APAC are Gerflor, LG and Forbo, as well as local Chinese manufacturers such as Dajulong. Finally, its mains commercial carpet competitors in APAC are Interface, Milliken and Mohawk, particularly in Australia.

1.5.2 Sports surfaces market

Market characteristics

Within the sports surfaces sector, the Group primarily sells synthetic grass, athletic tracks and gym flooring. The Group mainly sells sports surfaces in the United States and Canada, but is also active in Europe, particularly in France, Spain, Benelux and the United Kingdom, and in Asia Pacific. The Group draws on the acquisition made in Australia to benefit from this market's potential.

The Group's sports surfaces are generally for sports use, mainly in universities, schools and public buildings. In addition, synthetic grass is sold for residential use, especially for landscaping in the United States.

Competitive position of the Group

The Group is one of the largest suppliers of synthetic grass in the world and the largest supplier of athletic tracks in the United States. It has many competitors, mainly smaller companies and retailers who outsource the manufacture of synthetic fibres.

In the artificial grass market, the Group's major competitors in North America are AstroTurf (SportGroup), Hellas Construction, Shaw Sports Turf and Sprinturf. In Europe, the Group is one of the biggest players with TenCate, Polytan (SportGroup) and Sports Leisure Group.

With regard to athletics tracks, the main competitors are Hellas Construction, SportsGroup (APT), Mondo and Stockmeier.

1.6 Products marketed by the Group

The Group offers a diversified range of flooring solutions, enabling it to adapt to the needs of each market and region. The choice of a flooring solution depends heavily on the type of premises where the product is used. In addition, the products demanded by both professionals and individuals tend to vary significantly from one geographic region to another, due primarily to cultural differences but also due to environment-related constraints, particularly climate-related.

The Group designs and sells products as a function of the needs, tastes and budgets of various end-users and differentiates its products through choice of materials, design and compliance with differing regulatory standards, as well as resistance to varying levels of foot traffic. Its large product range allows it to offer integrated decorative and functional solutions using several product categories in a single project, by coordinating accessories with floor coverings. By combining and coordinating its products, the Group can respond to several different needs at a single site.

Each of the Group's products features technological enhancements that improve product quality for end-users. The products are also engineered with environmental stability in mind through a focus on product composition, manufacturing processes, and end-of-life. The controlled use of renewable raw materials and recycled materials is part of the products' eco-design. Products are designed to promote better air quality and indoor environments. For example, levels of Volatile Organic Compounds ("VOC") emissions lower than current standards and phthalate-free plasticisers for vinyl floors in certain regions.

The Group's products are also designed to be recyclable and may be reused either within its own production chain or in other uses. The Group's production process is designed to minimize the use of water and energy at its production sites.

The Group has been active for several decades throughout the world. Its brands are internationally or locally recognised and are associated with high-quality products sold at competitive prices. The Group provides training to local installers to optimize the performance of the products purchased by commercial end-users, thereby improving installation quality. The Group's customer service representatives provide support throughout the life of its products.

1.6.1 Presentation of the Group's products

The Group sells the following main product categories:

- resilient flooring: vinyl or linoleum products (approximately 40% of 2024's revenue), which includes:
  - resilient flooring for residential end-users, including heterogeneous (multi-layer) vinyl flooring, which can be sold in rolls or as tiles, especially luxury vinyl tiles ("LVT");
  - resilient flooring for commercial end-users, including heterogeneous vinyl flooring in rolls, tiles, or LVT, homogeneous vinyl (single-layer) flooring and linoleum floors;
- parquet and laminate flooring (approximately 4% of 2024 revenue), including multi-layer parquet and laminate flooring (residential and commercial end-users);
- carpets (approximately 16% of 2024 revenue) primarily aimed at commercial end-users;
- rubber flooring and accessories (approximately 8% of 2024 revenue);
- sports surfaces (approximately 32% of 2024 revenue), primarily synthetic grass and athletic tracks.

The following table presents the breakdown of the Group's 2024 consolidated net revenues by product type:

2024 Net Revenue	(% of Net revenue)
Resilient flooring (vinyl and linoleum)	40%
Wood and laminate flooring	4%
Commercial carpet	16%
Rubber and accessories	8%
Sports Surfaces	32%
Total	**100%**

- The Group's business is organized into four segments-three geographical segments for flooring (EMEA, North America and CIS/APAC/Latin America) and one global segment for sports surfaces. The following table presents the geographic breakdown of the Group's 2024 consolidated net revenue (including sports surfaces).

2024 Net Revenue	(% of Net revenue)
EMEA	30%
North America	54%
CIS, APAC/Latin America	16%
Total	**100%**

1.6.1.1 Resilient flooring (vinyl and linoleum)

The Group offers a large range of resilient flooring, including homogeneous and heterogeneous vinyl and linoleum. Both residential and commercial end-users purchase heterogeneous vinyl. Homogeneous vinyl and linoleum, on the other hand, are purchased primarily by commercial end-users.

The Group is firmly established in the resilient flooring market. It is the leading manufacturer of vinyl flooring worldwide. Resilient flooring represents the largest portion of the Group's sales in the EMEA and CIS, APAC and Latin America regions, and also accounts for a significant share of its sales in North America. In particular, the Group is the largest manufacturer of resilient flooring in Germany, Sweden, Russia, and Ukraine. It is also the number three North American manufacturer of resilient flooring for commercial end-users, and it offers these products in Latin America (in particular in Brazil, where it is the largest manufacturer of commercial vinyl flooring) and in APAC (in particular in China).

Residential Vinyl Flooring

The Group offers a variety of heterogeneous vinyl floors for the residential market, which includes apartments and residential houses.

Design, appearance and price ranges of residential vinyl flooring must be adapted to the budgets, uses and tastes of the residential users in each geographical region, which can be very culturally specific.

Heterogeneous vinyl flooring is composed of several layers of PVC mixed with fillers. A fibreglass reinforcement can be added to bring dimensional stability, as well as a foam or textile backing to provide specific acoustic or thermal resistance. On top, a printed decorative layer, a transparent wear-layer and a traffic resistant finishing treatment are added. Heterogeneous vinyl flooring for residential end-users contains a thin wear layer, which enables it to be sold at competitive prices while maintaining the level of durability needed for residential use.

In terms of the pattern printed on the flooring surface, the Group offers its end-users a variety of colours and designs. In order to keep up with decorating trends, the Group must tailor its product lines to conform to prevailing styles and fashions, which can vary widely from one geographic region to the next. Heterogeneous vinyl products offer several advantages in terms of livability and remain attractive over a long period of time.

Residential heterogeneous vinyl flooring can be sold in rolls or in modular format (tiles or plates). Rolls are generally installed with glue, whereas modular products may be installed using glue, self-adhesive attachments or they may be snapped together, which facilitates their transport, installation and repair. Tarkett has also designed Starfloor Click, a range of modular, designer, ultra-resistant luxury vinyl tiles (LVT). Installation is easy thanks to a simplified assembly system with strips or tiles that clip together.

The Group helps customers choose flooring that matches their tastes and interior decoration.

Commercial Resilient Vinyl Flooring

Commercial resilient flooring is specifically designed for high-traffic areas and can withstand numerous shocks. This flooring is used in commercial premises and areas: offices, local community buildings, educational and health institutions, retirement homes, hospitality, shops, communal areas of apartment buildings and the industry and transport sectors.

Resilient flooring for commercial uses includes a large range of products, including homogeneous and heterogeneous vinyl.

Heterogeneous Vinyl Flooring

Heterogeneous vinyl flooring for commercial use is designed to withstand intense foot traffic. A thicker wear layer is applied to the product than is used on the Group's residential resilient flooring products in order to reinforce the product and ensure its durability. Heterogeneous vinyl flooring is suitable for almost any commercial use.

The Group offers two types of heterogeneous vinyl flooring: acoustic products intended to reduce the ambient sound in a room (footsteps, voices, etc.) and compact products which enhance the solidity of the flooring.

The Group offers a diverse range of designs and patterns printed on the decor layer, for both rolled and modular products including luxury vinyl tiles (LVT), as further described below, and *Loose Lay Tiles*. These frequently updated product lines give end-users a wide product selection.

Among the Group's other heterogeneous vinyl flooring products, it has developed LVT, which is a high-end modular product designed primarily for the commercial market. This product offers a wide range of designs, which can easily be coordinated with other products, and precision printing using sophisticated graphics techniques.

Homogeneous Vinyl Flooring

Unlike heterogeneous flooring, homogeneous vinyl flooring is made in a single layer with the pattern embedded directly into the material. This type of flooring is covered with a layer of pigment and reinforced by a treatment that prevents metallization and facilitates maintenance.

Homogeneous vinyl flooring has several advantages: its resistance to wear and tear makes it an ideal solution for high traffic areas. It is available in a compact version for high traffic areas and in an acoustic version. The absence of multiple layers in its composition makes the design simple and offers advantages in terms of hygiene and maintenance.

As a result of its particular acoustic benefits, antibacterial properties and reinforced durability, homogeneous vinyl flooring is frequently used in the healthcare and educational sectors, as well as in retirement facilities.

Linoleum Flooring

The Group has been making linoleum for more than one hundred years.

Linoleum is composed of a jute backing treated with renewable raw materials such as linseed oil, rosin, cork flour or wood flour, to which a surface treatment is added.

Linoleum is a natural product covered with a surface treatment that makes it extremely robust and easy to maintain. The Group's linoleum products offer a level of resistance which is adapted to heavy use in communal premises. It is used above all in education, healthcare, offices and indoor sports facilities.

1.6.1.2 Parquet and laminate flooring

Parquet flooring

The Group sells wood flooring in Europe (EMEA segment), primarily in Nordic countries. It also markets these products in the CIS countries and the Balkans. The Group is a leading manufacturer of wood flooring in Europe and in the CIS. Wood floors are generally sold in the residential market. Although most of the wood the Group uses comes from Europe, it uses a staining process to adapt to demand in different markets and regions, in particular by offering wood flooring that resembles exotic wood.

The engineered parquets sold by the Group is composed of three main layers: the bottom stabilising layer, a slatted middle layer in soft wood or HDF (high density fibre board) and a top layer of high quality wood. This composition results in a more responsible use of the high-quality wood, which is consistent with the Group's circular economy initiative, in a thin layer and allows the Group to optimize the hidden layers of fast-growing species of wood. These three stacked layers ensure the longevity of wood floors, in addition to reinforcing their structural integrity.

The Group uses high-performance protection techniques to reinforce resistance to scratches and wear. Engineered wood helps limit the use of high-grade wood, such as oak, which requires relatively long regeneration cycles. In this way, the Group contributes to sustainable forest management.

Laminate flooring

Laminate flooring is mainly used in the residential market. It can be adapted to the design required by the user - wood, stone, ceramic or graphic design - but with a higher degree of durability and at a lower cost.

Laminate flooring consists of a paper balancing layer, a core board of high-density wood fibre or HDF, a decor layer of printed paper and an overlay to protect the visible surface.

Laminate flooring is sold at competitive prices compared to wood and provides a durable flooring solution. The Group offers a wide range of designs to end-users to satisfy all of their wishes, although this product type is intended primarily for the residential market, in particular through DIY (*do-it-yourself*) chain stores and construction material distribution channels.

Laminate flooring is easy to maintain and install, particularly with the *2-Lock* or *T-Lock click* system where strips can be locked together without using glue. Laminate flooring can also be adapted to the specific needs of each end-user: heavy use and weight, high resistance to shocks and/or high-traffic areas. Due to its modular nature, laminate flooring also allows users to easily change their flooring without incurring prohibitive costs.

1.6.1.3 Carpets

The Group primarily offers carpets for use in commercial spaces such as office buildings, governmental institutions, hospitals and schools. The Group's principal markets for commercial carpet are North America (since the acquisition of Tandus in 2012) and Europe (since the acquisition of Desso in 2014). In 2018, the Group significantly strengthened its position in the North American hospitality sector carpet market with its acquisition of Lexmark.

The Group offers three types of carpet, which correspond to three generations of products:

- broadloom carpet, which is made from a polypropylene backing and fibres that are either tufted or woven;
- modular carpet, sold in tiles and made of a vinyl or urethane backing and tufted (nylon) fibres;
- hybrid carpet, which is an inseparable structure made of a resilient base, a nylon carpet and a specific foam that contributes to its performance and enhances design options.

Carpet is a shock-absorbent floor covering with good acoustic properties that adds comfort and warmth to an interior environment. The Group offers a wide selection of colours and patterns that are frequently updated and tailored to appeal to customers in different geographic regions. The different carpet products also offer acoustic properties and high-performance resistance to rolling and heavy traffic, as well as ease of maintenance.

1.6.1.4 Rubber flooring and accessories

The Group sells a wide range of rubber flooring as well as vinyl and rubber accessories. Flooring products include rubber sheets and tiles, while accessories include stair nosing, tactile warning strips, tactile paving tiles, warning tiles, baseboards, decorative wall skirting, thresholds and adhesives.

Sold primarily in North America, these products are used mostly by commercial end-users in the healthcare, educational and industrial sectors, as well as in indoor sports facilities. The Group is the leading supplier of vinyl accessories in North America.

As part of the Group's sustainable development initiative, it can produce these products with recycled rubber.

The Group offers rubber flooring and accessories in a wide variety of colours, patterns and textures, in order to coordinate with its other flooring solutions. These products and accessories are slip-resistant and shock-absorbent and provide a high level of safety. They have natural acoustic properties, require little maintenance, and are easy to install and replace.

1.6.1.5 Sports Surfaces

The sports surfaces manufactured by the Group are used all over the world. They support amateur and high level sports people in their activities and combine safety, comfort, performance and attractiveness. Sports surfaces are laid in universities, schools and public sporting areas, primarily in North America and Europe (particularly in France, Spain, Benelux and the United Kingdom).

The Group has a strong presence in the sports market due to the diversity of its products. It is one of the only flooring manufacturers able to provide such a wide range of sports surface solutions.

The Group's sports surfaces includes three product types: synthetic grass, athletic tracks and indoor sports flooring.

Artificial Turf

Artificial turf represents the largest portion of the Group's sales of sports surfaces. The Group is the leading artificial turf manufacturer in the world, and particularly in North America. Synthetic grass can be used for both sports surfaces as well as landscaping.

The Group belongs to the artificial turf manufacturers certified by FIFA (International Federation of Football Associations), World Rugby and the FIH (International Hockey Federation), and its pitches are used for training or competition by some of the biggest European football clubs, as well as for hockey, tennis and other multi-sports activities. However, the main users of this product are universities and colleges as well as municipal authorities.

The manufacture of artificial turf is a three-step process for which the Group has numerous patented innovative processes: the production of the fibre, tufting and coating the back of coverings.

For sports facilities, the Group produces high-quality fibres, whose properties result from the chemical composition, extrusion parameters and unique, carefully designed geometry. The Group has become a leader in fibre extrusion technology since 2010, when it entered into a joint venture with Morton Extrusionstechnik (MET), a German company specialised in fibre extrusion, a process completed in 2017. This company enables the Group to control the fiber production process for its artificial turf.

Synthetic grass is a cost-effective solution for owners or maintenance personnel of sports facilities because it is less expensive to maintain compared to natural grass. From a sustainable development standpoint, it also reduces water use and eliminates the need for fertilizers. Synthetic grass offers resistance to wear and tear from constant, year-round play, and can be used every day, unlike natural grass.

The Group also offers an innovative range of landscaping products with a variety of designs that respond to the specific needs of end-users, in particular hospitality and commercial areas. Its products are also available to residential end-users, in particular for landscaping in the United States.

Athletic tracks

The Group offers athletic tracks that promote athlete speed, safety and comfort. They are sold primarily in North America where the Beynon Sports Surface company is the market leader.

Athletic tracks are composed of successive shock-absorbing layers of composite rubber, to which a polyurethane layer is applied, with the surface then worked on to give a particular colour and external appearance, whether smooth or rough.

Due to the polyurethane surface layer, the Group's athletic tracks are extremely durable and provide athletes with important safety advantages, in particular due to their stability and shock absorption. These tracks are also suitable for sporting performances: by restoring the athletes' energy, they act as a springboard which "propels" the athlete a little more with each stride. They are quick and easy to install, can be used in all weather conditions and have good acoustic properties.

Indoor Sports Flooring

The Group offers indoor sports flooring products in wood, vinyl, block or cast polyurethane, rubber, grass and linoleum for multi-purpose sport venues and gyms.

Within the vinyl flooring range, the Omnisports collection is adapted to multi-purpose sports venues. It is available in several thicknesses to respond to the technical requirements of a wide range of sporting events, and to offer performance qualities adapted to the needs of its end-users. The Group also offers a parquet range for sports such as basketball, handball, dance, futsal, volleyball, badminton, pelota, squash and martial arts. Some of the Group's parquet ranges are popular for their ease of installation, such as its removable parquets (*Sportable*).

The Group's wide range of indoor sports surfaces satisfies the requirements of both experienced athletes and amateurs in terms of shock absorption, ball bounce and anti-slip surfaces. Indoor sports surfaces are marketed by a dedicated Sport salesforce in the North America and EMEA regions and by the general flooring salesforces in other regions. These indoor sports sales are then recorded in the corresponding segments.

1.6.2 Product manufacturing

1.6.2.1 Raw materials and suppliers

The Group uses various raw materials to manufacture its flooring products: PVC and plasticisers for vinyl flooring; wood for parquet and laminate flooring; polymers and fibres for carpets and synthetic grass; rubber, which is used in several flooring types; and cork for linoleum flooring. The Group builds its supplier base on long-term relationships, while focusing on optimizing purchasing terms and adapting the Group's procurement policy to the specific needs of each country.

Raw materials

PVC and plasticizers for vinyl flooring

The Group primarily uses two raw materials to manufacture its products: PVC and plasticizers. These are used to manufacture homogeneous and heterogeneous vinyl.

Petroleum-derivative products accounted for a significant portion of the Group's raw materials purchases in 2024. PVC and plasticizer producers have worldwide presences, but with regional differences relating to the supply and demand balance in different geographies.

When the Group makes acquisitions, it tries to reduce raw material costs by working jointly with the target's suppliers to honor the prices negotiated with the rest of the Group.

Despite its close relationships with its suppliers, the Group is constantly looking for raw materials opportunities, with regard to both technical characteristics and geographical location, to ensure continued competitiveness.

Other raw materials

Wood represented a small portion of the Group's raw material costs in 2024. The Group uses wood to make wood and laminate flooring. The wood flooring market remains very local, due to the significant cost of transporting logs or rough timber. The Group is therefore subject to local fluctuations in the price of wood.

The Group purchases other raw materials, in particular fibreglass for vinyl flooring, rubber for rubber flooring, accessories and artificial turf, nylon and polypropylene for carpets, melamine and decor paper for laminate flooring and linseed oil, jute and cork for linoleum flooring.

Supplier relationships and purchasing policy

Suppliers are essential partners of the Group. The Group has chosen to build long-term relationships with selected partners.

Supplier relations

The Group is careful to maintain relationships of trust over the long term with all its suppliers. These relationships enable the Group to negotiate favourable commercial terms, but also to create value through innovations.

In order to adapt its procurement structure to different geographic regions, Tarkett favours partnerships with:

- the leading international chemical companies (BASF, Eastman, Westlake/Vinnolit, Vestolit, etc.) which supply the Group throughout the world;
- local suppliers.

Purchasing policy

The Group tries to centralize its purchases at the global level for the most important raw materials used to manufacture vinyl flooring, wood flooring, and, since 2015, carpet.

In the majority of the Group's supplier agreements, pricing is indexed monthly or quarterly to market prices of the raw materials used in manufacturing its products. These agreements have terms of between one and three years with no commitment on purchase volumes.

The Group's purchasing policy is based on four principles:

- market analysis and building a worldwide pool of suppliers;
- optimisation of raw materials;
- collaboration with key suppliers to achieve continuous improvement;
- undertake an annual review of main contracts.

The Group actively manages its portfolio of partner suppliers. The Group reviews its main contracts annually in order to renegotiate prices and determine supplier availability.

Diversification of the raw materials that the Group uses enables it to substitute inputs between several suppliers and thus reduce its dependence on certain specialized suppliers.

The Group tries to cooperate closely with its key suppliers on technical issues and innovations. It also shares its growth objectives with them in order to ensure that they increase production capacities sufficiently to respond to increased demand.

1.6.2.2 Production sites

The Group's production facilities are located as close as possible to product delivery sites, while maintaining competitive production costs. The Group has 35 production sites in 21 countries to be close to the markets where it sells its products, reduce transport costs and customs duties and remain competitive compared to local players.

Since 2009, the Group has implemented a continuous improvement programme in its plants based on Lean management principles and called WCM (World Class Management). Its main objectives are to improve employee safety, customer service, product quality, environmental footprint and production costs.

The Group uses flexible assembly lines so that it can adapt production to changes in end-user demand.

Location of production sites

The Group owns 32 production sites and rents three in the United Kingdom, China and the United States.

As a result of the Group's historical presence, it has 12 production sites, excluding Sports plants, in EMEA (including two major sites with more than 500 employees each in Luxembourg and Sweden). The production sites supply the products that it markets in this region: resilient flooring, laminate flooring, parquet, carpet and sports surfaces. In 2021, the Group opened a plant in Tuzla in Turkey specialising in the production of resilient flooring primarily for the Middle East markets. A small portion of European production is also marketed in North America, the Middle East, Latin America and Asia. In 2024, the Group opened a joint venture factory in Saudi Arabia, dedicated to producing vinyl tiles.

The Group owns ten production sites (excluding Sports) in North America, which produce vinyl flooring, accessories, carpet and, to a lesser extent, sports surfaces.

The CIS, APAC and Latin America segment also has a substantial number of production sites to satisfy local demand. In this region, the Group has seven production sites, including two major sites, one in Backa Palanka in Serbia, and the other in Otradny in Russia. The Otradny site, which has more than 1,000 employees, is the Group's largest site worldwide. The production sites in the CIS, APAC and Latin America regions make resilient flooring, wood flooring, laminate flooring, carpets, and rugs. The Group also has a vinyl flooring production site near Beijing, China. In Brazil, where the Group is the leading supplier of commercial vinyl flooring, it has a factory that produces vinyl to satisfy local demand.

The Sport segment includes seven production sites, including three which manufacture artificial turf (one in the United States, one in France, and one in Australia since the acquisition of Grassman in 2018), two athletic track production sites in the United States, and two fibre extrusion sites for artificial turf in Germany and Abu Dhabi.

The following table presents the Group's 35 manufacturing sites in 21 countries and the main products manufactured on each site.

Division	Country	Products	Location
EMEA	*Germany*	Fibres for artificial turf	Abtsteinach
		Resilient flooring	Konz
	France	Artificial turf	Auchel
		Resilient flooring	Sedan
	Italy	Linoleum	Narni
	Luxembourg	Resilient flooring	Clervaux
	United Kingdom	Resilient flooring	Lenham
	Sweden	Parquet flooring	Hanaskog
		Resilient flooring	Ronneby
	Poland	Parquet flooring	Orzechowo
		Resilient flooring	Jaslo
	Netherlands	Carpets	Waalwijk
	Belgium	Carpets	Dendermonde
	Turkey	Resilient flooring	Tuzla
	United Arab Emirates	Fibres for artificial turf	Abu Dhabi
	Saudi Arabia	Vinyl tiles	Djeddah
North America	*Canada*	Resilient flooring	Farnham
		Shockpads	Toronto
	United States	Athletic tracks	Hunt-Valley
		Artificial turf	Calhoun
		Resilient flooring	Chagrin Falls
		Resilient flooring	Middlefield
		Carpets	Dalton Smith
		Carpets	Calhoun
		Carpets	Dalton Kraft
		Resilient flooring	Florence East
		Premium vinyl tiles (LVT)	Florence West
	Mexico	Resilient flooring	Mexico
CIS	*Russia*	Laminate flooring	Mytichtchi
		Resilient flooring	Otradny
	Serbia	Resilient flooring	Bačka Palanka
		Parquet flooring	
		Carpets and rugs	
	Ukraine	Resilient flooring	Kalush
		Parquet flooring	
	China	Resilient flooring	Beijing
	Australia	Artificial turf	Prestons
Latin America	*Brazil*	Resilient flooring	Jacarei

The Group's investments in production sites

In recent years, the Group has made significant investments in its production sites in order to respond to increasing customer demand, maintain competitiveness and continue reducing production costs.

Operations performance improvement

The Group is continuously striving to improve the way it works for a positive impact on our customers, employees and the environment.

Tarkett launched the WCM approach in 2009 and has redesigned the system between 2020 and 2022 to adapt to our needs in terms of simplification and sustainable results.

WCM is an Operational Excellence system deployed today at the operations level. This approach pursues three main aims:

- improve product quality and customer service;
- improving the safety and performance of production sites; and
- improve financial profitability while reducing the Group's impact on the environment.

In the framework of the WCM, the Group is particularly focussed on customer satisfaction and is carrying out initiatives to improve product quality, on-time delivery and production yields, all while reducing environmental impact.

The Group has appointed WCM leaders for all its sites who coordinate ongoing improvement activities based on related methodologies. They can then share their experiences within the WCM network, thus competing together on operational improvements and profitability within the Group.

The Group has been recording positive results for several years thanks to the introduction of WCM. Following a study conducted by an independent body, it has noted a significant improvement in customer satisfaction in around fifteen countries where it sells its products. There has been a substantial decrease in accidents at the Group's production sites and a decreased environmental impact from the manufacture of its products. Lastly, WCM has also improved supply chain management and led to a significant reduction in production costs over the course of the last eight years.

The Group believes that the WCM program will continue to generate substantial savings in production costs in the coming years.

Special attention to employee safety

A team dedicated to cross-divisional safety action was created in 2020 to expedite our progress and strengthen the robustness of our processes. It draws on the WCM programme which emphasises the prevention of safety risk in plants and the systematic analysis of all incident with identification and elimination of their main causes.

At the same time, the Group conducts training to raise employee and management awareness of safety issues. The Group's Executive Committee is particularly sensitive to employee safety and discusses the subject with employees when it visits factories.

Strengthened quality control

The Group has implemented a quality-control structure in its factories to ensure rigorous monitoring of its products.

In connection with the WCM program, the Group's teams systematically analyze the principal causes of customer complaints and quality defects and create action plans to eliminate them.

A Manufacturing process that respects the environment

The Group takes the environment into consideration at every stage of product design. For that reason, it does its best to select the materials that present the least risk to end-users and the environment, and that can be part of a biological or technical cycle. It prioritizes the use of renewable and recyclable materials in manufacturing its products.

The Group has also developed the ReStart® system for collecting flooring, which consists of gathering clean installation waste and used flooring at the production sites and installation sites in order to reuse and/or recycle it to manufacture new flooring.

The Group has also signed a partnership agreement with the German research institute EPEA (Environment Protection Encouragement Agency) to roll out the eco-innovation programme Cradle to Cradle® across the Group. This program aims to reduce the environmental impact of industrial activities and to design products with materials that respect human health and the environment and that allow for indefinite recycling of the products at end of use.

1.6.3 Product distribution

The indoor flooring market is split between commercial and residential end-users. Residential users buy the Group's products primarily to renovate existing homes, but they may also purchase them in connection with new construction projects. Commercial users choose flooring for areas that are generally open to the public, in connection with both renovation and construction projects.

Residential users have limited knowledge about the different product qualities and attributes. They are therefore largely dependent on the salesperson at the sales outlet when selecting their flooring. In general, residential purchases of flooring are made in *DIY* stores. These products may, however, also be purchased from specialized construction material suppliers, especially when the general contractor or installer is making the purchase. Therefore, brand awareness among installers and salespeople may have a large influence on product choice. Numerous distributors are working on the development of their e-commerce sales. This represents a modest share of the market, although it already represents a significant share of sales for certain DIY stores, with accelerating growth and an increasingly consequential impact on brand and product visibility online.

The commercial market ranges from large-scale projects to shopkeepers with small surface areas, such as artisans and boutiques, whose purchasing patterns tend to be similar to residential users. This segment is markedly more heterogeneous than the residential market in terms of technical requirements, but less varied in terms of design. In a commercial project, each space is designed for a very specific purpose, and materials must often be supplied in large quantities. For example, in a hospital project, the flooring solutions must conform to strict hygiene requirements to prevent the spread of nosocomial infections. A hospital floor will also be required to meet minimum standards of slip-resistance, static-absorption and noise absorption. A large department store or a mall, on the other hand, would require an ultra-resistant flooring to bear intense foot traffic without showing signs of wear. Office flooring must possess the ability to absorb sound, comfort and durability. Most importantly, public areas are subject to explicit regulations, in terms of interior environmental health and safety, which can vary considerably from one country to the next, even within a single economic zone such as the European Union.

On the commercial market, the interior installation must comply with many requirements in terms of design, cost, technical performance, durability, compliance with standards and public health. General contractors must make purchases in accordance with the terms dictated by the specifiers, who choose flooring in consultation with the end-user. Specifiers can include almost any type of construction industry professional: they may be architects, interior decorators, fitters, project managers or approved building contractors. They are tasked with studying each product and understanding the relative advantages and disadvantages of the various flooring solutions. As a result, specifiers are often open to examining the relative strengths and merits of specific technological innovations. The Group has teams dedicated to maintaining close relationships with specifiers and this is a key success factor in the commercial market.

Given the way that products are chosen, the commercial flooring market has other particularities in terms of distribution channels. Unlike the residential market where the consumer places an order immediately, the commercial buyer has to plan purchases. In general, a project will begin with a detailed planning phase, during which the quantities and qualities of each type of construction material will be determined, and delivery and installation schedules for each phase of the project will be estimated. It is during the planning phase that a manufacturer has the opportunity to act as a consultant to the specification team and design a one-stop, customized solution based on the project's technical and aesthetic requirements. Once the building materials have been selected and the quantity specified, the installer simply places the order with a wholesaler or directly with the manufacturer and takes delivery in accordance with the construction calendar.

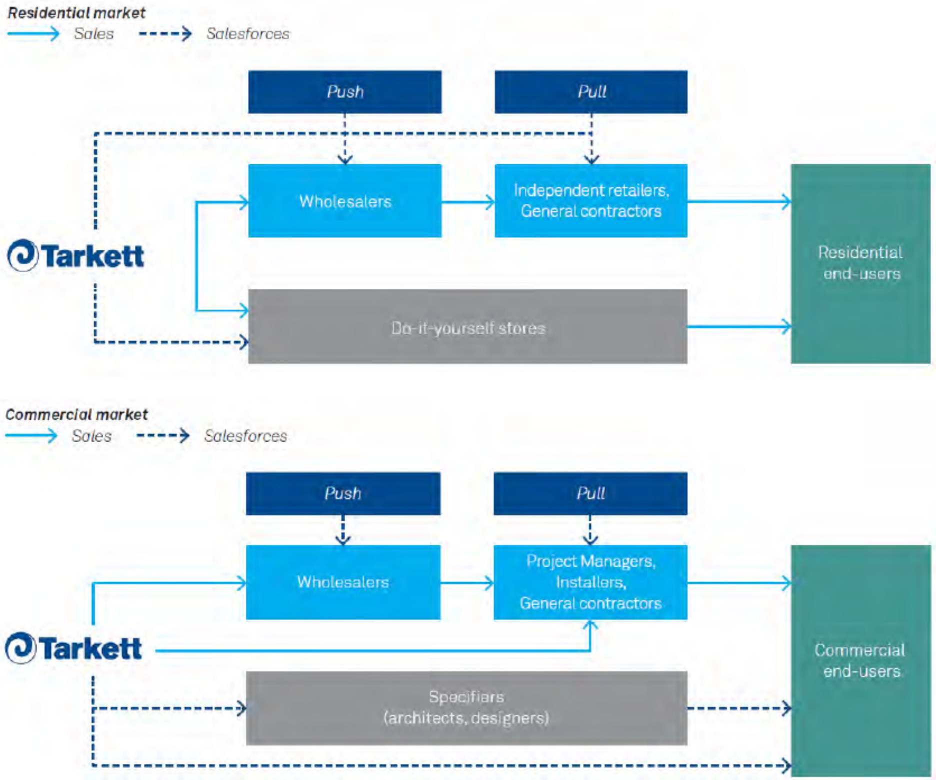
1.6.3.1 Distribution strategy

Distribution channels in the residential and commercial markets differ as a result of the characteristics of each market. It reaches customers using a “push and pull” strategy:

- **Push**. Specialised teams are in charge of the implementation of the “push” strategy whose aim is to encourage wholesalers to buy the Group’s products. To that end, the Group’s sales force meets with them to discuss the advantages of its flooring and present the brands under which it markets its products. The Group has entered into numerous agreements with the principal wholesalers in each market. In the residential market, in addition to wholesalers, this strategy also includes DIY chains and independent speciality retailers;
- **Pull**. The Group has also formed specialised team to implement the “pull” strategy which aims to encourage the sale of products stocked by wholesalers to end-users. In the commercial market, the sales force concentrates on the main specifiers, such as architects, interior design firms and construction companies.

The Group supports several e-commerce leaders and is establishing its expertise on key success factors for an online presence (range, content, customer feedback, delivery terms, etc.).

The following diagrams illustrate the operation of the Group’s distribution strategy for the residential and commercial market.



The distribution strategy for the commercial market is complemented by training centres, called "Tarkett Academies," which promote awareness of the Group's products among specifiers and ensure the highest quality installation in order to reinforce the Group's image. Training programmes are delivered by the Tarkett Academy in nine countries (Brazil, France, Poland, Sweden, Russia, Serbia, Australia, the United States and the United Kingdom), in dedicated Tarkett Academy centres as well as at customer sites and other third parties. These training centers train mainly building industry professionals, such as architects, designers, flooring installers and general contractors.

In these training centres, installers learn how to correctly install Tarkett-brand products, which often influences them to choose or recommend Tarkett products for their future projects. By ensuring proper installation of its products, the Group also improves its reputation, increases brand loyalty, develops relationships with its commercial partners and improves customer satisfaction.

1.6.3.2 Distribution channels

The Group's products are distributed primarily by distributors and wholesalers, retail chains, installers, specialized chains and independent stores.

The weight of each distribution channel is different in each geographic region:

- the majority of the Group's sales in the North America and CIS/APAC/Latin America regions are through distributors. This channel is characterized by large storage spaces, providing significant economies of scale in terms of logistics, with services being provided by distributors to a large number of retail stores. In Western Europe, on the other hand, a smaller share of sales is through distributors, though the number still remains significant;
- large retail chains are common in Western Europe and North America, representing a significant share of the Group's sales in these regions. This distribution channel is currently less significant in the CIS countries, but could grow in the years to come;
- independent stores represent a relatively significant share of the Group's distribution in Western Europe and the CIS/APAC/Latin America region, with a larger presence in high-end products such as parquet;
- fitters and building companies represent a significant share of sales in Western Europe, particularly in the commercial sector.

It should be noted that commercial carpet distribution (the Tandus, Desso and Lexmark businesses acquired in 2012, 2014 and 2018 respectively) is a special case, since it is generally distributed directly to commercial end-users in the form of "turnkey" solutions.

1.6.3.3 Customers

The Group has a large and diversified customer base, including, in particular, distribution companies and leading large retail chains. Distributors are the Group's principal customers and represent the majority of sales volume, followed by retail chains (including DIY chains).

The Group is not dependent on its principal customers. In 2024, the Group's largest customer represented less than 5% of total consolidated net revenue.

1.6.3.4 Salesforce organisation

The Group employs more than 1000 sales agents dedicated to selling the Group's products. They are spread over 50 countries, enabling the Group to adapt to local differences and better understand the needs of each market and region. Each sales office has its own organization, responding to the requirements and structure of the local region. One of the strengths of the Group's sales force is its ability to adapt to local demand.

1.6.3.5 Logistics

The Group's logistics organisation is based on three main principles:

- improving the quality of customer service, in particular by offering a wide product range and rapid delivery;
- reducing costs, in particular storage, transport costs and customs duties; and
- adapting the distribution network to the characteristics of local markets at the lowest cost.

The Group works with its distributors to support their logistics needs and limit the Group's costs. This unique approach to distribution gives the Group a significant advantage over its competitors in the CIS. This leads to a clear service improvement and a close relationship with customers: reduced delivery times, improved training of teams and better after-sales service.

Logistics and transport

Transport of the Group's products is organized with the objective of improving the quality of customer service while managing transportation costs both upstream and downstream.

Upstream, for delivery of raw materials and other materials needed to manufacture products, the Group negotiates framework agreements with its principal suppliers covering prices and lead times and tries to locate its production sites near its suppliers' manufacturing sites.

Downstream, for delivery of products to customers, the primary objective of the Group's logistics organization is to offer short lead times so that customers can optimize their inventory levels. In some countries the Group uses outside service providers.

Most of the Group's production sites are located in the regions in which it sells its products. By reducing the distance between production sites and customers, the Group improves service, significantly reduces transportation costs, saves on custom duties and shortens delivery times.

Logistics and information systems

The Group's information systems include various applications, in particular applications to manage purchases and product life cycles, resource planning, customer relations, supply-chain management, accounting and financial information and human resources.

The Group continues with its optimisation, consolidation and security programmes of its information systems on an ongoing basis.

To do this, it invested in the deployment of an SAP system, which improves monitoring and management of the Group's activities, to make internal processes uniform, simplify the services offered to end-users and develop the Group's Internet presence.

1.6.4 Product innovation and intellectual property

The Group has a long history of research and development. Innovations are incorporated into the Group's new products and industrial processes in order to offer new solutions shifting towards respect for the environment and end-user needs in both residential and professional markets.

To the extent permitted by local law, the Group patents, trademarks or registers its industrial know-how and research and development innovations in order to protect its intellectual property.

1.6.4.1 Research and development

The Group's research, design and development policy

Research and Innovation is at the centre of the Group's strategy. Over the last three years, spending on research, design and development has been stable at 33 million euros for 2024, equal to 1% of revenue.

In 2024, the Group continued to invest heavily in latest-generation laboratory equipment.

The Group's organisation leverages the key expertise of internal and external reference networks and on a structured innovation process aimed at improving customer satisfaction and creating competitive advantage. In particular, in terms of the health and well-being of those who live in the spaces we fit out, in terms of the installation and maintenance, total operation costs or even sustainable development.

Design is also a key aspect of Tarkett's innovation with design creation answering the latest worldwide and local trends being built into its research policy.

Organization of the Group's research and development activity

A network of internal experts

The Group's research and development activities employ over 200 employees in the international research and innovation centre located in Luxembourg or in the 23 development and application laboratories located in 17 countries worldwide. This allows the Group to cater for the specificities and needs of local users while developing synergies in terms of expertise and anticipating future trends.

An internal network of experts is organised by speciality and accessible through a unique digital collaboration platform. These internal experts support development and innovation project leaders throughout the world. They also have the responsibility or ensuring and building long-term competitive advantage around technical and scientific expertise that the Group would like to harness to develop business over the coming years.

Close relationships with scientific experts, universities and suppliers

In order to develop expertise and innovative creativity, the Group has formed close relationships with external experts and leading institutions.

- Tarkett dedicates around 21% of its Group research and innovation budget to external research activities.

As part of this, over the past few years, the Group has been working on a number of collaborations with universities, schools of engineering, and public research centres, all experts and recognised in their fields, including:

- German scientific institute EPEA GmbH - Part of Drees & Sommer (Environment Protection Encouragement Agency)
- The University of Applied Arts and Sciences of Fribourg (Switzerland)
- UNISTRA (University of Strasbourg) and the Douai Ecole des Mines.

In 2024, the Group initiated several new collaborations with:

- Grenoble-Alpes University in the field of digital printing;
- Jean Monnet University of Saint-Etienne, to accelerate innovation in the fields of digital printing and polymer recycling with the latest reactive extrusion technologies;
- The University of Virginia (USA), specialising in biomechanics to identify interactions between sports footwear and artificial turf;
- The Sanford research centre (USA) for studying the influence of artificial turf on athlete heat regulation;
- The University of Calgary (Canada) to quantify the influence of the mechanical properties of artificial turf on foot movements and the stud surface using advanced imaging techniques;

These collaborations also present an opportunity to identify the Group's future young talents.

1.6.4.2 High performance innovation process

Key principles

The Group's innovation strategy aims to offer benefits that exceed our customers' expectations in every step of the product lifecycle and, for this reason, actively supports the Group's "*impacT2027*" strategy.

The Group's innovation strategy is based on four key pillars:

- Health and well-being
- Circular economy and carbon footprint
- Product installation and maintenance
- Total ownership cost

Tarkett continuously researches new materials and processes that have a lower carbon footprint, respect the environment and human health. Since 2010, Tarkett has evaluated over 5,000 materials through a third party organisation (EPEA - GmbH - part of Drees & Sommer) in order to select quality materials and design health and environmentally friendly products. The Group details its product composition in the document entitled "Material Health Statement" (MHS) issued by EPEA GmbH - part of Drees & Sommer. By the end of 2024, Tarkett had 29 MHS® that were either active or in the process of renewal. In Europe, an indicator system allows communications about the level of volatile organic compound (VOC) emissions of each product.

The Group places a great deal of importance on the principle of eco-design in a virtuous circle based on the principles of Cradle to Cradle®. In 2024, Tarkett held 26 Cradle to Cradle® Products Innovation Institute (C2CPII) certifications covering a wide range of product categories including carpets, linoleum, rubber and wood.

As proof of the Group's commitment to the circular economy and its dedication to reducing its carbon footprint, in partnership with Canadian company Wollastonite, Tarkett has developed an artificial turf that removes carbon dioxide from the atmosphere through a process that accelerates the natural alteration of rocks containing calcium silicate, helping to combat global warming. Tarkett has a partnership with Chicago-based biotech startup Mycocycle, which uses the root structure of mushrooms (mycelium) to break down flooring waste and generate a natural byproduct that can be reused. Tarkett has developed innovative technologies at the Waalwijk (Netherlands) site that separates the fibres from underlay for carpet tiles so that the two components can be recycled separately. Tarkett and Aquafil are piloting together an innovative partnership to recycle 100% of carpet tiles made with an EcoBase® underlay and PA6 nylon thread.

The third pillar of the Group's innovation strategy is built around the development of solutions that make installation or removal easier, as well as cleaning and maintenance of the flooring.

The COVID-19 pandemic highlighted the importance of applying strict health protocols. For years Tarkett has made every effort to develop easy care solutions and to recommend optimal cleaning procedures. Tarkett offers increasingly easier care solutions that resist traffic and stains such as the Contour vinyl tiles with Techtonic® technology, iD Inspiration with Tektanium™ technology or even the IQ range, which offers resilient flooring with excellent stain resistance in hospital settings.

The Group has also developed a new range of coverings for floors, walls and stairs, made with mixed vinyl and presenting improved surface and acoustic properties. The expansion of the loose lay flooring offering is continuing. Since 2023, the group has been offering linoleum rolls that can be installed without glue.

Lastly, Tarkett is continuing to innovate to offer flooring options that are suited to the circular economy. The new range of IQ Loop products contain at least 65% recycled materials and its carbon footprint is at least 50% lower than the standard IQ range.

In terms of total ownership cost, Tarkett deploys several categories of systematic approach to *Design to Cost* and *Design to Value* to offer the appropriate product or solution at the right price and with the optimal ownership cost.

Finally, Tarkett is determined to maintain its stronghold in the area of creative and innovative design and optimise the "cross-categorisation" possibilities of its different product ranges. The Group has developed various digital printing technologies for wood and vinyl, allowing to offer unique designs and services such as co-creation with designers. Tarkett is also the first company to develop this technology for mass personalization of vinyl floor coverings.

The Group's numerous innovations

As early as 1942, the Group developed a new process for manufacturing wood flooring that reduced the amount of wood used. Since then, the Group has always worked to develop products and concepts that simplify the lives of end-users while respecting the environment and public health.

At the end of 2024, 96% of our vinyl floorings were phthalate-free worldwide (with the exception of the recycled content of certain products in certain countries). Tarkett's eco-innovation is also happening at the industrial level by recycling emissions from plasticisers, for example at the production site in Farnham, Canada.

In North America, another example of eco-innovation is the underlay of the Ethos® carpet tiles made from recycled materials from used glass film from windscreens and security glass.

Tarkett also provides solutions that protect flooring surfaces allowing for easier cleaning and maintenance. For example, LVT Contour in the United States used Techtonic® varnish offering the best market performances in terms of stain and abrasion resistance.

The Group's innovation awards

Over the last four years, the Group has received awards in numerous areas, and in particular:

- En 2024, the Tarkett linoleum production site in Narni, Italy, won Floor Covering Weekly's 2024 GreenStep Award in the international category.
- In 2024, in North America, our ReStart collection and recycling programme won the Pinnacle award, as part of the GreenStep 2024 award organised by Floor Covering Weekly.
- In 2024, in North American, our ReStart collection and recycling programme and our partnership with Mycocycle to develop the circular economy won a Metropolis Planet Positive Award in the category for Best Manufacturer Corporate Sustainability Initiative/ Partnership Towards Zero Waste.
- 2024, in North America, Tarkett's constant innovation in commercial design was rewarded at the Starnet Design Awards, the company's durable flooring products were used in 17 of the 23 award-winning projects. Out of the 17 projects that Tarkett participated in, 7 were awarded gold in their respective categories, including the grand prize winner, the CIBC head offices in New York, in the state of New York, which also won gold in the Enterprise category.
- In 2024, in the United Kingdom, our DESSO AirMaster® carpet won Product of the Year in the Flooring category at the Mix Awards, organised by Mix Interiors magazine to celebrate exceptional design and innovation in the commercial design industry.
- In 2024, in the United Kingdom, DESSO AirMaster® also took home a prize at the SBID International Design Awards 2024 in the Flooring category. This award embodies international recognition of professional excellence in the design industry.
- In 2024, in the United Kingdom, Tarkett UK's virtual reality-driven design platform *(Through their eyes: Human Conscious Design Virtual Reality Platform by Tarkett)* won the Product Innovation of the Year prize at the IHEEM Awards (Institute Of Healthcare Engineering & Estate Management). This tool helps to create more inclusive spaces by demonstrating the impacts of design.
- In 2023, in North America, two collections (Inspired Nature and LinoFloor xf2 & LinoWall xf2) were awarded the Green Good Design® prize, an international programme that rewards the safest and most sustainable new products. The programme is organised by the Chicago Athenaeum (Museum of Architecture and Design) and the European Centre for Architecture, Design and Urban Studies.
- In 2023, in the United States, Powerbond RS® won the 2023 Product Greenstep Award - organised by Floor Covering Weekly magazine. Amongst others, Powerbond RS® was awarded "asthma & allergy friendly®" certification, making it the first resilient flooring in the world to receive this designation.
- In 2023, Tarkett Lino Originale received the Red Dot Design Award in the Product Design category. This award has established itself internationally as one of the most sought-after quality marks in design and Tarkett linoleum has been recognised for both its sustainability credentials and its design.
- In 2023, in France, the new iD Click Ultimate collection of rigid vinyl planks and tiles won the Gold Award in the Interior Finishing category at the BAT'E-NNOV AWARDS 2023, recognising the most outstanding innovations in the building and DIY sector.
- In 2023, Tarkett joined the list of companies recognised as one of Europe's climate leaders, compiled by the Financial Times and Statista.

- In 2022, Tarkett in the UK was voted “Manufacturer of the Year” at the Mixology 2022 Awards. The Mixology Awards recognise the best projects, products and people in commercial interior design.
- In 2022, Tarkett UK won the “Circular Economy Initiative of the Year” award, organised by Carpet Recycling UK. In addition, Tarkett received a special mention in the “Recycler of the Year” category.
- In 2022, Tarkett in North America received two Good Design Awards in the Floor + Wallcovering category. The Inspired Nature and LinoFloor/LinoWall collections were named winners of this competition, which was launched over 70 years ago by the Chicago Athenaeum International Museum.
- In 2022, Tarkett in North America was ranked number one in the Top 250 Design Survey, conducted annually by Floor Focus Magazine. Tarkett’s customers ranked our resilient products first in all categories: service, quality, design, performance and value.
- In 2022, Tarkett’s “Lino Floor xf2” in North America was the winner of the “Hard Flooring” category and the “Editor’s Choice” of Metropolis magazine’s Planet Positive Awards.
- In 2022, Tarkett’s Lino Originale won the FRAME Awards 2022 Finish of the Year. The jury recognised a bio-sourced floor covering that is sustainable over the entire product life cycle.
- In 2021, the Muuuz International Awards (MIAW) also recognised our new iQ Natural collection.The award is presented to the most innovative products in architecture and design. iQ Natural is the first bio-attributed vinyl flooring.
- Tarkett linoleum range - a key example of our sustainable development approach -a key example of our sustainable development approach - was a winner at the 2021 Muuuz Design Awards;
- In 2021, Color Splash Speckled Rubber Tile won the Best of NeoCon (United States) award in the Hard Surface Flooring/Natural Materials category.

1.6.4.3 Standards relating to the Group’s products

The Group complies with a large number of regulations, standards and certifications in its various markets. These standards vary depending on the geographic region, the type of building in which a product is installed and the type of flooring. The Group exceeds the standards and regulations in force in terms of environment and human protection.

Mandatory standards and standards with which the Group complies voluntarily

The Group is subject to two types of standards: Mandatory standards based on legal requirements (such as European regulations or national decrees) and voluntary standards that it has chosen to comply with to respond to its customers’ needs.

In most cases, compliance with mandatory standards must be certified by independent laboratories and/or organizations as well as by a governmental authority. The main aim is to guarantee safety and protect the health of users by demonstrating the product's compliance with statutory requirements. They relate mainly to properties such as fire resistance, skid resistance and the limitation of emissions of toxic products.

Voluntary standards are primarily testing standards to determine a product's technical performances such as acoustic properties or dimensional stability, and specifications relating to minimum thresholds for a specific use. These standards vary depending on the product and its intended use (school, hospital, residential, gym or sport fields).

Non-mandatory standards are required by users, particularly for the professional market. Specifiers (such as architects and project managers) require compliance with such standards in their specifications. Moreover, compliance with non-mandatory standards is also required by certain national or municipal governments for the construction or renovation of buildings that will be used as public administrations or government agencies.

The Group discloses the different standard with which it has chosen to comply. Purchasers, specifiers and users may also be informed of all the flooring and sports surface characteristics. This enables them to differentiate the Group’s products from those of its competitors. The technical specifications that the Group chooses to communicate vary depending on the requirements of the market in question.

Standard organisations and standards applied in different geographic regions

Organizations for standardization define the technical characteristics and performance that a product must meet, as well as the tests to be used.

At the international level, the principal organisation in charge of publishing the standards applicable to the Group is the International Standardisation Organisation (“ISO”). Compliance with ISO standards is based on the principles developed by the World Trade Organization, and is technically voluntary, although often required by architects and project managers, in particular for government buildings. Furthermore, agreements between ISO and the European Union enable the transposition of an ISO standard into a European standard (EN ISO standards).

In Europe, standards are established by the European Committee for Standardization ("CEN"). These standards, called "EN" standards, are mandatory when referenced by a European regulation. Each European Union Member State is required to transpose the European standards into its national standards, replacing the corresponding national standard.

Out of the mandatory application standards, the most significant are those which are "harmonised", defining our products' criteria for use for a CE marking. The CE marking indicates that the Group's products comply with the various harmonised standards specific to those products, attesting that our solutions for flooring, walls and sports surfaces have been through the appropriate tests. Among the requirements for the CE marking, products must demonstrate fire resistance, low levels of toxic fumes, and anti-slip properties. For example, the Group complies with the harmonized EN Standard 14041, which details requirements for resilient and laminate flooring and carpets. A full rework of the construction products regulation (CPR) associated with the CE marking was adopted by the European State Council on 05 November 2024. This new regulation will be progressively implemented and should be applied to Tarkett's activities by 2028–2030. It aligns with the European Commission's Green Deal goals and adds further requirements, particularly regarding carbon footprints and the circular economy. It also requires the creation of a European product passport.

In addition to CE marking, the Group complies with Member State regulations, which may rely on national standards established by organizations in various European Union Member States, such as the Association Française de Normalisation ("AFNOR") in France and the Deutsches Institut für Normung ("DIN") in Germany. The Group is subject to national standards in the countries where it sells its products.

In the United States, workplace regulatory environmental and safety requirements are primarily drawn up at Federal government level, whereas regulatory requirements on the use of goods are essentially set at state level. For example, flooring fire resistance properties or the restricted use of certain chemical substances for specific goods are generally found in the regulations of each state or each city. The formulation of voluntary standards applicable to flooring in the United States is mainly handled by the American Society for Testing and Materials ("ASTM") or the American National Standard Institute ("ANSI"). Both the federal and state governments may decide to adopt ASTM or ANSI standards, thereby making them mandatory. ASTM and ANSI standards are mandatory when referenced in federal or state regulations.

In Russia, flooring products must comply with numerous technical standards imposed by various federal laws and technical regulations, including, in particular, Federal Law No. 184-FZ on the verification and compliance system for flooring and Federal Law No. 123-FZ on fire safety requirements.

Countries such as the United Kingdom, Australia, New Zealand, Japan and China also develop standards and national regulations which Tarkett also needs to respect.

Finally, certain laboratories and private sector organisations have established procedures for labelling products that comply with certain standards.

The Group actively participates with organizations such as ASTM, ANSI, ISO and CEN in the process of developing standards.

1.6.4.4 Intellectual property rights

The Group has a significant portfolio of trademarks and patents which gives it a strategic advantage over its competitors that it constantly works on maintaining.

Trademark Portfolio

The Group's products are sold under known trademarks targeted at specific regions and markets.

The Group sells its product under the internationally recognised trademark Tarkett®, and under specialised international or regional trademarks that are widely recognised in their markets such as FieldTurf®, Beynon®, and GrassMaster® for sports surfaces, or Desso® (Western Europe - carpet), Sinteros® or Sintelon® (SEE and CIS)

In certain markets, the Group uses a multi-trademark strategy, using different trademarks for different distribution channels, to cover the entire market and optimise coexistence between the Tarkett Group's different distributors.

The Group's principal trademarks are protected and leveraged in the markets where the Group operates.

Protection of the Group's trademarks is based on registration or prior use of the marks, according to the jurisdiction. Such protections are subject to either national, European and/or international registrations for varying lengths of time depending on the applicable laws.

Patent Portfolio

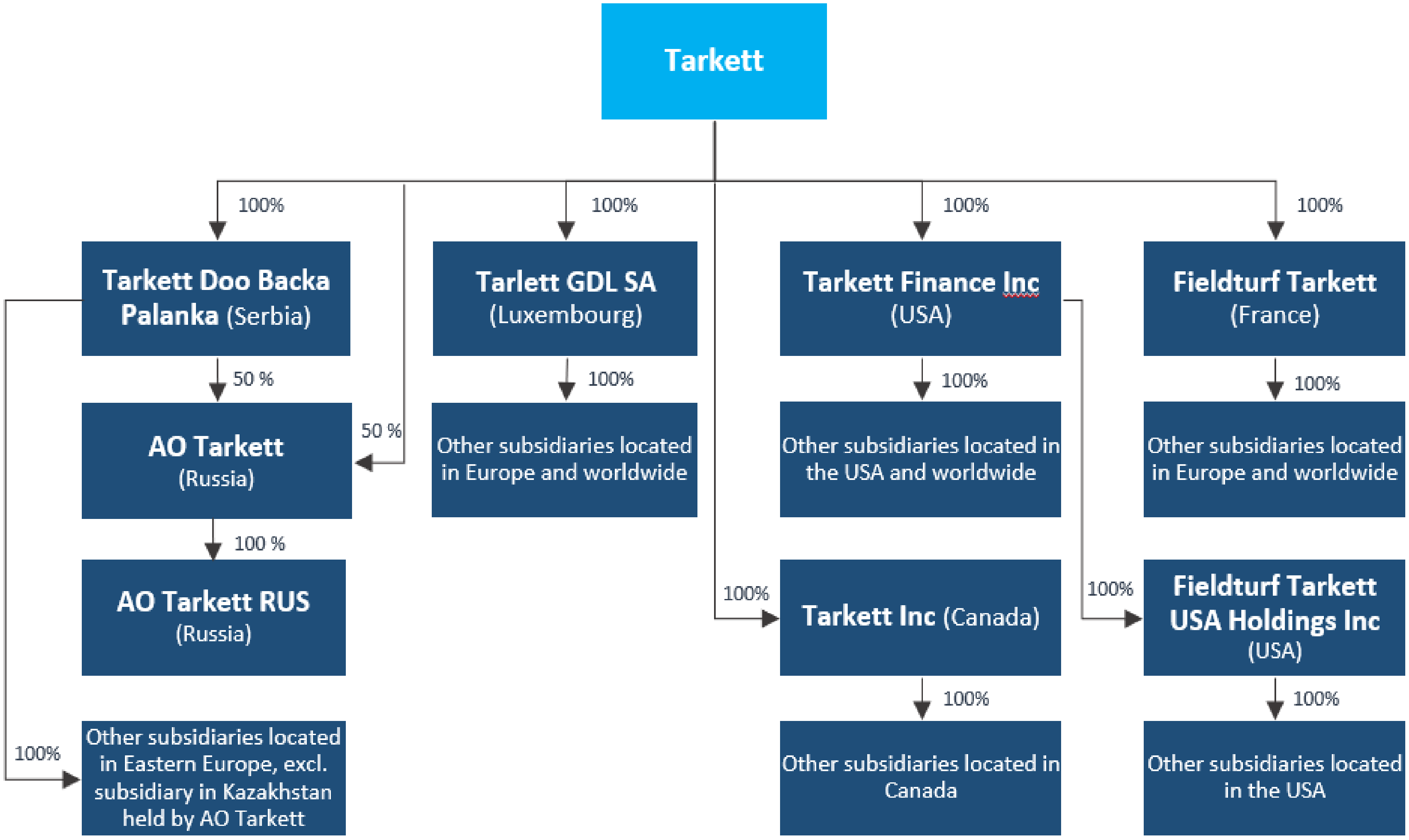
The Group holds active patents in over 40 countries. The Group's patents cover flooring and sports surface products as well as technologies for the development of new products.

The Group's patents currently cover approximately 145 different technology families that support its innovation, including activities related to sports surfaces. The latter now represent 32 specific patent families. Each year the Group files 5 to 10 new patent applications mostly from Europe. The average age of the patent families within the Group's portfolio is continuing to drop, thanks to the rigorous management of the oldest assets and the filing of new families. The average age is approximately 8.8 years.

The geographical origin of the Group's patent portfolio is highly diversified, with 103 active patent families filed in Western Europe, one in Eastern Europe and 33 in North America.

These efforts around active portfolio management enable the Group to protect its competitive edge, and the most pertinent patents are now powerful leverage points for negotiations regarding license contracts with competitors and patent agents.

1.7 Simplified group organisation chart



2

GOVERNANCE AND COMPENSATION

2.1 Governance

2.1.1 Corporate Governance Code

The Corporate Governance Code of the French Association of Private Enterprises (Association Française des Entreprises Privées - AFEP) and of the Movement of the Enterprises of France (Mouvement des Entreprises de France - MEDEF), hereafter the "Afep-Medef Code", constitutes the Company's corporate governance frame of reference. It can be consulted online (http://www.afep.com) and copies are permanently made available to corporate officers.

The Company ensures compliance with all the principles of corporate governance set out in the Afep-Medef Code, insofar as they are compatible with the Group's organisation, size, and resources.

AFEP-MEDEF RECOMMENDATION	TARKETT'S PRACTICE
Article 11.3: The code recommends a formal assessment at least every three years.	A self-assessment by the Supervisory Board is coordinated every year by the Nomination, Compensation and Governance Committee, formalised by means of a questionnaire submitted to each member of the Board, and the results are presented and debated at a Supervisory Board meeting. However, the last assessment by an independent external consultant was carried out in 2017. During the last self-assessments of the Board, in particular for the years 2022, 2023 and 2024, the Board members were consulted about the need to appoint an independent external consultant. The answers provided by all Board members show that the self-assessment carried out each year fulfils the Board's requirements to a satisfactory degree and the members do not consider it necessary to appoint an external consultant for the next assessment.
Article 19.1: The code recommends the presence of a member representing employees on the compensation committee.	Insofar as the Nomination, Compensation and Governance Committee does not only deal with compensation issues, the Supervisory Board does not wish to alter the composition of the Committee, two-thirds of which is currently made up of independent members, which guarantees its effectiveness. The Supervisory Board members, including the members representing employees, have the option of expressing opinions on matters relating to compensation addressed by the Nomination, Compensation and Governance Committee at Supervisory Board meetings. In this context, the deliberations of the Nomination, Compensation and Governance Committee are recorded in a report by the Supervisory Board and its recommendations are also debated.

AFEP-MEDEF RECOMMENDATION	TARKETT'S PRACTICE
Article 10.3: The code recommends, for controlled companies, (under the terms of Article L. 233-3 of the French Commercial Code), that at least one third of directors are independent directors.	The Board has members with significant experience in a variety of fields and there's a good synergy between the members. Multiple discussions are held within the Supervisory Board and each member is given the opportunity to speak and contribute to decision-making. The capacity of the Supervisory Board cannot be summarised as a percentage of independent directors, as directors must be first and foremost honest, competent, active, present and engaged (as set out in Article 10.1 du Code Afep-Medef), which is the case here. In any case, despite the fact that the independence rate of 25% of the Supervisory Board is lower than the applicable recommendation in the Afep-Medef Code, it should be compared with the participation of the primary shareholder of the Company, which exceeds 90%. The Nomination, Compensation and Governance Committee and the Supervisory Board did not want to propose the recruitment of a new independent director, being aware of the difficulties that may be posed by the appeal of an independent position within a company with a floating stock proportion lower than 10%. However, the Supervisory Board wants to ensure that the composition of the Supervisory Board's committees remain in line with the provisions of the Afep-Medef Code. The Board therefore considers that the composition of the Board comprising 25% independent members is suited to its shareholding and remains a good balance between skills and independence, enabling its smooth operation, all the more so given that the specialist committees all incorporate one or more independent members.

2.1.2 Supervisory Board report on corporate governance

This chapter on governance and compensation contains information taken from the Supervisory Board report on corporate governance that was adopted at its meeting on 20 February 2025, after considering the opinion of the Nomination, Compensation and Governance Committee.

A concordance table presented in Section 8.7.4 identifies the information included in this document and that forms part of the corporate governance report.

2.2 Management and supervisory bodies

2.2.1 Management of the Company

The Shareholders' Meeting of 02 January 2001 opted for the two body management form of a French public limited company ("société anonyme"), with a Management Board and a Supervisory Board (hereinafter the "Board" or the "Supervisory Board"). This organisational structure, which separates the management and direction of the Company, devolved to the Management Board, from supervision of this management body, which is the responsibility of the Supervisory Board, addresses concerns about the balance of power between the executive and control functions. It is particularly suited to the Company's shareholding structure.

2.2.2 Management Board

The rules relating to the composition of the Management Board, the term of office of its members, the operating rules of this body and the powers and obligations of the Management Board are described in the Company's By-laws (Articles 11 to 16) available on the Company's website (www.tarkett-group.com).

2.2.2.1 Operation of the Management Board

The Management Board is vested with the broadest powers to act in all circumstances on behalf of the Company, within the limits of the corporate purpose and subject to those powers expressly granted by law and the By-laws to the Supervisory Board and to Shareholders' Meetings. Certain decisions falling within the powers of the Management Board are subject to prior authorisation by the Supervisory Board as defined by the By-laws and the Internal Regulations of the Supervisory Board.

2.2.2.2 Composition of the Management Board

As laid down in its Articles of Association, the Management Board is composed of at least two, and at most five, members appointed by the Supervisory Board for a three-year term of office.

At the date of publication of this Document, the Management Board is composed of the following two members:

	Age	Gender	Nationality	Date of 1st appointment	Date of Most Recent Renewal	Office end date	Number of shares held
Chairman							
Fabrice Barthélemy	57	👤	🇫🇷	23.05.2008	25.10.2022	24.10.2025	27,768
Member							
Raphaël Bauer	45	👤	🇫🇷	01.05.2019	25.10.2022	24.10.2025	4,441

2.2.2.3 Changes in the composition of the Management Board in 2024

There were no changes to the composition of the Management Board during the year ending 31 December 2024. On the recommendation of the Nomination, Compensation and Governance Committee, the offices as Chairman of the Management Board of Fabrice Barthélemy and as member of the Management Board of Raphaël Bauer were renewed by the Supervisory Board on 25 October 2022 for a further three-year term, expiring on 24 October 2025. This reappointment is in line with the Group's ongoing strategy implemented over the last few years in the interest of the Group and its shareholders.

2.2.2.4 Biographies, main offices and positions held by members of the Management Board in office at the date of publication of this Document

FABRICE BARTHELEMY - Chairman of the Management Board

Date of birth: 27 March 1968

French nationality

1st nomination: 23 May 2008

Term of office expiry: 24 October 2025

Number of shares: 27,768

Business address: Tour Initiale - 1, Terrasse Bellini -
92919 Paris-La Défense

Experience and expertise

A member of Tarkett's Management Board since May 2008, Fabrice Barthélemy was appointed interim Chairman of Tarkett's Management Board on 18 September 2018 and confirmed in this role on 14 January 2019.

He began his career as an industrial controller at Safran joining Valeo in 1995 as Financial Controller of a division in the United Kingdom. From 2000 to 2003, he helped turn around Valeo's Lighting Division in France, before taking over the global financial management of the Valeo Connective Systems and then of the Valeo Wiping Systems.

Fabrice Barthélemy joined Tarkett in 2008 as Chief Financial Officer and also oversaw the Information Systems and Legal departments. He was President of the Target EMEA-LATAM Division from February 2017 to September 2019. He is a graduate of the French school of management, the École supérieure de commerce de Paris (ESCP) - Europe.

List of other offices and positions held in French and foreign companies during the last five years

Other offices and positions in companies associated with Tarkett

Current:

- Chairman of Tarkett Participation S.A.S. (France)
- Chairman of Tarkett Bois S.A.S. (France)
- Member of the Supervisory Board of Morton Extrusionstechnik GmbH (Germany)
- Member of the Board of Directors of Laminate Park GmbH (Germany)
- Chairman of the Board of Directors of AO Tarkett (Russia)
- Vice-Chairman of the Board of Directors of Tarkett Capital S.A. (Luxembourg)
- Chairman of the Board of Directors of Tarkett GDL S.A. (Luxembourg)

Expired during the past five years:

- Multiple offices within French and international subsidiaries

Other offices and positions in companies not associated with Tarkett

Current:

- Member of the Supervisory Board and Chairman of the Nomination, Compensation and Governance Committee of Elis (France)[1]

Expired during the past five years:

- None

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(1) *Listed company*

RAPHAEL BAUER - Member of the Management Board and Group Chief Financial Officer

Date of birth: 10 June 1979

French nationality

1st nomination: 01 May 2019

Term of office expiry: 24 October 2025

Number of shares: 4,441

Business address: Tour Initiale - 1, Terrasse Bellini -
92919 Paris-La Défense

Experience and expertise

Raphaël Bauer has been the Group's Chief Financial Officer and a member of the Executive Management Committee since February 2017. He has been a member of the Management Board since May 2019.

Formerly the Group's Financial Controller, Raphael Bauer joined Tarkett in 2010 as financial controller within the EMEA Division, then for the Asia-Pacific and Latin American Regions.

Raphaël Bauer began his career as a management controller at Valeo from 2002 to 2007, then joined Rexam as a financial officer from 2007 to 2010. He is a graduate of the institute of political studies (Sciences Po) in Paris.

List of other offices and positions held in French and foreign companies during the last five years

Other offices and positions in companies associated with Tarkett

Current:

- Member of the Board of Directors of Tarkett GDL (Luxembourg)
- Chairman of the Board of Directors of Tarkett Capital S.A. (Luxembourg)
- Member of the Board of Directors of Somalré (Luxembourg)
- Member of the Board of Directors of Tarkett Hong Kong Limited (Hong-Kong)
- Chairman of the Liquidation Committee for Tandus Flooring (Suzhou) Co. Ltd (China)
- Supervisor for Tarkett Industrial (Beijing) Co., Ltd (China)
- Member of the Board of Directors of Tarkett Flooring India Private Limited (India)
- Member of the Board of Directors of Tarkett Flooring Singapore Pte. Ltd (Singapore)
- Member of the Board of Directors of AO Tarkett (Russia)
- Member of the Board of Directors of Tarkett Inc. (Canada)
- Member of the Board of Directors of Tarkett Finance Inc. (United States of America)
- Manager of Tarkett Services (France)
- Member of the Board of Directors of Tarkett Japan Co. Ltd (Japan)
- Supervisor for Tarkett Asia Pacific (Shanghai) Management Co., Ltd. (China)

Expired during the past five years:

- Member of the Board of Directors of Tarkett Brasil Revestimentos LTDA (Brazil)

Other offices and positions in companies not associated with Tarkett

Current:

- None

Expired during the past five years:

- None

2.2.2.5 Activities of the Management Board in 2024

The Management Board met 6 times during the financial year ending 31 December 2024 with a 100% attendance rate. Its meetings primarily focused on:

Financial results:

- the business report for the 4th quarter of 2023;
- review and approval of the Company and consolidated annual financial statements for the year ended 31 December 2023;
- the business report for the 1st quarter of 2024;
- approval of the half-year financial report at 30 June 2024;
- the business report for the 3rd quarter of 2024;
- the adoption of forward-looking management documents;
- review of press releases relating to financial results.

General Shareholders' Meeting of 26 April 2024:

- proposed allocation of profits for the year ended 31 December 2023;
- approval of the management report on the Company and the Group for 2023;
- examination of current offices;
- review of regulated agreements;
- more generally, convening the Shareholders' Meeting, setting the agenda and drafting the resolutions.

Other activities:

- the 2024–2029 business plan;
- implementation, for certain employees, of the 2024–2027 long term incentive plan (LTIP in cash through phantom shares).
- subscription of an additional financing facility.

2.2.3 Supervisory Board

2.2.3.1 Operation of the Supervisory Board

General Operation

The operation of the Board is described in Articles 17 to 23 of the Company's By-laws, drawn up in accordance with the laws and regulations in effect.

The Board has its Internal Regulations which set out the provisions governing its organisation and operation, as well as the rights and duties of its members. These Internal Regulations follow industry guidance designed to ensure compliance with the fundamental principles of corporate governance, and in particular the recommendations of the Afep-Medef Code. The Internal Regulations are reviewed regularly by the Supervisory Board so that they can be adapted to any new legislation and regulations and, if appropriate, to any new recommendations of the Afep-Medef Code.

Chairman and Vice-Chairman

The Board elects a Chairman and a Vice-Chairman from among its individual members, for a term that may not exceed that of the member's term of office.

In accordance with the legal provisions, the main mission of the Chairman of the Supervisory Board is to organise the work of the Board so that the management control of the Company can be properly exercised. The Chairman of the Board is the principal point of contact for answering any request by a shareholder or investor addressed to the Supervisory Board.

If the Chairman is unavailable, the Supervisory Board meetings are chaired by the Vice-Chairman.

Observers

The Shareholders' Meeting and the Supervisory Board may each appoint Observers, who are appointed for a term of four years. The Observers attend Supervisory Board meetings as Observers, act in an advisory capacity and may be consulted by the Board in this capacity.

Rights and obligations of Supervisory Board members

Each Supervisory Board member (with the exception of Observers and members representing employees) must hold 1,000 shares in the Company, as required under the Internal Regulations. Each newly appointed Supervisory Board member is therefore asked to devote one-half of their Board member's compensation to acquiring these 1,000 shares in due time.

Each Supervisory Board Member agrees to comply with the applicable regulations with respect to market abuse and inside information (including Observers and the Board members representing employees). All Supervisory Board members are reminded of these statutory and regulatory provisions each year, and in the event of any significant changes to the provisions.

Supervisory Board meetings

The Supervisory Board approves the schedule of meetings a year in advance to ensure that all its members can attend. Prior to each meeting, a notice is sent to each member, specifying the place, time, and agenda for the meeting. Detailed presentations on each agenda item are sent to each member in advance through a secure digital platform.

During the meeting, each item on the agenda is presented to the Supervisory Board members with an explanation. Issues reviewed and debated earlier by specialised committees are summarised by their Chairman at the next Supervisory Board meeting deliberating on these issues. For certain technical subjects, presentations are made by Group executives specialised in the subject area presented. Each item on the agenda is followed by questions, a discussion, and a vote. Written minutes are drawn up and provided to Supervisory Board members in advance of their approval at the next meeting.

2.2.3.2 Supervisory Board composition

At the date of publication of this Document, the Board is composed of twelve members, including two members representing employees and two Observers.

The proportion of women on the Board reached 50% (a rate exceeding legal requirements) and the proportion of independent members according to the Afep-Medef Code aligns with that defined in Section 2.1.1 of this document (*the members representing employees and Observers are not taken into account for this calculation*).

The term of office for Board members is four years. However, article 18 of the By-laws provides that a shorter term of office may be proposed to the Shareholders' Meeting when appointing certain members to ensure the staggered renewal of the terms of office of Board members.

The composition of the Supervisory Board is designed to enable the Group to benefit from the diversified professional experience of its members and involve the representatives of the Company's majority shareholders in the definition of the Group's strategy and its implementation.

1/4	**50 years**	**50%**	**5**
independent members	**Average age of Board members**	**female Board members**	**different nationalities**

The following table details the composition of the Supervisory Board at the date of publication of this Document:

Member	Personal information and experience							Presence at the Supervisory				Attendance at specialised committees		
	Age	Gender	Nationality	Seniority (in years)	Number of shares held(1)	Other offices(2)	Independence	1st nomination	Last renewal	End of the office(3)	2024 attendance	CARC(4)	CNRG(5)	CCDI(6)
Eric La Bonnardière *Chairman*	43	♂	🇫🇷	9	1,000	-	-	24.04.15	29.04.22	2026	100%	-	-(7)	-
Julien Deconinck[8] *Vice-Chairman*	46	♂	🇫🇷	10	1,000	-	-	13.05.14	29.04.22	2026	100%	-(9)	-	-
Marine Charles	43	♀	🇫🇷	2	1,000	-	-	15.02.23	-	2025(3)	100%	P(10)	-	-
Nicolas Deconinck	44	♂	🇫🇷	9	1,000	-	-	24.04.15(11)	26.04.2024(11)	2028	100%	-	M(12)	M
Tina Mayn	55	♀	🇩🇰	2	1,000	-	-	15.02.23	-	2025(3)	100%	-	-	M
Didier Michaud-Daniel	67	♂	🇫🇷	5	1,000	1	√	26.04.19	21.04.23	2027	100%	M(13)	P	-
Sabine Roux de Bézieux	59	♀	🇫🇷	7	1,000	1	√	27.04.17	30.04.21	2025(3)	100%	M	M(14)	P
Marie Deconinck	39	♀	🇫🇷 🇨🇦	-	1,000 to be acquired by 30 June 2025	-	-	26.04.24	-	2028	100%	-	-	-
Caroline Tith	34	♀	🇫🇷	3	N/A	-	N/A	02.12.21(15)	-	2025	16.7%(16)	-	-	-
Philippe Willion	66	♂	🇫🇷	1	N/A	-	N/A	09.02.24(15)	-	2025	100%	-	-	-
Bernard-André Deconinck *Observer*	80	♂	🇫🇷 🇧🇪	24	N/A	-	N/A	02.01.01	29.04.22	2026	100%	-	-	-
Claude Ehlinger *Observer*	62	♂	🇱🇺	1	N/A	1	N/A	15.02.24(17)	-	2028	83%	-	-	-

(1) *Number of Tarkett shares held by members of the Board on a personal basis. The Observers and the member representing employees are not covered by the requirement to hold shares.*

(2) *Number of terms of corporate offices held in listed companies, outside of the Tarkett Group.*

(3) *Date of the Shareholder's Meeting called to approve the financial statements for the year, during which their office expires. The General Meeting called to adjudicate on the 2025 financial statements for the 2024 financial year and office renewals.*

(4) *Audit, Risks and Compliance Committee.*

(5) *Nomination, Compensation and Governance Committee.*

(6) *Climate, Durability & Innovation Committee, formerly named the CSR & Innovation Committee.*

(7) *Eric La Bonnardière was a member of the Nomination, Compensation and Governance Committee from 26 July 2022 to 15 February 2024, when he was replaced by Nicolas Deconinck.*

(8) *Julien Deconinck was appointed as Vice-Chairman of the Supervisory Board on 26 April 2024.*

(9) *Julien Deconinck resigned from the Audit, Risks and Compliance Committee on 12 December 2024.*

(10) *Marine Charles was appointed as Chair of the Audit, Risks and Compliance Committee on 12 December 2024.*

(11) *Nicolas Deconinck was appointed as Observer for the Supervisory Board on 24 April 2015, then as Board member on 30 April 2020.*

(12) *Nicolas Deconinck has been a member of the Nomination, Compensation and Governance Committee since 15 February 2024.*

(13) *Didier Michaud-Daniel has been a member of the Audit, Risks and Compliance Committee since 12 December 2024.*

(14) *Sabine Roux de Bézieux has been a member of the Nomination, Compensation and Governance Committee since 12 December 2024.*

(15) *Date of appointment by the Company's Social and Economic Committee (SEC) (further details in Sections 2.2.3.3 and 2.2.3.6.).*

(16) *Caroline Tith was absent due to being on maternity leave.*

(17) *Claude Ehlinger was appointed as Observer on 15 February 2024, replacing Charles Goulet, who had resigned (further details in Section 2.2.3.3).*

N/A: Not applicable.

P: Chair(man) / M: Member

2.2.3.3 Changes to the composition of the Supervisory Board over the 2024 financial year and in early 2025

	Departure	Appointment	Renewal
Supervisory Board	**15 February 2024** Didier Deconinck (effective as of 26 April 2024) **01 October 2024** Françoise Leroy **01 February 2024** Charles Goulet (Observer)	**09 February 2024** Philippe Willion (member representing employees) **15 February 2024** Claude Ehlinger **26 April 2024** Marie Deconinck	**26 April 2024** Nicolas Deconinck
Audit, Risks and Compliance Committee	**01 October 2024** Françoise Leroy **12 December 2024** Julien Deconinck	**12 December 2024** Marine Charles (Chair) Didier Michaud-Daniel	-
Nomination, Compensation and Governance Committee	**15 February 2024** Eric La Bonnardière **01 October 2024** Françoise Leroy	**15 February 2024** Nicolas Deconinck **12 December 2024** Sabine Roux de Bézieux	-
Climate, Durability & Innovation Committee	-	-	**26 April 2024** Nicolas Deconinck

On 31 October 2023, Florent Jannier resigned from his salaried positions, thereby terminating his office as a member of the Supervisory Board. On 09 February 2024, the Company's Economic and Social Committee appointed Philippe Willion as the member of the Supervisory Board representing employees, for the duration of the vacant term of office, i.e. until the Shareholders' Meeting called in 2025 to approve the financial statements for the 2024 financial year.

On 15 February 2024, noting the resignation, dated 01 February 2024, of Charles Goulet from his role as Observer, the Supervisory Board appointed Claude Ehlinger as Observer, for a term of four years in accordance with the statutory provisions.

During its meeting on 15 February 2024, the Supervisory Board also noted the request of Eric La Bonnardière to resign from his office as member of the Nomination, Compensation and Governance Committee, and decided to appoint Nicolas Deconinck, replacing. Eric La Bonnardière, within his capacity as member of this committee and for the term of his office as member of the Supervisory Board.

The decisions taken by the Supervisory Board on 15 February 2024 were subject to a favourable recommendation by the Nomination, Compensation and Governance Committee.

Didier Deconinck resigned from his office as member of the Supervisory Board on 15 February 2024, this resignation being effective as of 26 April 2024. The General Meeting of 26 April 2024 adopted resolutions concerning the renewal of the office of Nicolas Deconinck and the nomination of Marie Deconinck as a new member of the Supervisory Board for a term of four years.

Eric La Bonnardière resigned from the Nomination, Compensation and Governance Committee on 15 February 2024.

Françoise Leroy resigned from her role as member of the Supervisory Board, Chair of the Audit, Risks and Compliance Committee, and member of the Nomination, Compensation and Governance Committee on 01 October 2024.

Julien Deconinck resigned from the Audit, Risks and Compliance Committee on 12 December 2024.

During its session held on 12 December 2024, upon the recommendation of the Nomination, Compensation and Governance Committee, the Supervisory Board appointed Marine Charles and Didier Michaud-Daniel, respectively as Chair and member of the Audit, Risks and Compliance Committee. It also appointed Sabine Roux de Bézieux as a member of the Nomination, Compensation and Governance Committee. The Supervisory Board also noted the request of Julien Deconinck to resign from his position as member of the Audit, Risks and Compliance Committee.

2.2.3.4 Biographies, main offices and positions held by members of the Supervisory Board in office at the date of publication of this Document

ERIC LA BONNARDIERE - Chairman of the Supervisory Board

Date of birth: 11 April 1981

French nationality

1st nomination: 24 April 2015

Term of office expiry: General Meeting approving the financial statements for 2025

Number of shares: 1,000

Business address: Tour Initiale - 1, Terrasse Bellini -
92919 Paris-La Défense

Experience and expertise

Eric La Bonnardière became a member of the Company's Supervisory Board and a member of the Audit Committee in 2015. He was appointed Vice-Chairman of the Supervisory Board in 2017. He has been Chairman of the Board since April 2018.

He began his career in 2006 as a consultant at Capgemini and then Advancy strategy consulting firms where he carried out assignments in industry and distribution. Since 2009, he has been the Chairman and co-founder of Evaneos, a travel marketplace and European leader in its segment.

Eric La Bonnardière is a graduate of the Centrale-Supélec engineering school and has a Master's degree in management from the HEC academy in Paris.

List of other offices and positions held in French and foreign companies during the last five years

Other offices and positions in companies associated with Tarkett

Current:

- Member of the Management Board of Société Investissement Deconinck S.A.S (France)
- Chairman of the Supervisory Board of Tarkett Participation S.A.S (France)

Expired during the past five financial years:

- None

Other offices and positions in companies not associated with Tarkett

Current:

- CEO of Evaneos S.A. (France)

Expired during the past five financial years:

- None

JULIEN DECONINCK - Vice-Chairman of the Supervisory Board

Date of birth: 23 August 1978

French nationality

1st nomination: 13 May 2014

Term of office expiry: General Meeting approving the financial statements for 2025

Number of shares: 1,000

Business address: Tour Initiale - 1, Terrasse Bellini -
92919 Paris-La Défense

Experience and expertise

Julien Deconinck is a founding member of Clermount, a mergers and acquisitions consulting company specialised in raising funds for positive-impact growth companies. He began his career in 2002 as a mergers and acquisitions analyst at Lazard.

He then joined the Tarkett Group, where he held several positions in marketing development and project management from 2003 to 2006. From 2006 to 2015, he was a mergers and acquisitions associate at HSBC, then director of equity investments at the investment firm Parcom Capital, and then a director at Société Générale Corporate & Investment Banking.

Julien Deconinck is a graduate of the HEC academy in Paris.

List of other offices and positions held in French and foreign companies during the last five years

Other offices and positions in companies associated with Tarkett

Current:

- Chairman of Société Investissement Deconinck S.A.S. (France)
- Member of the Supervisory Board of Tarkett Participation S.A.S. (France)

Expired during the past five financial years:

- None

Other offices and positions in companies not associated with Tarkett

Current:

- Member of the Board of Directors of Lumika Renewables Pty. Ltd (South Africa)

Expired during the past five financial years:

- None

NICOLAS DECONINCK -Member of the Supervisory Board, member of the Climate, Durability & Innovation Committee, and member of the Nomination, Compensation and Governance Committee

Date of birth: 14 August 1980

French nationality

1st nomination: 24 April 2015

Office expiration: General Meeting approving the financial statements for 2027

Number of shares: 1,000

Business address: Tour Initiale - 1, Terrasse Bellini -
92919 Paris-La Défense

Experience and expertise

Nicolas Deconinck is currently Chairman of Demunich, a family holding company, and Managing Director of SID (Société Investissement Deconinck), where he oversees investments and holdings.

From 2019 to 2023, he was Business Unit Director at the Sapient/Razorfish agency, part of the Publicis group, where he brought his expertise in the digital transformation of major companies in France and overseas.

In 2006, he founded his own company, Attractive, specialising in the manufacture and distribution of sporting goods. Over the years, the business evolved into SoActive, a UK-based eCommerce platform, before being sold to Bentley Hall Ivts in 2015.

Prior to this, he was an IT strategy consultant at BearingPoint, where he developed his strategic consulting skills.

Nicolas Deconinck graduated from the Paris Institute of Political Studies (Sciences Po) and holds a Masters in Corporate Strategy from the University of Paris Dauphine.

List of other offices and positions held in French and foreign companies during the last five years

Other offices and positions in companies associated with Tarkett

Current:

- Managing Director of Société Investissement Deconinck S.A.S. (France)
- Member of the Supervisory Board of Tarkett Participation S.A.S. (France)

Expired during the past five financial years:

- None

Other offices and positions in companies not associated with Tarkett

Current:

- Chairman and Director of Demunich S.A.S. (France)

Expired during the past five financial years:

- None

MARIE DECONINCK - Member of the Supervisory Board

Date of birth: 28 January 1986

French and Canadian nationality

1st nomination: 26 April 2024

Office expiration: General Meeting approving the financial statements for 2027

Number of shares: 1,000 to be acquired by 30 June 2025

Business address: Tour Initiale - 1, Terrasse Bellini - 92919 Paris-La Défense

Experience and expertise

Marie Deconinck has been a member of Tarkett's Supervisory Board since 26 April 2024. Marie began her career in 2011 as a CSR Manager for microfinance group Baobab, before going on to take on the role of General Management of DDA, a family holding which has shares in Société d'Investissement Deconinck (SID). In 2020, she joined Tarkett France's Marketing Department as Product Category Marketing Manager, before joining the Marketing Department of Tarkett EMEA & LATAM as New Product Development Manager. Then, she led strategic product innovation projects associated with the Group's sustainable development goals. She is now Director of Marketing - Home & LVT EMEA.

Marie Deconinck has a Master's Degree in International Relations from Université Paris 1 Panthéon Sorbonne and an MBA from HEC Paris (specialising in innovation).

List of other offices and positions held in French and foreign companies during the last five years

Other offices and positions in companies associated with Tarkett

Current:

- Member of the Management Board of Société Investissement Deconinck S.A.S. (France)
- Member of the Supervisory Board of Tarkett Participations S.A.S. (France)

Expired during the past five financial years:

- None

Other offices and positions in companies not associated with Tarkett

Current:

- Managing Director of DDA S.A.S. (France)

Expired during the past five financial years:

- None

MARINE CHARLES - Member of the Supervisory Board, Chair of the Audit, Risks and Compliance Committee

Date of birth: 14 May 1981

French nationality

1st nomination: 15 February 2023

Office expiration: General Meeting approving the financial statements for 2024

Number of shares: 1,000

Business address: Tour Initiale - 1, Terrasse Bellini -
92919 Paris-La Défense

Experience and expertise

Marine Charles stepped into the role of CEO for B&B Hôtels Europe de l'Ouest in April 2024. From January to April 2024, she was CEO France for B&B Hotels (France)

From 2022 to 2023, she was Managing Director of Saint-Gobain Weber France, leader in industrial mortars, and member of the CODIR France of Saint Gobain.

She started her career in 2004 in strategy consulting at OC&C Strategy Consultants, where she worked in the Paris and London offices.

In 2008, she joined the Casino Group where she held the positions of Deputy Director of Strategy and Group Planning (in the office of the Chairman, Jean-Charles Naouri), and Director of Management Control and Projects for the Group's International Activities (Latin America, Asia, French overseas departments).

In 2013, she became Head of Strategy and Development for Saint Gobain's Building Distribution Sector (~€20bn turnover, 26 countries), in charge of strategic projects and M&A.

She then joined Lapeyre in 2016, a Saint Gobain subsidiary, as Deputy Managing Director, before being appointed Managing Director in 2019 (~€700m revenue, ~2400 people, 131 sales outlets).

Marine Charles is a graduate of Sciences Po Paris (2003) and of the HEC Entrepreneurs Master programme (2004).

List of other offices and positions held in French and foreign companies during the last five years

Other offices and positions in companies associated with Tarkett

Current:

- None

Expired during the past five financial years:

- None

Other offices and positions in companies not associated with Tarkett

Current:

- CEO France of B&B Hotels (France)
- CEO for Western Europe of B&B Hotels (France)
- Observer of the Supervisory Board of Brico Invest (France)

Expired during the past five financial years:

- Independent Director and Chair of the Audit Committee of ABEO[1] Group (France)
- Managing Director of Lapeyre Distribution (France)
- Managing Director of Weber France (France)

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(1) *Listed company*

TINA MAYN - Member of the Supervisory Board and the Climate, Durability and Innovation Committee

Date of birth: 27 February 1970

Danish nationality

1st nomination: 15 February 2023

Office expiration: General Meeting approving the financial statements for 2024

Number of shares: 1,000

Business address: Tour Initiale - 1, Terrasse Bellini -
92919 Paris-La Défense

Experience and expertise

Tina Mayn joined the Velux Group in 2018 and currently holds the position of Executive Vice-President for Velux Group Products, which includes innovation, sustainable R&D and the Velux product offering.

From 2015 to 2018, she served as Executive Vice-President of Research and Development, Product Portfolio and Global Marketing at Nilfisk.

Prior to that, she worked at Electrolux as Senior Vice-President for a global product line.

She has extensive leadership experience in product management and development, innovation, procurement and change management.

Tina Mayn holds an MBA from the European Institute of Purchasing Management (EIPM) in France.

List of other offices and positions held in French and foreign companies during the last five years

Other offices and positions in companies associated with Tarkett

Current:

- None

Expired during the past five financial years:

- None

Other offices and positions in companies not associated with Tarkett

Current:

- Member of the Board of Directors of Juliana Drivhuse A/S (Denmark)
- Member of the Board of Directors of Danish Design Dansk Industri (Denmark)
- Member of the Board of Directors, Danish Industry, The building Industry (Denmark)

Expired during the past five financial years:

- Executive Vice President R&D, Products and Global Marketing at Nilfisk (Denmark)

DIDIER MICHAUD-DANIEL - Independent member of the Supervisory Board, Chairman of the Nomination, Compensation and Governance Committee, and member of the Audit, Risks and Compliance Committee

Date of birth: 02 February 1958

French nationality

1st nomination: 26 April 2019

Office expiration: General Meeting approving the financial statements for 2026

Number of shares: 1,000

Business address: Tour Initiale - 1, Terrasse Bellini -
92919 Paris-La Défense

Experience and expertise

Didier Michaud-Daniel began his career in 1981 with OTIS, where he held various posts in the Sales and Operations Department. He was appointed Deputy Managing Director in charge of operations in January 1998, then Managing Director of OTIS UK and Ireland, later Chairman of OTIS for the UK, Germany and Central Europe region, before being appointed Chairman of OTIS Elevator Company in May 2008.

He was then Managing Director of Bureau Véritas, a company listed on the SBF 120 market, from March 2012 until the end of June 2023.

Since February 2024, he has been Chairman of the Board of Directors of Pluxee NV.

Didier Michaud-Daniel is a graduate of the Poitiers business management school and European Business Administration Institute INSEAD and is Chevalier de la Légion d'honneur, the highest French order of merit.

List of other offices and positions held in French and foreign companies during the last five years

Other offices and positions in companies associated with Tarkett

Current:

- None

Expired during the past five financial years:

- None

Other offices and positions in companies not associated with Tarkett

Current:

- Executive Chairman of Pluxee N.V.[1] (France)
- Chairman of the Supervisory Board of Saur Group (France)

Expired during the past five financial years:

- Managing Director of Bureau Veritas S.A.[1] (France)
- Chairman of Bureau Veritas International S.A.S. (France)

(1) *Listed company*

SABINE ROUX DE BEZIEUX - Independent member of the Supervisory Board, member of the Audit, Risks and Compliance Committee, member of the Compensation, Nomination and Governance Committee, and Chair of the Climate, Durability and Innovation Committee

Date of birth: 29 April 1965

French nationality

1st nomination: 27 April 2017

Office expiration: General Meeting approving the financial statements for 2024

Number of shares: 1,000

Business address: Tour Initiale - 1, Terrasse Bellini -
92919 Paris-La Défense

Experience and expertise

Sabine Roux de Bézieux has been a member of the Company's Supervisory Board since 2017.

After two years in investment banking, she spent 13 years in the Andersen Group in London and Paris. From 2002 to 2012, she ran her own consulting company, Advanceo, before joining the Board of Directors of several listed companies and taking over the General Management of Notus Technologies.

She has been committed to supporting social and environmental projects for the past twenty years. In 2005, she created her own Foundation, Araok, to support vulnerable members of society before going on to establish the association Un Esprit de Famille with a number of other foundations. She is treasurer of United Way Alliance pour l'éducation, and Chair of the Fondation de la Mer, of which she is one of the founders.

Sabine Roux de Bézieux graduated from the ESSEC business school in 1986. She also holds a DECF and a bachelor's degree in philosophy. She was formerly an auditor for the IHEDN.

List of other offices and positions held in French and foreign companies during the last five years

Other offices and positions in companies associated with Tarkett

Current:

- None

Expired during the past five financial years:

- None

Other offices and positions in companies not associated with Tarkett

Current:

- Managing Director of Notus Technologies S.A.S. (France)
- Member of the Supervisory Board of Banque Transatlantique S.A.(France)
- Manager of Galiseo S.A.R.L. (France)
- Chair of Fondation de la Mer (France)
- Chair of the association Un Esprit de Famille (France)
- Treasurer France of Alliance pour l'éducation - United Way (France)
- Member of the Economic, Social and Environmental Committee (ESEC) (France) and Vice-Chair of the European and International Affairs Committee (France)
- Auditor of the Institute of Advanced Studies in National Defence (IHEDN, Institut des Hautes Etudes de Défense Nationale) (France)

Expired during the past five financial years:

- Member of the Board of Directors of ABC Arbitrage S.A.[1] (France)
- Member of the Supervisory Board of Altur investissement[1] (France)

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(1) *Listed company*

CAROLINE TITH - Member of the Supervisory Board representing employees

Date of birth: 27 April 1990

French nationality

1st nomination: 02 December 2021

Office expiration: General Meeting approving the financial statements for 2024

Number of shares: N/A

Business address: Tour Initiale - 1, Terrasse Bellini -
92919 Paris-La Défense

Experience and expertise

Since 2022, Caroline Tith is Business Intelligence (BI) Programme Manager in the Data team at Tarkett Group. In this role, she is responsible for the roadmap of BI projects that are in line with the strategy of the divisions and the Group.

She previously held various positions in Data since 2014: data manager and biostatistician within a clinical organisation, Big Data consultant and then BI technical-functional analyst for the sales, finance and budget area for Tarkett.

In December 2021, she became a “2021 Tarkett Top Learner” and was appointed as an employee representative on the Board by Tarkett’s ESC.

Caroline Tith holds a bachelor’s degree in biology/chemistry and a Master’s degree in bioinformatics and biostatistics from the Faculté des Sciences d’Orsay, jointly certified by the École Polytechnique.

She is also qualified as a Production Manager for Artistic Projects and trained in Digital Strategy at the Institut d’Études Supérieur des Arts (IESA).

List of other offices and positions held in French and foreign companies during the last five years

Other offices and positions in companies associated with Tarkett

Current:

- None

Expired during the past five financial years:

- None

Other offices and positions in companies not associated with Tarkett

Current:

- None

Expired during the past five financial years:

- None

Philippe Willion - Supervisory Board member representing employees

Date of birth: 16 October 1958

French nationality

1st nomination: 09 February 2024

Office expiration: General Meeting approving the financial statements for 2024

Number of shares: N/A

Business address: Tour Initiale - 1, Terrasse Bellini -
92919 Paris-La Défense

Experience and expertise

After studying at the IEP in Paris, Philippe Willion began his career in 1985 with Peat Marwick/ KPMG before taking up a position as Finance and Administration Director in the forestry industry.

In 1992, he joined Sommer-Allibert as head of finance for the Packaging division, before joining the group's internal audit department in 1997. When Sommer-Allibert and Tarkett AG merged, he joined Tarkett AG's treasury department in Germany in 1998, before taking over its management.

Since 2001, he has been Director of financing and treasury for the Tarkett Group.

List of other offices and positions held in French and foreign companies during the last five years

Other offices and positions in companies associated with Tarkett

Current:

- Chairman of the Board of Directors of Somalré (Luxembourg)
- Director of Tarkett Capital S.A. (Luxembourg)

Expired during the past five financial years:

- None

Other offices and positions in companies not associated with Tarkett

Current:

- None

Expired during the past five financial years:

- None

BERNARD-ANDRE DECONINCK - Observer at Supervisory Board meetings

Date of birth: 07 May 1944

French and Belgian nationality

1st nomination: 02 January 2001

Term of office expiry: General Meeting approving the financial statements for 2025

Number of shares: N/A

Business address: Tour Initiale - 1, Terrasse Bellini - 92919 Paris-La Défense

Experience and expertise

Bernard-André Deconinck is an Observer on the Company's Supervisory Board and, since 2021, has been the Chairman of the Supervisory Board of SID. He was previously the Chairman of the Management Board. He is also a member of the Family Council of SID. He was also a member and Chairman of the SIF Management Board.

Bernard-André Deconinck is a graduate of the Ecole Centrale de Paris and began his career with the Group in 1969 as a methods engineer. From 1970, he took on production site and division management positions and then held the position of Director of Procurement, Investments, Style and R&D in 1990, before going on to take on this role on the Group level.

He is Chevalier de l'Ordre national du Mérite.

List of other offices and positions held in French and foreign companies during the last five years

Other offices and positions in companies associated with Tarkett

Current:

- Chairman of the Supervisory Board of Société Investissement Deconinck S.A.S.(France)

Expired during the past five financial years:

- Chairman of the Management Board of Société Investissement Deconinck (France)

Other offices and positions in companies not associated with Tarkett

Current:

- Co-manager of Heritage Fund SPRL (Belgium)
- Manager of Val Duchess SPRL (Belgium)

Expired during the past five financial years:

- Member of the Management Board and Managing Director of SIF (France)

CLAUDE EHLINGER - Observer at Supervisory Board meetings

Date of birth: 31 October 1962

Luxembourg nationality

1st nomination: 15 February 2024

Office expiration: General Meeting approving the financial statements for 2027

Number of shares: N/A

Business address: Tour Initiale - 1, Terrasse Bellini - 92919 Paris-La Défense

Experience and expertise

Claude Ehlinger joined Wendel in 2016. Since 2019, he has been *Senior Advisor*. He was a member of the Investment Committee and CEO of Oranje-Nassau.

Claude Ehlinger was previously Deputy Managing Director of Louis Dreyfus Company, which he joined in July 2007 as Group Chief Financial Officer. He was Acting Managing Director of Louis Dreyfus Company from June 2014 to October 2015.

He began his career in 1985 with Thomson Group before joining Finacor in 1987 as Associate Director. From 1999 to 2003, he was Finance Director at CCMX, then Regional Financial Controller at Capgemini. He then joined Eutelsat in June 2004 as Group Chief Financial Officer until July 2007.

Claude Ehlinger is a graduate of HEC.

List of other offices and positions held in French and foreign companies during the last five years

Other offices and positions in companies associated with Tarkett

Current:

- *Senior Advisor* of Wendel S.E.[1] (France)
- Member of the Supervisory Board of Tarkett Participation S.A.S. (France)

Expired during the past five financial years:

- None

Other offices and positions in companies not associated with Tarkett

Current:

- Non-executive Chairman of the Board of Directors of LCH S.A. (Banque Centrale de Compensation) (France)
- Director of Wendel Luxembourg S.A. (formerly Trief Corporation SA) (Luxembourg)
- Chairman and director of Stahl Lux 2 S.A., Stahl Group S.A. and Stahl Parent BV (Luxembourg & Netherlands)
- Director of Bureau Véritas S.A.[1] (France) *(also member of the Nomination and Compensation Committee and the Strategy Committee)*

Expired during the past five financial years:

- Director of Expansion 17 SA SICAR and Global Performance 17 SA SICAR
- Chairman and director of Oranje-Nassau Groep BV
- Permanent representative of Oranje-Nassau Groep BV on the boards of Oranje-Nassau Development SA SICAR and Winvest International SA SICAR

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(1) *Listed company*

2.2.3.5 Diversity and balance in the composition of the Supervisory Board

The Supervisory Board and the Nomination, Compensation and Governance Committee regularly assess the composition of the Supervisory Board and its Specialised Committees, and in particular the variety of skills and experience contributed by each of their members. It also identifies the approaches to be adopted to ensure the best possible balance through complimentary profiles, in terms of nationality, gender and experience.

To achieve diversity, measures have been adopted within the Supervisory Board, with the help of the Nomination, Compensation and Governance Committee, that encompass the criteria taken into account, the objectives set by the Supervisory Board, the procedures for implementation and the results obtained during each period.

Balanced representation of men and women

In accordance with the regulations in force and with a view to guaranteeing a balance in its composition, the Board ensures that the proportion of women and men on the Supervisory Board complies with the requirements of Articles L. 22-10-21 and L. 225-69-1 of the French Commercial Code.

Each time the office of a member of the Supervisory Board comes up for renewal or a new member is to be appointed, on recommendation by the Nomination, Compensation and Governance Committee, the Supervisory Board examines the various nominees taking care to ensure gender equality.

At the date of publication of this Document, the proportion of women on the Board stood at 50% (*members representing employees and Observers are not included in this calculation*).

Employee representation

Members of the Supervisory Board representing employees

Since 2020, the Company's By-laws have stipulated that two Board members representing employees must be appointed by the Company's Social and Economic Committee (SEC) if the Board has more than eight members.

On this basis, Florent Jannier and Caroline Tith were appointed by the ESC on 02 December 2021 and became members of the Board at the meeting on 15 December 2021. On 31 October 2023, Florent Jannier resigned from his salaried positions, *thereby* terminating his office as a member of the Supervisory Board. On 09 February 2024, the ESC appointed Philippe Willion as a member of the Supervisory Board representing employees, for the remaining term of the office of his predecessor, i.e. until the General Meeting called to adjudicate in 2025 to approve the financial statements for the 2024 financial year.

As soon as they take up the role, and in accordance with applicable regulations, Board members representing employees receive external training paid for by the Group. In the month following his appointment, Philippe Willion received training from the IFA.

Caroline Tith has also attended a number of in-house training courses to ensure that they fully understand the role and operation of the Board, as well as the rights, obligations and responsibilities of its members (particularly with regard to the applicable regulations on market abuse and insider information). At her request, she also benefited from in-house financial training adapted to her needs and product training during a production site visit.

Furthermore, extra hours and preparation time for meetings will be granted to members representing employees.

It has been agreed that the latter will not receive compensation for their office as Board members. Being unconnected with their corporate office, the components of their compensation as a Company employee will not be published.

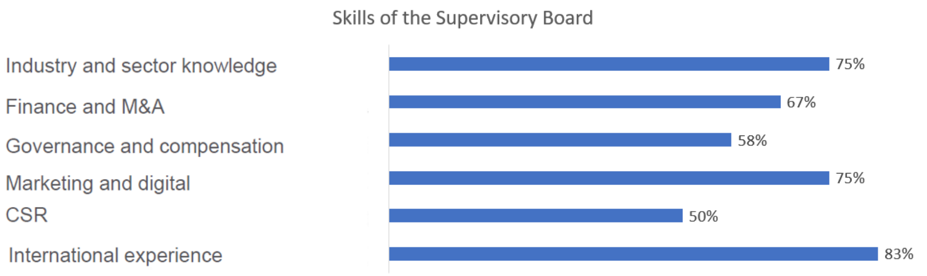
Company ESC delegate on the Supervisory Board

Emmanuel Pasquier, the elected member of the Company ESC, has also attended meetings of the Board as the employee representative appointed by the ESC, without a right to vote, since the Board meeting of 23 October 2019. He has been trained and made aware of the regulations applicable to market abuse and was also given the same training as the members representing employees, with the exception of the internal training relating to the office of member of the Board, given that he does not have that status.

Experience and expertise of Board members

As it does each year, the Board has reviewed its composition, and that of its committees, to achieve an appropriate balance in terms of the diversity of the professional skills and experience of its members, particularly at an international level.

With the assistance of the Nomination, Compensation and Governance Committee, the Board seeks to maintain a balance between those members with a historical knowledge of the Group and members appointed more recently to the Board. At the date of publication of this Document, their skills and expertise cover the following areas, particularly in relation to the Group's strategy:



Compared with the analysis carried out at the close of the 2022 and 2023 financial years, the Board's expertise and experience in governance and compensation has progressed in the fields of marketing and the digital sphere, as well as in the CSR field. The proportion of skills and expertise in other areas has remained constant.

This analysis also shows that the members give the Board the benefit of in-depth knowledge of the sector in which the Group operates and to take advantage of complementary skills, thereby ensuring deliberations of the highest quality in its meetings.

In addition, the members of the Board also ensure that the measures adopted are in the Company's corporate interests and contribute to implementation of the Group's strategy.

2.2.3.6 Independence of the Supervisory Board members

The Company refers to the following criteria for independence defined in the Afep-Medef Code, and set out in the Internal Regulations:

- **Criterion #1**: Not being and not to have been, within the previous five years, an employee or executive officer of the corporation; an employee, executive officer or director of a company consolidated within the corporation; an employee, executive officer or director of the company's parent company or a company consolidated within this parent company;
- **Criterion #2**: Not being an executive officer of a company in which the corporation holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive officer of the corporation (currently in office or having held such office within the last five years) holds a directorship;
- **Criterion #3**: Not being a client, supplier, commercial banker, investment banker or consultant that is significant to the corporation or its group or for which the corporation or its group represents a significant portion of its activities. The evaluation of the significance or otherwise of the relationship with the Company or its Group must be debated by the Board, and the quantitative and qualitative criteria that led to this evaluation (continuity, economic dependence, exclusivity, etc.) explained in the corporate governance report;
- **Criterion #4**: Not to be related by close family ties to any corporate officer;
- **Criterion #5**: Not having been a company auditor in the previous five years;
- **Criterion #6**: Not having been a member of the Supervisory Board of the Company for more than twelve years;
- **Criterion #7**: Not being, controlling or representing a shareholder holding alone or jointly more than 10% of the capital or voting rights at the Company's Meetings of Shareholders.

In accordance with the recommendations made in the Afep-Medef Code, each time the office of a Supervisory Board member is to be renewed or a new member appointed and at least once a year prior to publication of the Universal Registration Document, the Supervisory Board, based on the recommendations and report of the Nomination, Compensation and Governance Committee, compares the status of its members against the independence criteria and checks that its composition is balanced. Moreover, the Board also ensures that its specialist committees are composed of one or more independent members.

To this end, at the beginning of 2025, the Nomination, Compensation and Governance Committee and the Supervisory Board examined the independence of each Board member.

The outcome of this analysis is given in the table below:

	Criterion 1	Criterion 2	Criterion 3	Criterion 4	Criterion 5	Criterion 6	Criterion 7
Eric La Bonnardière		√			√	√	
Marine Charles	√	√	√	√	√	√	
Julien Deconinck		√			√	√	
Nicolas Deconinck		√			√	√	
Tina Mayn	√	√	√	√	√	√	
Didier Michaud-Daniel	√	√	√	√	√	√	√
Sabine Roux de Bézieux	√	√	√	√	√	√	√
Marie Deconinck		√			√	√	

√: Indicates that the Supervisory Board member satisfies the independence criterion concerned.

The annual review shows that at the date of publication of this Document:

- the Board is made up of two independent members (Didier Michaud-Daniel and Sabine Roux de Bézieux), in addition to six members appointed at the proposal of the main shareholder of the Company, two members representing employees and two Observers, i.e. 25% independent members (refer to Section 2.1.1 of this document *(for the calculation of this proportion, members representing employees and Observers are not taking into account)*;
- two of the Audit, Risks and Compliance Committee's three members are independent, that is to say 2/3 of its members are independent within the meaning of the Afep-Medef Code;
- two of the Nomination, Compensation and Governance Committee's three members are independent, including its Chairman (Didier Michaud-Daniel), that is to say 2/3 of its members are independent within the meaning of the Afep-Medef Code;
- among its three members, the Climate, Durability and Innovation Committee includes an independent member in its Chair (Sabine Roux de Bézieux), that is to say, 1/3 of its members are independent, in line with the terms of the Afep-Medef Code.

2.2.3.7 Operational assessment of the Supervisory Board

In line with the recommendations of the Afep-Medef Code, once a year, the Supervisory Board and its specialised Committees assess the way in which they operate and are organised to ensure that important issues are properly prepared and debated in their meetings. This also makes it possible to assess the actual contribution, both collective and individual, of members to the work of the Supervisory Board and its specialised Committees.

This annual assessment, carried out under the supervision of the Chairman of the Nomination, Compensation and Governance Committee, is formalised by questionnaires sent to each member of the Board, including the members representing employees and Observers. During the most recent assessments, the efficient and effective operation of the Board and its Committees was highlighted, along with the quality of communications.

The results of the Board's latest self-assessment for the 2024 financial year were presented to the Supervisory Board on 20 February 2025.

This self-assessment namely highlighted that the composition of the Board is deemed to be entirely suited in terms of diversity, number, age, experience and equality, and that the members are satisfied in terms of how ESG matters are handled.

The areas for improvement identified during the last self-assessment were implemented during the 2024 financial year.

Finally, during the last Board self-assessment, the members were consulted again about the need to appoint an independent external consultant for the next assessment of the Board and its Committees. The results of this questionnaire confirmed that the self-assessment proposed each year fulfils the Board's requirements to a satisfactory degree and the members do not consider it necessary to appoint an external consultant for the next assessment of the Board and its Committees.

2.2.3.8 2024 Supervisory Board activity

	2024	2023
Number of meetings	8	6
Mean attendance rate	95%	98%

The Supervisory Board met by all means, including video conferencing, in compliance with the regulations in force and in accordance with the provisions of the Internal Regulations. Its work primarily focused on:

Financial Information:

- review of the company and consolidated annual financial statements for the year ended 31 December 2023, presented by the Management Board;
- review of the quarterly information presented by the Management Board on 31 March 2024, and 30 September 2024;
- review of the half-year financial report at 30 June 2024, presented by the Management Board;
- validation of the press releases related to this financial information;
- review of forward-looking management documents.

Governance:

- annual assessment of the composition, organisation and operation of the Supervisory Board and its committees;
- independence assessment of Board members;
- review of the offices of Board and Committee members, and more particularly the proposed renewal of an expiring office, the proposed nomination of a new member of the Board, and new members within the Committees;
- review of the compensation and benefits of corporate officers prior to their submission to the Shareholders' Meeting of 26 April 2024 for approval;
- review of the compensation of the members of the Executive Management Committee and Board members ;
- implementation, for certain employees, of the 2024–2027 long term incentive plan (LTIP in cash through phantom shares) ;
- annual review of the terms and conditions of agreements concluded within the Group;
- review of the Internal Regulations of the Supervisory Board.

General Shareholders' Meeting of 26 April 2024:

- review of the Company and Group management report approved by the Management Board;
- proposed allocation of profits for the year ended 31 December 2023;
- approval of the corporate governance report;
- review of the financial delegations in force;
- more generally, examining the agenda and the draft text of the resolutions submitted to the Shareholders' Meeting for approval, as drawn up by the Management Board;
- review of voting results at the Shareholders' Meeting.

Other activities:

- authorisation granted to the Management Board to issue sureties, endorsements and guarantees;
- review of the Group's performance in terms of sustainability indicators, in the light of the targets set;
- review of the innovation projects of the Climate, Durability and Innovation Committee (formerly named the "CSR and Innovation Committee");
- monitoring the objectives of the 2023-2027 strategic plan;
- the appointed of KPMG SA and Forvis Mazars as Statutory Auditors tasked with certifying consolidated sustainability information;
- approval of the 2025 budget.

2.2.4 Specialised Supervisory Board committees

The Board has created three specialised Committees to assist with its deliberations. These Committees are responsible for presenting proposals, recommendations and opinions, as the case may be, in their area of expertise, to the Supervisory Board. Their tasks and duties do not divest the Management Board or the Supervisory Board of their powers, these Boards alone having decision-making powers in their respective areas. Each of the Committees has Internal Regulations setting out the rules to be applied in conducting their work.

The Committee members are chosen by the Supervisory Board from among its members, on proposal by the Nomination, Compensation and Governance Committee, in particular consideration of their skills. The office of the members of the specialised committees coincides with that of their office as members of the Supervisory Board. Each Committee appoints its Chairman, after consulting with the Nomination, Compensation and Governance Committee. The Secretariat duties for committee meetings may be performed by any person designated by the Chairman of the committee or with the Chairman's approval.

Meetings of the committees are called by their Chairman or their secretary and the members may conduct meetings in person or by video or telephone conferencing under the same terms and conditions as the Board, provided at least half of their members are present.

Minutes must be drawn up for every committee meeting. The Chairman of the Committee in question, or, in their absence, another member designated for that purpose, reports to the next Supervisory Board meeting on the work of the Committee.

Furthermore, "*ad hoc*" Committees working on specific projects may be established at the Supervisory Board's decision after consulting and obtaining recommendations from the Nomination, Compensation and Governance Committee.

The descriptions below present the main tasks and duties of these Board Committees as set out in their Internal Regulations.

2.2.4.1 Audit, Risks and Compliance Committee

2.2.4.1.1 Composition and operation

At the date of publication of this Document, this Committee is composed as follows:

Member	Role	Independence
Marine Charles	Chair	
Sabine Roux de Bézieux	Member	√
Didier Michaud-Daniel	Member	√

Marine Charles was appointed as Chair of the Audit, Risks and Compliance Committee on 12 December 2024, replacing Françoise Leroy, who resigned. Didier Michaud-Daniel was appointed as a member of the Audit, Risks and Compliance Committee on 12 December 2024. Julien Deconinck resigned from the Audit, Risks and Compliance Committee on 12 December 2024.

The members of this Committee are chosen on the basis of their expertise in financial and/or accounting matters, as presented in Section 2.2.3.4 and 2.2.3.5.

At the date of publication of this Document, the proportion of independent members on this Committee was two-thirds and did not include any executive corporate officer, in accordance with the Committee's Internal Regulations and the recommendations of the Afep-Medef Code.

This Committee meets as often as necessary and, in any event, at least twice a year in connection with the preparation of annual and half-year financial statements. The meetings are held prior to the Supervisory Board meeting and, where possible, at least two days prior to that meeting when the Committee's agenda includes the review of annual and interim financial statements.

2.2.4.1.2 Duties

The Committee is responsible for monitoring the preparation and auditing of accounting, financial and extra-financial information, particularly sustainability information, as well as for ensuring the effectiveness of risk monitoring and internal control procedures to facilitate the Supervisory Board's review and approval thereof.

The Committee's Internal Regulations set out its main duties as follows:

Regarding financial information and sustainability information:

- monitoring the process of preparing financial and extra-financial information (particularly sustainability information, and also company and consolidated annual or half-year financial statements) accompanied by a presentation of the Company's significant off-balance sheet commitments and the accounting options retained;
- monitoring the efficacy of the internal control, internal audit and risk management systems relating to financial and accounting information and, in particular, sustainability information.

Regarding risk management and compliance:

- regular review of risk mapping;
- regular review of the functioning of the risk-management and internal-control systems;
- monitoring the Group's exposure to the key risks, including those of a social and environmental nature;
- review and follow-up of the systems put in place within the Group regarding compliance.

Regarding the Statutory Auditors:

- monitoring the statutory audit of the company and consolidated financial statements by the Company's Statutory Auditors;
- monitoring the independence of the Statutory Auditors;
- the tracking of the progress of their certification assignment by the Statutory Auditors tasked with certifying sustainability information;
- the tracking of the independence of the Statutory Auditors tasked with certifying sustainability information.

In performing its duties, the Committee may ask the Management Board to provide it with any information it requires. Subject to having notified the Chairman of the Management Board or the Management Board itself beforehand, the Committee may also make contact with the Group's senior executives and/or request external technical studies on issues within the scope of its competency, in which case it must report to the Supervisory Board and the Management Board. The Committee may thus hear the Statutory Auditors of the Company and Group companies, the financial, accounting and treasury officers and the Head of Internal Audit. At the Committee's discretion, these hearings may be held without the presence of the members of the Management Board.

The Committee regularly reports to the Supervisory Board and informs it without delay of any difficulties that it encounters.

2.2.4.1.6 Activities over the 2024 financial year

	2024	2023
Number of meetings	5	5
Mean attendance rate	100%	93.3%

In 2024, the work of this Committee included the following:

Financial Information:

- review of the (company and consolidated) annual financial statements for the year ended 31 December 2023;
- review of the management report of the Management Board;
- review of the operating income, exceptional items, the financial and tax result, balance sheet changes, the cash flow performance and the Group's debt position;
- review of quarterly information as of 31 March 2024 and as of 30 September 2024;
- review of the half-year consolidated financial statements for the period ended 30 June 2024;
- review of press releases relating to financial information.

Risk management and compliance:

- review of the implementation of the 2023 internal audit plan and the results of completed internal audit assignments;
- review of the 2024 internal audit plan;
- review of major risks and disputes;
- editorial review of the 2023 Registration Document relating to internal control and risk management;
- review of the results of internal audit self-assessment campaigns carried out in 2024;
- progress review of compliance programmes established within the Company (including Sapin II, competition, international sanctions);
- progress review of mitigation measures for significant risks such as health and safety risks, cyber attacks, fiscal risks and international sanctions;
- review of the risk mapping update;
- procedure for ensuring compliance with the CSRD.

Current and future regulations:

- annual review of the Audit Charter focusing on services other than certification of the financial statements.

2.2.4.2 Nomination, Compensation and Governance Committee

2.2.4.2.1 Composition and operation

At the date of publication of this Document, this Committee is composed as follows:

Member	Role	Independence
Didier Michaud-Daniel	Chairman	√
Nicolas Deconinck	Member	
Sabine Roux de Bézieux	Member	√

Sabine Roux de Bézieux was appointed as member of the Nomination, Compensation and Governance Committee on 12 December 2024, replacing Françoise Leroy, who has resigned.

Committee members are chosen based on their skills in the areas of corporate governance, human resources and/or compensation of executive officers of listed companies.

At the date of publication of this Document, this Committee is composed primarily of independent members in line with Afep-Medef Code recommendations.

This Committee meets as often as necessary and, in any event, at least once a year, prior to the Supervisory Board meeting called to decide on the status of its members based on the independence criteria adopted by the Company and, in any event, in advance of any Supervisory Board meeting called to decide on the terms of office of members of the Supervisory Board and Management Board, the allocation of compensation to members of the Management Board or the distribution of compensation allocated to Supervisory Board members for their office.

2.2.4.2.2 Duties

The principal task of the Committee is to assist the Supervisory Board with the composition of the governing bodies of the Company and the Group and to determine and regularly assess all the compensation, benefits and/or indemnities awarded to Group managers.

The Committee's Internal Regulations set out its main duties as follows:

Regarding the operation and composition of the Group's management and control bodies:

- establishment of a diversity policy within the Supervisory Board and monitoring of its implementation;
- proposals for the nomination of independent members of the Supervisory Board and of its committees and assessment of applications for non-independent Supervisory Board members;
- proposals for the nomination of members of the Management Board, corporate officers and senior executives within the Group (in accordance with the recommendations of the Afep-Medef Code, the Chairman of the Management Board is involved in these Committee activities);
- annual assessment of the independence of Supervisory Board members;
- annual assessment of Supervisory Board operations.

Regarding the compensation for Group corporate officers and senior executives:

- review and proposal to the Board concerning the compensation distribution method;
- examination and proposal to the Board concerning all the elements and conditions associated with compensation for executive corporate officers and senior executives of the Group (the compensation policy for managers is established with reference to positions in comparable companies);
- review of any exceptional compensation for exceptional assignments entrusted by the Supervisory Board to any of its members.

Concerning governance:

- preparation and monitoring of a succession plan for members of the Management Board as well as for the Group's senior executives;
- review of the draft corporate governance report to be approved by the Supervisory Board.

2.2.4.2.6 Activities over the 2024 financial year

	2024	2023
Number of meetings	3	4
Mean attendance rate	87.50%	100%

In 2024, the work of this Committee included the following:

The Management Board and the Group's senior executives:

- review of the performance of managers and their compensation;
- review of short and long term performance conditions and their achievement;
- review of succession plans for senior executives and key appointments and recruitment;
- examination of the diversity and feminisation of governing bodies;
- review of the analysis of voting on "Say on Pay".

The Supervisory Board:

- annual assessment of the independence of Supervisory Board members;
- review of the offices and profiles of the Supervisory Board members whose offices are coming to an end;
- review of the Board composition and the diversity approach;
- review of the Internal Regulations of the Supervisory Board.

General Shareholders' Meeting of 26 April 2024:

- preparation and review of the "Say on Pay" resolutions to be put to the vote by shareholders at the Shareholders' Meeting of 26 April 2024;
- review of the corporate governance report.

2.2.4.3 Climate, Durability & Innovation Committee

2.2.4.3.1 Composition and operation

On 24 October 2024, the Supervisory Board decided to rename the CSR & Innovation Committee as the “Climate, Durability and Innovation Committee”.

At the date of publication of this Document, this Committee is composed as follows:

Member	Role	Independence
Sabine Roux de Bézieux	Chair	√
Nicolas Deconinck	Member	
Tina Mayn	Member	

The members of this Committee are chosen based on their skills in the area of Corporate Social Responsibility (CSR).

At the date of publication of this Document, the proportion of independent members on this Committee was one third, with the Committee Chair being independent.

2.2.4.3.2 Duties

The task of the Climate, Durability and Innovation Committee is to examine the different parts of the Group’s CSR policy.

In this context, the Internal Regulations of the Committee state that its main task is to examine:

- the main risks and opportunities for the Group in terms of social, societal and environmental matters;
- issues relating to CSR within the Group strategy and divisions;
- the Group’s commitments in terms of CSR;
- the ethical questions that the Audit, Risks and Compliance Committee may decide to raise;
- the *reporting*, assessment and control systems to enable the Group to produce efficient, consistent extra-financial information;
- the main lines of communication with shareholders and other CSR stakeholders; in this regard, they validate the Sustainability Report section of the Universal Registration Document.
- the ratings obtained by the Group from extra-financial rating agencies or independent certification or labelling organisations;
- the medium and long-term strategic direction and options taken by the Group in terms of innovation;
- product and process developments likely to affect the Group’s strategic and industrial direction and options, as well as the positioning of other players in these areas;
- progress on the major associated roadmaps.

2.2.4.3.3 Activities over the 2024 financial year

	2024	2023
Number of meetings	2	2
Average attendance rate	100%	83.3%

In 2024, the work of this Committee included the following:

- the progress of carbon footprint reduction measures;
- the expected regulatory developments;
- the Circular Economy programme;
- Group communication on environmental responsibility matters;
- the compliance programme related to the “Due Diligence” law;
- analysis and implementation of the CSRD and the sustainability report for the aspect related to the environment;
- the progression of the innovation portfolio;
- the innovative product launch programme.

Within the strict context of its duties, the Climate, Durability and Innovation Committee may contact members of the Management Board and the key executives of the Company after notifying the Chairman of the Management Board, with the obligation of reporting to the Supervisory Board and the Management Board. The Climate, Durability and Innovation Committee may also commission external technical studies on issues within the scope of its competency, at the expense of the Company and within the limits of an annual budget which may be decided upon by the Supervisory Board, after notifying the Chairman of the Management Board or the Management Board itself, with the obligation of reporting to the Supervisory Board and the Management Board.

2.2.5 Group Executive Management Committee

Group Executive Management Committee composition

At the date of publication of this Document, the Group Executive Management Committee was made up of 9 members (including members of the Management Board), 11% of whom were women, and four different nationalities. Its composition was as follows:

Members[1]	Nationality	Age	Position
Fabrice Barthélemy	French	57	Chairman of the Management Board
Raphaël Bauer	French	45	Member of the Management Board and Group Chief Financial Officer
Eline Cormont-Girardey	French	42	Group Legal Director
Hervé Legrand	French	57	Group Information Systems Director
Arnaud Marquis	French	54	Group Sustainable Development and Innovation Director
Slavoljub Martinovic	Serbian	54	Chairman, Tarkett EMEA and LATAM
Stanislav Mitrović	Serbian and Russian	48	Chairman, Tarkett Eastern Europe and APAC (Asia Pacific)
Eddy Schmitt	French and American	53	Chairman of Tarkett Sports
Winn Everhart	American	47	Chairman of Tarkett North America

[1] *Carine Vinardi, Group R&D and Operations Director, left the Group's Executive Management Committee during the first quarter 2024. Séverine Grosjean, Group Director of Human Resources and Communications, left the Group's Executive Committee during the second quarter of 2024. Eric Dalière, Chairman of Tarkett North America and Tarkett Sports, left the Group's Executive Committee during the third quarter of 2024.*

Meetings

The Group's Executive Committee meets monthly to review the Group's operational and financial performance and to discuss strategic projects and business operations of the Group.

Policy on diversity and non-discrimination within the Group

Particular attention is placed on respecting the diversity of the teams within the Group's governing bodies. In this context, the Management focus particularly on gender parity in the internal and external recruitment process of senior executives.

In addition, given the fact that the Group has branches all over the world, preference is given to the recruitment of international employees with international professional experience. The Group pursues objectives established by the regulations of the Afep-Medef Code concerning parity within the governing bodies and has introduced objectives and action plans which are reviewed each year by the Nomination, Compensation and Governance Committee and the Supervisory Board.

Furthermore, in its concern to digitise the HR department to promote the balanced management of internal mobility, the identification and development of talents and performance, the Group implemented a worldwide human resources information system to ensure consistency in the personal development and career advancement of all its employees.

2.3 Compensation

The Company, which refers to the Afep-Medef Code, seeks to constantly improve the quality of information relating to the compensation of its corporate officers.

This section, established by the Supervisory Board at the recommendation of the Nomination, Compensation and Governance Committee, describes the compensation policy concerning corporate officers as well as compensation elements and all kinds of social benefits granted during or allocated for the period ending 31 December 2024 for all corporate officers.

2.3.1 Information concerning compensation paid or allocated to the members of the Management Board

The tables below show in particular the details of the compensation paid or allocated to the members of the Management Board during or in respect of the 2024 financial year.

The components of Fabrice Barthélemy's compensation within his capacity as Chairman of the Management Board for the 2024 financial year were established in accordance with the compensation policy approved by the Combined Shareholders' Meeting of 26 April 2024 in the framework of its 10th resolution.

Raphaël Bauer does not receive any compensation in his capacity as a member of the Management Board. The components of Raphaël Bauer's compensation for the 2024 financial year detailed below are those provided for in his employment contract. These elements were established in accordance with the compensation policy approved by the Shareholders' Meeting of 26 April 2024 within the framework of its 11th resolution.

Table 1 - Summary Table of Compensation and options and shares granted to each Member of the Management Board

(in euros)	**2024 financial year**	**2023 financial year**
Fabrice Barthélemy, Chairman of the Management Board		
Compensation allocated for the financial year *(gross before tax)*	1,617,456	2,051,681
Valuation of stock options granted during the year	N/A	N/A
Valuation of performance-based shares granted during the year	N/A	N/A
Valuation of other long-term compensation plans	N/A	N/A
Total	**1,617,456**	**2,051,681**
Raphaël Bauer, member of the Management Board (1)		
Compensation allocated for the financial year *(gross before tax)*	525,524	541,061
Valuation of stock options granted during the year	N/A	N/A
Valuation of performance-based shares granted during the year	N/A	N/A
Valuation of other long-term compensation plans	N/A	N/A
Total	**525,524**	**541,061**

(1) *It is recalled that Raphaël Bauer does not receive any compensation for his office as member of the Management Board. The elements communicated are those provided for in his employment contract for his duties as Group Chief Financial Officer.*

Table 2 - Summary table of compensation of each Management Board member

	2024		2023	
(in euros)	**Amount allocated (gross before tax)**	**Amount paid (gross before tax)**	**Amounts allocated (gross before tax)**	**Amounts paid (gross before tax)**
Fabrice Barthélemy, Chairman of the Management Board				
Fixed compensation(1)	700,000	700,000	700,000	700,000
Annual variable compensation(2)	917,456	1,032,381	1,032,381	376,381
Exceptional compensation	-	319,300	319,300 (3)	-
Pension benefit(4)	-	-	-	-
Benefits in kind (Company car)	2,094	2,094	2,276	2,276
Total	**1,619,550**	**2,053,775**	**2,053,957**	**1,078,428**
Raphaël Bauer, member of the Management Board (5)				
Fixed compensation(1)	300,000	300,000	272,000	272,000
Annual variable compensation(2)(6)	225,524	204,861)	204,861	84,715
Exceptional compensation	-	64,200 (3)	64,200(3)	47,600(3)
Pension benefit(7)	-	-	-	-
Benefits in kind (Company car)	3,064	3,064	2,798	2,798
Total	**528,588**	**572,125**	**543,859**	**407,113**

(1) *Following the approval by the Shareholders' Meeting of 29 April 2022 for its 15th resolution, the annual fixed compensation of Fabrice Barthélemy, Chairman of the Management Board, amounts to 700,000 euros gross since 01 January 2022. The fixed compensation of Raphaël Bauer, member of the Management Board, amounted to 300,000 euros (gross) per year, since 01 January 2024 following the approval of the General Shareholders' Meeting help on 26 April 2024 in its 11th resolution.*

(2) *These amounts include the application of the CSR multiplier which led to a 2% reduction in variable compensation (equal to a reduction of 18,724 euros for the Chairman and 4,394 euros for members of the Management Board in 2024).*

(3) *In order to take into account the short-term priority of cash flow and debt control, an exceptional bonus has been proposed with targets for the first 6 months of 2023, in accordance with the compensation policies approved by the Combined Shareholders' Meeting of 21 April 2023 in its 12th and 13th resolutions.*

(4) *No annuity was paid/allocated to Fabrice Barthélemy in 2023 and 2024 as he is still carrying out his roles. Nevertheless, a provision for 479,876 euros was constituted for 2024 under the supplemental pension plan stipulated in Article L137-11-2 of the French Social Security Code.*

(5) *It is recalled that Raphaël Bauer does not receive any compensation within his capacity as a member of the Management Board. The elements communicated are those provided for by his employment contract for his position as Group Chief Financial Officer.*

(6) *The variable compensation of Raphaël Bauer includes the gross profit-sharing amount to which he is entitled as an employee, equal to 9,008 euros in 2023 for 2022, and 10,216 euros in 2024 for 2023.*

(7) *No annuity was paid/allocated to Raphaël Bauer in 2023 and 2024 as he is still carrying out his role. Nevertheless, an employer contribution of 14,838 euros was paid in 2024 under the defined contribution supplemental pension plan (PERO).*

Criteria for the variable compensation awarded to Management Board members

For the 2024 financial year, the variable compensation is linked to:

> The attainment of quantifiable economic objectives set within the framework of the budget approved by the Supervisory Board (**70%**):

For the Chairman of the Management Board:

- Adjusted EBITDA: 2024 target amount of 325.0 million euros - 40% weighting.
- Operational cash flow: 2024 target amount of 180.0 million euros - 30% weighting.

For the member of the Management Board:

- Budget adjusted EBITDA: 2024 target amount of 300.0 million euros - 40% weighting.
- Operational cash flow: 2024 target amount of 152.1 million euro - 30% weighting.

The operational cash flow and EBITDA objectives are allocated a coefficient of 0% to 200%.

> **30% for** the achievement of individual objectives, multiplied by a coefficient of 0% to 100%.

The individual objectives of the Chairman of the Management Board related in particular to

- implementation of the strategic plan, with a particular emphasis on the EMEA and Sports divisions
- implementation of a new leaner and more agile corporate model
- preparation for the debt refinancing in 2026-2027
- progression of compliance and the CSR roadmap.

Raphaël Bauer's individual objectives related in particular:

- to develop the finance function
- to identify and deploy actions to over-perform the 2024 budget
- to identify and deploy strategic options
- to improve forecast quality
- to contribute to the deployment and efficiency follow-up of the New Operating Model
- to simplify and digitalize internal control.

> A CSR multiplier was also introduced in 2024 in accordance with the 13th and 14th resolutions of the Shareholders' Meeting of 26 April 2024. This multiplier applies to the short-term variable of the Chairman of the Management Board and the member of the Management Board, which may reduce or increase. As a result:

- If at least one of the objectives is not achieved, the payment of the short-term variable is 98%.
- If all 3 targets are met, the short-term variable is paid at 105%.
- If all 3 objectives are met and at least one of them outperforms, the short-term variable is paid at 110%.

The table below summarises the attainment of variable compensation criteria applying to Fabrice Barthélemy and Raphaël Bauer:

2024 Group Criteria	Reference	Minimum	Target (100% achieved)	Maximum	Achievement rate for 2024[1]	Achievement rate for 2024[2]
Quantifiable criteria						
Consolidated adjusted EBITDA	(See above)	0%	40%	80%	113%	141%
Operating cash flow	(See above)	0%	30%	60%	200%	200%
Sub-total quantifiable criteria		**0%**	**70%**	**140%**	**150%**	**166%**
Qualitative criteria	(see details in 2.3.5)	0%	30%	30%	See table below	
Total		**0%**	**100%**	**170%**		

[1] Applicable to the Chairman of the Management Board

[2] Applicable to member of the Management Board

The table below provides a breakdown of the individual performance goals achieved and the overall level of achievement for the purposes of the variable compensation:

	Variable compensation target as a % of fixed compensation	2024 achievement rate as a % of the target		Variable compensation due for 2024 as a % of fixed compensation
		Quantifiable criteria (70%)	Qualitative criteria (30%)	
Fabrice Barthélemy	100%	150%	95%	134%
Raphaël Bauer	50%	166%	100%	73%

The table below details the achievement of the CSR multiplier criteria.

Criteria	Goal 2024	Overperformance 2024	Achieved 2024
Safety (FR1t)	**2.43**	**2.24**	**2.10**
GHG (kg of CO_2/m^2 of finished product)	**5.87 (-2%)**	**5.84 (-2.5%)**	**5.92 (-2.4%)**
Diversity (% of female directors and executives)	**27,10%**	**28,50%**	**26,74%**

Performance-related shares acquired and awarded to Management Board members in 2024

No performance shares of Tarkett were acquired during the financial year by the two members of the Management Board.

No performance shares of Tarkett were awarded during the financial year for the two members of the Management Board.

Performance shares of Tarkett Participation (1) that became available during the year for each member of the Management Board

25% of the ordinary shares and preference shares of Tarkett Participation under the Tarkett Participation's investment and performance share plan became available on 21 October 2024.

Name of Company Officer	Number of ordinary shares definitively vested during 2024	Number of preference shares definitively vested during 2024
Fabrice Barthélemy	164,836	285,000
Raphaël Bauer	35,964	57,000
Total	**200,800**	**342,000**

(1) Company controlling Tarkett and included in the scope of consolidation within the meaning of Article L. 233-16 of the French Commercial Code. In the context of the simplified tender offer of Tarkett Participation closed in July 2021, the members of the group presenting the offer agreed, in the investment agreement concluded between them, to launch a cash investment and performance-related and bonus share allocation plan after the offer within Tarkett Participation for the benefit of members of the Management Board (as described in Section 1.3.3 of the Tarkett Participation information note signed by the AMF no. 21-208 dated 08 June 2021). In addition to an investment by the beneficiaries in Tarkett Participation ordinary shares, these plans include an exceptional allocation, as shown in the table above, (i) of Tarkett Participation ordinary shares, subject to attendance conditions and gradual acquisition by tranche of 25% per year for 4 years and (ii) Tarkett Participation preference shares subject to the same attendance conditions by tranche, granting their holders pecuniary rights in the event of a "Withdrawal" (defined as the initial public offering of Tarkett Participation, the transfer by Wendel of its interest or an event after which the SID would no longer control Tarkett Participation) or the liquidation of the company based on a preference share value dependent on the global investment multiple noted on that occasion ("Project Multiple").

Table 6 - Performance shares awarded during the financial year to each member of the Management Board by the issuer and by any Group company (AMF classification)

No Tarkett performance shares were allocated during the financial period to the two members of the Management Board.

In 2024, the member of the Management Board received an allocation on top of the 2021 allocation of preference shares in Tarkett Participation.

Name of Company Officer	Number of shares Allocated in the financial period	Value of the shares according to the method used for the consolidated accounts (in €)	Acquisition date	Availability date	Performance conditions
Tarkett Participation 2024 plan (1)					
Raphaël Bauer	152,000 Tarkett Participation preference shares (1)	259,920	31/07/2025 31/07/2026	31/07/2026 31/07/2026	Attendance conditions with gradual acquisition by tranche of 50% per year for 2 years. Pecuniary rights of shareholders in the event of a "Withdrawal" or liquidation of the company dependent on the fulfilment of a "Project Multiple"
Total		259,920			

(1) *Company controlling Tarkett and included in the consolidation structure within the meaning of Article L.233.-16 of the French Commercial Code In the context of the simplified tender offer of Tarkett Participation closed on 15 July 2021, the members of the group presenting the offer agreed, in the investment agreement concluded between them, to launch a cash investment and free allocation programmes for performance and ordinary shares after the offer within Tarkett Participation, namely for members of the Management Board (as described in Section 1.3.3 of the Tarkett Participation information note signed by the AMF no. 21-208 dated 08 June 2021). Tarkett Participation preference shares, as described in Section 2.3.4 below, are subject to an attendance condition and grant their holders pecuniary rights in the event of a "Withdrawal" (defined as the initial public offering of Tarkett Participation, the disposal by Wendel of its participation or an event after which SID would no longer control Tarkett Participation) or the liquidation of the company based on a preference share value dependent on the global investment multiple noted on that occasion ("Project Multiple").*

Management Board member benefits

Table 11 - Employment contracts, pension payments, severance payments for members of the Management Board (AMF classification)

Members of the Management Board	Employment Contract	Supplemental Pension Plan	Severance or other benefits due or likely to become due as a result of termination or change of office	Payments under a non-compete clause
Fabrice Barthélemy - Chairman of the Management Board Start of office: 23/05/2008(1) End of office: 24/10/2025	No	Yes	Yes	Yes
Raphaël Bauer - Member of the Management Board and Chief Financial Officer Start of the office: 01/05/2019 End of office: 24/10/2025	Yes	Yes	No	Yes

(1) *Start date for the office as a member of the Management Board.*

2.3.2 Information concerning items of compensation paid or allocated to the members of the Supervisory Board and its Chairman

The overall compensation package to be paid to members of the Board was set by the Shareholders' Meeting held on 26 April 2024 at a fixed total amount of 650,000 euros effective 01 January 2024.

The total gross amount actually paid to all the members of the Supervisory Board during the financial year ended 31 December 2024 stood at 515,910 euros, equivalent to 79.37% of the overall compensation package approved by the Shareholders' Meeting. It has been distributed between the members of the Board in accordance with the Internal Regulations of the Board and according to the following criteria approved for the financial year ended 31 December 2024:

Amount of compensation by office held

Position	Annual base *(in euros)*
Chairman of the Supervisory Board	160,000(1)
Vice-Chairman of the Supervisory Board	10,000(2)
Supervisory Board member (excluding members representing employees)	35,000
Chairman of a specialised Committee (except for the Climate, Durability and Innovation Committee)	15,000(3)
Member of a specialised Committee (except for the Climate, Durability and Innovation Committee)	7,000
Chairman of the Climate, Durability & Innovation Committee	5,000(3)
Member of the Climate, Durability & Innovation Committee	2,000
Penalties applied in the event of absence	
Absence from a Supervisory Board meeting	3,000
Absence from a specialised Committee meeting	1,000

(1) *Total annual compensation received for the roles of Chairman and member of the Supervisory Board.*
(2) *Additional compensation to that received as a member of the Supervisory Board.*
(3) *Additional compensation to that received as a member of a Specialist Committee.*

The balance of the 650,000 euros package not used to compensate participation in Boards and specialised Committees may be shared between the Board members participating in these Committees on a non-permanent, *ad hoc* basis to analyse specific and major projects for the Group introduced at the decision of the Board. The amount to be paid in this regard, distributed in proportion to the number of meetings and the time allocated, is decided by the Supervisory Board on proposal by the Nomination, Compensation and Governance Committee.

In addition, the manner in which compensation is distributed between the members of the Supervisory Board (including compensation of the Chairman and Vice Chairman) can be adjusted by the Board in the event of a change in composition or to take work loads and responsibilities into account.

It should be noted that the amounts allocated are calculated on a *pro rata* basis according to the length of the office during the financial year and that the Observers and Supervisory Board members representing employees do not receive any compensation in respect of their office.

The table below presents the compensation elements paid and allocated to members of the Supervisory Board during the financial years ending 31 December 2023 and 2024 on account of their corporate office, in accordance with the compensation policy.

Table 3 - Summary of the compensation paid to each Supervisory Board member (AMF classification) (in Euro)

Supervisory Board members	**Gross amounts allocated for FY 2024**	**Gross amounts allocated for FY 2023**
Eric La Bonnardière - *Chairman of the Supervisory Board*		
Compensation awarded for the office held	160,000	105,000(6)(7)
Other remuneration	-	-
Julien Deconinck *Vice-Chairman of the Supervisory Board*		
Compensation awarded for the office held	48,803(1)	42,000
Other remuneration	-	-
Didier Deconinck		
Compensation awarded for the office held	14,262(2)	45,000
Other remuneration	-	-
Marine Charles		
Compensation awarded for the office held	35,000	40,685(8)
Other remuneration	-	-
Nicolas Deconinck		
Compensation awarded for the office held	43,120(3)	37,000
Other remuneration	-	-
Françoise Leroy		
Compensation awarded for the office held	47,913(4)	64,000
Other remuneration	-	-
Tina Mayn		
Compensation awarded for the office held	37,000	31,562(9)
Other remuneration	-	-
Didier Michaud-Daniel		
Compensation awarded for the office held	57,000	87,000(10)
Other remuneration	-	-
Sabine Roux de Bézieux		
Compensation awarded for the office held	49,000	45,000
Other remuneration	-	-
Marie Deconinck		
Compensation awarded for the office held	23,811(5)	-
Other remuneration		-

(1) *Julien Deconinck was appointed as Vice-Chairman of the Supervisory Board on 26 April 2024. His compensation as Vice-Chairman was calculated pro rata temporis from 26 April 2024.*

(2) *Didier Deconinck resigned from his roles on 15 February 2024, this resignation being effective as of 26 April 2024.*

(3) *Nicolas Deconinck was appointed as a member of the Nomination, Compensation and Governance Committee on 15 February 2024. Their compensation as member of the Nomination, Compensation and Governance Committee was calculated on a pro rata temporis basis from 15 February 2024.*

(4) *The compensation of Françoise Leroy was calculated on a pro rata temporis basis up until her resignation on 01 October 2024.*

(5) *The compensation of Marine Charles was calculated pro rata temporis from her appointment on 26 April 2024.*

(6) *Eric La Bonnardière perceived in 2023 compensation amounting to 35,000 euros for his contribution to the ad-hoc work of the Board in terms of strategy, exceeding 70,000 euros, which was due to him under his office as member and Chairman of the Supervisory Board.*

(7) *Since 26 July 2022, when he was appointed as a member of the Nomination, Compensation and Governance Committee, and at his request, Eric La Bonnardière has not received any compensation for this participation in this committee. He resigned on 15 February 2024.*

(8) *Compensation for Marine Charles was calculated pro rata temporis from 15 February 2023, the date of her appointment as a member of the Supervisory Board. Furthermore, for 2023, Marine Charles received compensation amounting to 10,000 euros for her contribution to the Board's ad-hoc work regarding strategic analysis, in addition to the 30,683 euros due to her for her position as Board member since 15 February 2023.*

(9) *The compensation for Tina Mayn was calculated pro rata temporis from 15 February 2023, the date of her appointment as a member of the Supervisory Board and member of the CSR and Innovation Committee.*

(10) *Didier Michaud-Daniel perceived, for 2023, compensation amounting to 30,000 euros for his contribution to the ad-hoc work of the Board in terms of strategy, exceeding 57,000 euros, which was due to him under his office as member of the Supervisory Board and as Chairman and member of the Nomination, Compensation and Governance Committee.*

2.3.3 Share subscription or purchase options

As of 31 December 2024, no members of the Management Board or the Supervisory Board held share subscriptions or purchase options and no plans of this nature are applicable.

2.3.4 Long-Term Incentive Plans (LTIP)

Until 2021, the LTIP were built on the principle of granting shares in the Company in respect of shares existing on the day of acquisition (or their cash equivalent).

Since the 2021 simplified tender offer, all the long term incentive plan implemented by the Company are exclusively paid in cash.

All plans are associated with performance- and presence-based conditions of the beneficiary during the plan period, i.e. 3 years. Since the 2020-2023 LTIP, two CSR criteria have been added (the reduction of greenhouse gases and the proportion of recycled materials in raw materials) each amounting to 10%.

The members of the Management Board do not benefit anymore from the LTIP of the Company since 2021.

They are however subject to an obligation to retain a number of shares in the Company allocated before 2021 of 50% for the Chairman of the Management Board and 33% for the member of Management Board representing as of today respectively 27,768 and 4,441 shares of Tarkett. It is specified that the rules of the plans concerned expressly provided that, in accordance with the recommendation of the Afep-Medef Code, the Management Board members must not resort to hedging instruments on their performance shares.

Long term incentive plan in cash implemented in 2024 and on-going long terme incentive plans :

As far as the 2024-2027 LTI plan (LTIP in cash through phantom shares) is concerned, the performance criteria are identical to the three previous plans, namely to achieve 80% of a theoretical value creation goal and, by 10% for each, the maintaining of the two CSR objectives: the reduction of greenhouse gases and the proportion of recycled materials in raw materials.

Regarding current plans, the potential "target" allocations are done on the basis of a theoretical part of the share capital as follows:

LTIP 2022-2025 (phantom shares)[1]	LTIP 2023-2026 (phantom shares)[1]	LTIP 2024-2027 (phantom shares)[1]
0.3%	0.3%	0.3%

[1] *The members of the Management Board do not benefit from theses plans.*

Over the 2024 financial year, the 2021-2024 LTIP plan unwound cash on the final allocation date provided for by the plan. The members of the Management Board did not benefit from this plan. The performance conditions applicable to this plan were as follows:

Plan	Criterion	Criterion weighting	Target performance condition
2021–2024 (in cash)	Theoretical value creation	80%	€515 million of theoretical value creation
	Reduction in greenhouse gases	10%	-22% equivalent tonnes of CO_2 vs 2019 (scopes 1 & 2)
	Proportion of recycled materials in raw materials	10%	18% in 2023

In July 2024, a total of 1,365,136 euros was definitively paid for this plan to all beneficiaries respecting the presence-based condition.

There are currently three LTIP in cash through phantom shares of the Company on-going whose performance is based on the attainment of several medium-term criteria according to the details below for plans in force as of 31 December 2024.

Plan	Criterion	Criterion weighting	Target performance condition
2022–2025 (in cash through phantom shares)	Theoretical value creation	80%	€163 million of theoretical value creation
	Reduction in greenhouse gases	10%	170,000 tonnes of CO_2 equivalent in 2024
	Proportion of recycled materials in raw materials	10%	19% in 2024
2023–2026 (in cash through phantom shares	Theoretical value creation	80%	811 million euros of theoretical value creation
	Reduction in greenhouse gases	10%	150,000 tonnes of CO_2 equivalent in 2025
	Proportion of recycled materials in raw materials	10%	20% in 2025
2024-2027 (in cash through phantom shares)	Theoretical value creation	80%	€732 million of theoretical value creation
	Reduction in greenhouse gases	10%	-41% equivalent tonnes of CO_2 vs 2019 (scopes 1 & 2)
	Proportion of recycled materials in raw materials	10%	21.5% in 2026

All these plans will be paid in cash on the vesting date, subject to performance and presence conditions.

Investment and performance share plan of Tarkett Participation :

It is reminded that an investment and performance share plan was implemented in 2021 by Tarkett Participation (company controlling Tarkett and included in the consolidation structure within the meaning of Article L. 233-16 of the French Commercial Code). In the context of the simplified tender offer of Tarkett Participation closed in July 2021, the members of the "*concert*" presenting the offer agreed, in the investment agreement concluded between them, to launch after the offer, an investment plan in cash and free allocation plan of ordinary and performance shares of Tarkett Participation to the benefit, among others, of members of the Management Board (as described in Section 1.3.3 of the Tarkett Participation information note signed by the AMF no. 21-208 dated 08 June 2021).

In addition to an investment by the beneficiaries in Tarkett Participation ordinary shares, these plans include an exceptional allocation (i) of Tarkett Participation ordinary shares, subject to attendance conditions and gradual acquisition by tranche of 25% per year for 4 years and (ii) Tarkett Participation preference shares subject to the same attendance conditions by tranche, granting their holders pecuniary rights in the event of a “Withdrawal” (defined as the initial public offering of Tarkett Participation, the transfer by Wendel of its interest or an event after which SID would no longer control Tarkett Participation) or the liquidation of the company based on the value of the preference shares dependent on the global investment multiple noted on that occasion (“Project Multiple”).

A complementary plan for prefered shares of Tarkett Participation was allocated in July 2024 to a more limited number of beneficiaries.

Lastly, the table below outlines the history of the LTIP in progress as of the publication date of this Document.

Table 9 - History of free share allocations (AMF classification)

There are no on-going free share allocation plan of Tarkett (the last 2020-2023 plan having been delivered to its beneficiaries in 2023).

The table below summarises the long-term cash incentive plans put in place by Tarkett since then:

	LTIP 2021-2024 Tarkett (whose valuation is not indexed to a capital instrument)	**LTIP 2022-2025** (in the form of phantom shares)	**LTIP 2023-2026** (in the form of phantom shares)	**LTIP 2024-2027** (in the form of phantom shares)
Shareholders's meeting date	N/A	N/A	N/A	N/A
Date of the Management Board decision	29 october 2021	4 november 2022	20 october 2023	2 september 2024
Total number of beneficiaries at allocation	183	193	186	185
Number of shares potentially allocated(1)	N/A	185,000 phantom shares, the consideration for which will be paid in cash	185,000 phantom shares, the consideration for which will be paid in cash	170,000 phantom shares, the consideration for which will be paid in cash
Target amount potentially allocated (Euro)	3,300,000	N/A	N/A	N/A
Number of shares allocated to (2)**:**				
Fabrice Barthélemy	N/A	N/A	N/A	N/A
Raphaël Bauer	N/A	N/A	N/A	N/A
Date of definitive acquisition	01 July 2024	01 August 2025	01 July 2026	01 July 2027
End date of retention period	N/A	N/A	N/A	N/A
Performance conditions	(3)	(3)	(3)	(3)
Number of shares vested as of the filing date for this Universal Registration Document	N/A	N/A	N/A	N/A
Cumulative number of cancelled or expired phantom shares	N/A	16,250	8,700	1,200
Cumulative cancelled or expired amount	N/A	N/A	N/A	N/A
Number of phantom shares remaining on 31 December 2024	N/A	139,925	168,700	164,225
Target amount remaining as of 31 December 2024	N/A	N/A	N/A	N/A

(1) The number of shares potentially allocated corresponds for Tarkett's LTIP to the overall budget approved by the Supervisory Board, on recommendation by the Nomination, Compensation and Governance Committee, and to a performance achievement of 100%, which may vary from 40% to 150% depending on the performance calculated.

(2) Allocations listed for Management Board members only.

(3) The performance conditions for current plans are set out above in Section 2.3.4.

The real distribution rate as compared with the target package was:

2019-2022 LTIP	**2020-2023 LTIP**	**2021-2024 LTIP (in cash)**
38%	75%	41%

The table below summarizes the investment and performance plan implemented by Tarkett Participation to which especially the corporate officers participate (This plan is described in Section 2.3.4).

	Plan 2021-2025 Tarkett Participation	Plan 2024 Tarkett Participation
Shareholder's Meeting date	N/A for Tarkett	N/A for Tarkett
Date of Management Board's decision	N/A for Tarkett	N/A for Tarkett
Total number of beneficiaries at allocation	63	36
Number of shares potentially allocated	3,687,513 Tarkett Participation ordinary shares 5,909,000 Tarkett Participation preference shares	2,757,280 Tarkett Participation preference shares
Target amount potentially allocated (Euro)	N/A	N/A
Number of shares allocated to [1]:		
Fabrice Barthélemy	659,345 Tarkett Participation ordinary shares 1,140,000 Tarkett Participation preference shares	N/A
Raphaël Bauer	143,857 Tarkett Participation ordinary shares 228,000 Tarkett Participation preference shares	152,000 Tarkett Participation preference shares
Date of acquisition of shares	25% on 21 October 2022 25% on 21 October 2023 25% on 21 October 2024 25% on 21 October 2025	50% on 31 July 2025 50% on 31 July 2026
End date of retention period	50% on 21 October 2023 25% on 21 October 2024 25% on 21 October 2025	31 July 2026
Performance conditions	Attendance conditions and fulfilment of a project multiple for preference shares	Attendance conditions and fulfilment of a project multiple for preference shares
Number of shares vested as of the filing date for this Universal Registration Document	1,467,917 Tarkett Participation ordinary shares 2,137,500 Tarkett Participation preference shares	N/A
Cumulative number of cancelled or expired shares	833,772 Tarkett Participation ordinary shares 1,144,750 Tarkett Participation preference shares	0
Cumulative cancelled or expired amount	N/A	N/A
Number of performance shares remaining on 31 December 2024	1,385,824 Tarkett Participation ordinary shares 2,626,750 Tarkett Participation preference shares	2,757,280 Tarkett Participation preference shares
Target amount remaining as of 31 December 2024	N/A	N/A

[1] Allocations listed for the Tarkett Management Board members only.

2.3.5 Principles and criteria constituting compensation packages of corporate officers

Fundamental principles

These principles have been established in compliance with the recommendations of the Afep-Medef Code, which the Company refers.

Care is taken to ensure that managers' compensation is competitive, adapted to the business strategy and environment and is intended to promote the business performance and competitiveness in the medium and long term by incorporating one or more criteria linked to Corporate Social Responsibility (CSR).

The following principles are taken into account and rigorously applied:

- **Exhaustivity**: All compensation items are included in the overall compensation assessment.
- **Balance between compensation items**: Each compensation item is motivated and corresponds to the corporate interest of the business.
- **Comparability**: Compensation is assessed in the context of a business line and the reference market, among other items.
- **Consistency:** The compensation of the executive corporate officer is determined in a manner consistent with that of the Company's other managers and employees.
- **Intelligibility of the rules**: The rules are simple, stable and transparent. The performance criteria used correspond to the Company's targets and are demanding, clear and as sustainable as possible.
- **Measure**: Care is taken to ensure that the determination of compensation items provides a fair balance and takes into account the corporate interest of the business, market practice and the performance of managers and other parties involved in the business.

The Company also respects the **principle of equality and non-discrimination** particularly through the equal treatment of men and women.

The Company has created its compensation policy in order to attract and retain talents. This policy is based on the following principles:

1. Base salaries are in line with market practices, in order to ensure that the Company remains competitive and attractive. This position is regularly measured through compensation surveys conducted by specialised firms using a benchmark of comparable companies in France.

2. Variable compensation based on annual objectives, in line with market practices, that reflect the Company's ambitious goals and expectations:
   - quantifiable criteria based on performance over the year as compared with budgetary commitments. These criteria (adjusted EBITDA and Operating Cash Flow) have been unchanged for over ten years;
   - qualitative criteria precisely defined each year and reflecting the Group's main challenges, and in particular those relating to Corporate Social and Environmental Responsibility (CSR);
   - which can be reduced or increased depending on the results of a CSR multiplier.

3. As mentioned above, the members of the Management Board do not benefit from long term remuneration scheme from Tarkett since 2021. They are however part of the investment and performance plan implemented in 2021 and 2024 by Tarkett Participation as described above Section 2.3.4.

4. Equal treatment of men and women, particularly in terms of compensation

Methods for determining and changing applied principles

The principles for determining the compensation to be paid to corporate officers are set by the Supervisory Board, on the recommendation of the Nomination, Compensation and Governance Committee. They will apply to any person holding a position as a corporate officer within the Company.

They are reviewed annually, taking into account the Group's strategic plan and any changes in regulations and good governance practices.

In accordance with Article L. 22-10-26 III of the French Commercial Code, the Supervisory Board, on the recommendation of the Nomination, Compensation and Governance Committee, may, in the event of exceptional circumstances, derogate from the application of the compensation policy during the financial year until the approval of the amended compensation policy by the next Annual Shareholders' Meeting, if such derogation is temporary, justified, in accordance with the company's interest and necessary to ensure the continuity or viability of the Company. These exceptional circumstances could result in particular from a significant change in the scope of responsibility of the corporate officers, a major event affecting the Company's markets and/or major competitors, a significant change in the Group's scope of consolidation following a merger, acquisition or divestment, or the creation or closure of a significant business or a change in accounting policy. It should also be pointed out that this exceptional adjustment must be communicated clearly and in detail so that the shareholders are able to reach a decision at the next Shareholders' Meeting.

2.3.5.1 Criteria constituting compensation for the Chairman of the Management Board

The compensation components for the Chairman of the Management Board are as follows:

- fixed annual compensation;
- annual variable compensation;
- long term compensation;
- loss of office payments;
- non-compete payments;
- a supplemental defined benefit pension plan governed by Article L. 137-11-2 of the French Social Security Code;
- contributions to a specific unemployment insurance policy for corporate officers;
- other components and benefits in kind.

Fixed annual compensation:

The fixed compensation of the Chairman of the Management Board compensates for the responsibilities attached to an executive position.

It is aligned with market practices, in order to ensure that the Company remains competitive and attractive. This positioning is measured through compensation surveys.

Following the approval by the Shareholders' Meeting of 26 April 2024 of its 10th resolution, the annual fixed compensation of Fabrice Barthélemy, Chairman of the Management Board, amounts to 700,000 euros gross. This compensation has been unchanged since 01 January 2022.

Annual variable compensation:

Annual variable compensation is designed to reward performance for the previous fiscal year. The payment of this variable component is subject to achievement of simple and measurable objectives (both quantifiable and qualitative) closely linked to the Group's objectives and regularly communicated to shareholders. Payment will be made no later than the month following the Shareholders' Meeting authorising the payment of this compensation for the previous year.

This variable compensation is composed of two objectives, the criteria of which are defined at the beginning of the financial year by the Board, on the proposal of the Nomination, Compensation and Governance Committee, as follows:

- Quantitative objectives representing 70% of the fixed annual compensation (in case of achievement of the quantifiable objectives) affected by a coefficient of 0% to 200%, so that it may represent up to 140% (in case of exceeding the objectives) of the fixed annual compensation, according to a linear progression;
- Qualitative objectives representing 30% of the annual fixed compensation (in case of achievement of qualitative objectives) affected by a coefficient of 0% to 100% so that it may represent up to 30% of the annual fixed compensation.

For the last fifteen years, the adjusted EBITDA and operational cash flow have been the key indicators for measuring this quantifiable component of the annual variable compensation. These key indicators may be supplemented by other relevant indicators in a given year. The weighting given to each of the criteria is decided by the Supervisory Board. The exact number set for each of the quantifiable criteria is strategic and economically sensitive information that cannot be made public.

Accomplishment of the objectives will be communicated once the performance analysis is complete.

The 2025 qualitative objectives of the Chairman of the Management Board include:

- Market share gains
- The financial and portfolio strategy
- Continuation and reinforcement of the ESG strategy

It should be pointed out that this variable compensation structure applies to other Group managers and executives.

As an exception, on the recommendation of the Nomination, Compensation and Governance Committee, the Supervisory Board proposed to set more demanding quantitative goals for the 2024 annual variable for the Chairman of the Management Board than those set for the other executives and managers of the Group.

A multiplier on the annual variable has been introduced since 2023 to increase the weighting of CSR criteria in the annual variable. This multiplier applies to the Chairman of the Management Board. It is based on three CSR objectives and leads to an increase or decrease in the amount of the bonus depending on the results achieved in relation to these CSR criteria.

At the time of publication of this Document, the Company plans to maintain the CSR multiplier for the 2025 variable.

Long term compensation:

Long term compensation of the President of the Management Board is exclusively based on the investment and performance plan implemented by Tarkett Participation in 2021 which the Management Board President benefits of (Cf. Section 2.3.4).

Supplemental Pension Plan:

Since 2022, the Chairman of the Management Board benefits from a supplemental defined benefit pension plan governed by Article L. 137-11-2 of the French Social Security Code.

The annual annuity rights are determined on the basis of an annual life annuity corresponding to 1% of his gross fixed and variable annual compensation paid in the year in question, depending on the rate of achievement of the performance conditions defined by the Supervisory Board. The 2025 performance condition approved by the Supervisory Board on 20 February 2025 upon the proposal of the Nomination, Compensation and Governance Committee is a minimum annual revenue for Tarkett of 2.5 billion euros on a like-for-like basis.

The annuity rights acquired annually are capped at 3% of the gross fixed and variable annual compensation paid in the year in question to the Chairman of the Management Board.

The annuity thus calculated is added to all retirement pensions or annuities (social security old-age pension, AGIRC-ARRCO supplemental pension, etc.), regardless of their amount, in compliance with the ceilings set out below.

Collective pension and health insurance plan:

The Chairman of the Management Board benefits from the collective pension scheme (death, incapacity, invalidity) and the mutual health insurance scheme set up by the Company under the same conditions as those applicable to all employees of the Group's French entities.

Civil liability insurance:

The Chairman of the Management Board benefits from the existing executive liability insurance within the Company.

Unemployment insurance:

The Chairman of the Management Board is covered by the GSC unemployment insurance for corporate officers (formula F70), which provides Fabrice Barthélemy with coverage in the event of termination of his corporate office.

Company car:

The Chairman of the Management Board has the use of a company car. The costs of insurance, maintenance and fuel for the vehicle (for its professional use) shall be borne by the Company.

Terms and conditions of cessation of office

Non-compete commitment:

In the event of termination of his duties, the Chairman of the Management Board is bound by a non-compete obligation for a period of two years. This non-compete obligation is accompanied by an indemnity equal to the gross fixed and variable compensation received by the Chairman of the Management Board in respect of his office during the 12 months preceding his departure, payable in 24 monthly instalments throughout the duration of the non-compete commitment.

It is pointed out that the Supervisory Board reserves the right to waive this clause within a reasonable time on the recommendation of the Nomination, Compensation and Governance Committee.

In accordance with the recommendations of the Afep-Medef Code referred to by the Company, no non-compete payment is due if, on departure, the Chairman of the Management Board has the opportunity to claim his pension rights in the short term, has claimed its pension rights or has reached the age of 65.

The non-compete payment is deducted from the severance payment, so that the total amount due for both does not exceed two years of the gross fixed and variable compensation received by the Chairman of the Management Board in the last 12 months of his term of his office.

Severance payment:

In the event of forced departure from the Group, the Chairman of the Management Board could receive a severance payment equal to two years of the gross fixed and variable compensation received in respect of his office during the 12 months preceding his forced departure.

This severance is due in the event of forced departure of the corporate officer, including, in particular, because of a change of control or a disagreement as to strategy, on the initiative of the Supervisory Board, regardless of whether the officer's term was terminated early or not renewed.

The payment of this allowance is conditional on the achievement of annual objectives defined by the Supervisory Board, on the proposal of the Nomination, Compensation and Governance Committee, and used to calculate the variable compensation. It is equivalent to the average performance achieved by the Chairman of the Management Board over the three calendar years preceding his departure. In this regard, since 2022:

- If the performance rate is less than 50%, the payment will be due at 50%. This minimum of 50%, except in the case of gross negligence, has been proposed by the Tarkett Supervisory Board in the context of significant uncertainties in the global economy which have a direct impact on the achievement of annual targets, and would apply to any forced departure.
- If the performance rate is between 50% and 100%, the severance payment is calculated in proportion to the amount of the performance rate (e.g. if the performance rate is equal to 90%, the severance payment is paid at 90% of its amount as defined in the first paragraph).
- If the performance rate is at least 100%, the severance payment is due in full.

No severance payment is due in the event of gross misconduct (defined wrongdoing of an extremely serious nature preventing any continuation of the corporate office) or serious misconduct (defined as wrongdoing of an extremely serious nature committed by an officer with the intention of harming the Company) or in the event that the Chairman of the Management Board has the possibility of claiming his pension rights in the near future.

In the event of the combined application of the severance payment and the non-compete payment, the total amount received by the Chairman of the Management Board in this respect shall be capped at two years' gross fixed and variable compensation received in respect of his office during the 12 months preceding his forced departure.

Non-solicitation clause:

The Chairman of the Management Board undertakes to refrain from soliciting, directly or indirectly, any employee or corporate officer of Tarkett in the 24 months following his departure from the Company.

Other compensation:

The Chairman of the Management Board does not receive any compensation for any office held within the Tarkett Group. He does not benefit either from deferred, multi-year or exceptional compensation, subject to the provisions of Section 2.3.5.

2.3.5.2 Criteria constituting compensation of Management Board members

Other members of the Management Board do not receive any compensation for their office.

The items communicated below **are those provided for** by the employment contract of Raphaël Bauer for his duties as **Group Chief Financial Officer**.

The characteristics of the employment contract binding Raphaël Bauer to the Company are as follows:

- contract term: open-ended contract;
- notice period: 3 months, in accordance with the collective labour agreement applicable to Company employees falling within the "Executives" category;
- conditions of revocation or termination: The terms and conditions for termination are those authorised under the prevailing regulations and laid down in the collective labour agreement applying to Company employees.

Fixed annual compensation:

Raphaël Bauer receives fixed annual compensation of 325,000 euros gross as of 01 January 2025.

Annual variable compensation:

Raphaël Bauer receives annual variable compensation of 50% of his annual fixed compensation. The payment of this variable compensation is conditional on the achievement of two objectives, the criteria of which are defined at the beginning of the financial year as follows:

- Quantitative objectives set out by the Board, on the proposal of the Nomination, Compensation and Governance Committee, representing 35% of the fixed annual compensation (in case of achievement of the quantifiable objectives) affected by a coefficient of 0% to 200% so that it may represent up to 70% (in case of exceeding the objectives) of the fixed annual compensation, according to a linear progression,
- Qualitative objectives set out by the Chairman of the Management Board and representing 15% of the annual fixed compensation (in case of achievement of qualitative objectives) affected by a coefficient of 0% to 100% so that it may represent up to 15% of the annual fixed compensation.

Raphaël Bauer's qualitative objectives for the year 2025 include:

- Review and follow-up of key strategic initiatives and market share development
- Optimization of cash flow generation
- Management of the Group's financing
- Development of the finance function, development of diversity and internal mobility
- Review of the Finance Department's IT tools and roll-out of projects aiming to boost its digitalisation

Accomplishment of the objectives will be communicated once the performance analysis is complete. Payment will be made no later than the month following the Shareholders' Meeting authorising the payment of this compensation for the previous year.

A multiplier on the annual variable has been introduced since 2023 to increase the weighting of CSR criteria in the annual variable. This multiplier applies to Management Board members. It is based on three CSR objectives and leads to an increase or decrease in the amount of the bonus depending on the results achieved in relation to these CSR criteria. At the time of publication of this Document, the Company plans to maintain this CSR multiplier for the 2025 variable.

Raphaël Bauer is also a beneficiary of Tarkett's profit-sharing agreement.

Long term compensation:

Long term compensation of the member of the Management Board is exclusively based on the investment and performance plan implemented by Tarkett Participation in 2021 and 2024 which the member of Management Board benefits of (cf. Section 2.3.4).

Supplemental defined contribution pension plan (Compulsory Retirement Savings Plan):

Raphaël Bauer benefits from a supplemental defined contribution pension plan (Compulsory Retirement Savings Plan) as of 01 January 2022 with up to 4% employer contributions and up to 2% employee contributions.

Collective pension and health insurance plan:

Raphaël Bauer benefits from the collective pension scheme (death, incapacity, invalidity) and the mutual health insurance scheme set up by the Company under the same conditions as those applicable to all employees of the Group's French entities.

Company car:

Raphaël Bauer has use of a company car. The costs of insurance, maintenance and fuel for the vehicle (for its professional use) shall be borne by the Company.

Termination conditions

Non-compete commitment:

Raphaël Bauer is bound by his employment contract to a non-compete obligation for a period of two years. This non-compete obligation is accompanied by an indemnity equal to the gross fixed and variable compensation received by Raphaël Bauer in respect of his employment contract during the 12 months preceding his departure, payable in 24 monthly instalments throughout the duration of the non-compete commitment.

It is pointed out that the Supervisory Board reserves the right to waive this clause within a reasonable time on the recommendation of the Nomination, Compensation and Governance Committee.

Other compensation:

Raphaël Bauer does not receive any compensation for any office held within the Tarkett Group. He will not benefit either from deferred, multi-year or exceptional compensation, subject to the provisions of Section 2.3.5.

2.3.5.3 Principles and criteria for compensation items of the Supervisory Board members and its Chairman

Principles

Based on the total amount approved by the Shareholders' Meeting, the Supervisory Board allocates an amount to its members, on proposal by the Nomination, Compensation and Governance Committee.

This overall amount is distributed among the members of the Supervisory Board based on their actual attendance at meetings of the Supervisory Board and of its specialised committees.

It is specified that under the Supervisory Board's internal regulations, the members of the Supervisory Board are required to use half of the compensation they receive each year for their offices as Supervisory Board members to acquire and hold at least 1,000 Tarkett shares.

Application

Since 2024, the total amount of compensation allocated annually to Board members has been 650,000 euros, and 79.37% of this annual budget was used in 2024.

The Supervisory Board decided to retain the overall amount for the annual budget of 650,000 euros, and to propose to the General Shareholders' Meeting called to adjudicate in 2025 on the financial accounts of 2024 that the budget be distributed as follows:

The distribution of the budget was implemented in the following manner:

- 160,000 euros will be paid to the Chairman of the Supervisory Board;
- each member of the Supervisory Board receives 35,000 euros annually (excluding the Chairman);
- an additional 17,000 euros a year will be paid to the Vice-Chairman;
  - a penalty of 3,000 euros is applied if a member fails to attend a duly convened meeting of the Supervisory Board;
- 7,000 euros a year will be paid to each member of the Nomination, Compensation and Governance Committee and the Audit, Risks and Compliance Committee;
- an additional 15,000 euros a year will be paid to the Chairmen of these two Committees;
- 2,000 euros a year will be paid to each member of the climate, durability and innovation Committee;
- an additional 5,000 euros a year will be paid to the Chairman of this Committee;
  - a penalty of 1,000 euros is applied if a member fails to attend a duly convened meeting of a specialised committee.

The balance of the budget for 650,000 euros not used to compensate participation in Boards and Specialised Committees may be shared between the Board members participating in these Committees on a non-permanent, *ad hoc* basis to analyse specific and major projects for the Group introduced at the decision of the Board. The amount to be paid in this regard, distributed in proportion to the number of meetings and the time allocated, will be decided by the Supervisory Board on proposal by the Nomination, Compensation and Governance Committee.

In addition, the Supervisory Board may feel that it would be legitimate not to apply the attendance condition to so-called “exceptional” meetings, i.e. to meetings convened at short notice, for reasons beyond the control of the Company, due to the urgency of decisions that must put for prior approval to the Supervisory Board and that have been brought late to the attention of the Company.

The allocated amounts will be calculated on a *pro rata temporis* basis according to the office during the period.

The manner in which compensation is distributed between the members of the Supervisory Board (including compensation of the Chairman and Vice Chairman) may be adjusted by the Board in the event of a change in composition or to take work loads and responsibilities into account.

Observers and members of the Supervisory Board representing employees

The observers and the member of the Supervisory Board representing employees do not receive any compensation for the offices they hold. However, all the expenses incurred for their duties as observers or members of the Supervisory Board representing employees will be reimbursed upon presentation of supporting documents.

2.3.6 Remuneration items paid or allocated during the financial year ended 31 December 2024

2.3.6.1 Compensation items paid or allocated to Fabrice Barthélemy during the financial year ended 31 December 2024

<table>
<tr><th>Remuneration items paid or allocated</th><th>Amount or accounting value submitted for approval <i>(in euros)</i></th><th>Comments</th></tr>
<tr><td>Fixed compensation</td><td>700,000</td><td>Amount owed (gross before tax)</td></tr>
<tr><td>Annual variable compensation</td><td>917,456</td><td>Compensation calculated for the period from 01 January 2024 to 31 December 2024, not yet paid.
As an exception, on the recommendation of the Nomination, Compensation and Governance Committee, the Supervisory Board proposed to set more demanding quantitative goals for the 2024 annual variable for the Chairman of the Management Board than those set for the other directors and managers of the Group.
<table>
<tr><th>Criterion</th><th>Minimum</th><th>target objective</th><th>maximum</th><th>degree of fulfilment</th></tr>
<tr><td>EBITDA</td><td>0</td><td>40%</td><td>80%</td><td>113%</td></tr>
<tr><td>OCF</td><td>0</td><td>30%</td><td>60%</td><td>200%</td></tr>
<tr><td>individual criteria</td><td>0</td><td>30%</td><td>30%</td><td>95%</td></tr>
</table>
The amount of the annual variable has been adjusted by the CSR multiplier introduced in 2023. The achievement of the multiplier led to a 2% decrease in the 2024 annual variable, the amount before application of the multiplier being 936,180 euros.</td></tr>
<tr><td>Exceptional compensation</td><td>0</td><td></td></tr>
<tr><td>Performance shares</td><td>0</td><td>No Tarkett performance shares were allocated to him in 2024. The Company does not allocate any share options.</td></tr>
<tr><td>Supplemental Pension Plan</td><td>0</td><td>Since 2022, the Chairman of the Management Board benefits from a supplemental defined benefit pension plan governed by Article L137-11-2 of the French Social Security Code, subject to performance conditions.
The annual annuity rights are determined on the basis of an annual life annuity corresponding to 1% of his gross fixed and variable annual compensation paid in the year in question.
No annuity was paid/allocated to Fabrice Barthélemy in 2024 as he is still in office. For information, the gross provision (excluding expenses) set aside by the Company for Fabrice Barthélemy in 2024 in this respect amounted to 479,876 euros.</td></tr>
</table>

Remuneration items paid or allocated	Amount or accounting value submitted for approval *(in euros)*	Comments
Severance payment	0	In the event of a forced departure from an office as corporate officer, the severance payment would equate to 2 years' of the gross fixed and variable compensation received by Fabrice Barthélemy in the 12 months preceding his forced departure from his office as Chairman of the Management Board. This payment is subject to a performance criterion that is measured by the level of achievement of the annual objectives serving to calculate the variable compensation. It is equivalent to the average performance achieved by Fabrice Barthélemy over the three calendar years preceding his departure as Chairman of the Management Board. If the performance rate is less than 50%, the payment will be due at 50%. If the performance rate is between 50% and 100%, the severance payment will be calculated in proportion to the amount of the performance rate. If the performance rate is at least 100%, the severance payment will be due in full. No severance payment would be due if Fabrice Barthélemy were to commit gross or serious misconduct or had the possibility of claiming his pension rights in the near future.
Non-compete payment	0	The non-compete payment would be equal to the gross fixed and variable compensation received by Fabrice Barthélemy in the twelve months prior to his departure from his office as Chairman of the Management Board, payable in 24 monthly instalments for the duration of the non-compete commitment. The Company reserves the right to waive the benefit of the non-compete clause. No non-compete payment will be paid on his departure if the Chairman of the Management Board has the possibility of invoking his pension rights within a short time frame or has reached the age of 65.
Valuation of benefits of all kinds	2,094	Company car

2.3.6.2 Compensation items paid or allocated to Raphaël Bauer during the financial year ended 31 December 2024

<table>
<tr><th>Compensation items for the financial year ended 31 December 2024</th><th>Amount or accounting value submitted for approval <i>(in euros)</i></th><th>Comments</th></tr>
<tr><td>Fixed compensation</td><td>300,000</td><td>Amount owed (gross before tax)</td></tr>
<tr><td>Annual variable compensation</td><td>215,308</td><td>Compensation calculated for the period from 01 January to 31 December 2024.
<table>
<tr><th>Criterion</th><th>Minimum</th><th>target objective</th><th>maximum</th><th>degree of fulfilment</th></tr>
<tr><td>EBITDA</td><td>0</td><td>40%</td><td>80%</td><td>141%</td></tr>
<tr><td>OCF</td><td>0</td><td>30%</td><td>60%</td><td>200%</td></tr>
<tr><td>Individual criteria</td><td>0</td><td>30%</td><td>30%</td><td>100%</td></tr>
</table>
The amount of the annual variable has been adjusted by the CSR multiplier introduced in 2023. The achievement of the multiplier led to a 2% decrease in the annual variable, the amount before application of the multiplier being 219,702 euros.</td></tr>
<tr><td></td><td>10,216</td><td>Profit-sharing paid in 2024 for 2023</td></tr>
<tr><td>Exceptional compensation</td><td>0</td><td></td></tr>
<tr><td>Performance shares</td><td>0</td><td>No Tarkett performance shares were allocated to him in 2024. The Company does not allocate any share options.</td></tr>
<tr><td>Supplemental Pension Plan</td><td>0</td><td>No annuity was paid/allocated to Raphaël Bauer in 2024 as he is still in office. For information, the gross amount (excluding expenses) paid by the Company into the Mandatory Retirement Savings Plan in 2024 amounted to 14,838 euros. In addition, he paid 7,419 euros in employee contributions.</td></tr>
<tr><td>Severance payment</td><td>0</td><td></td></tr>
<tr><td>Non-compete compensation</td><td>0</td><td></td></tr>
<tr><td>Valuation of benefits of all kinds</td><td>3,064</td><td>Company car</td></tr>
</table>

2.3.6.3 Compensation items paid or allocated to Eric La Bonnardière within his capacity as Chairman of the Supervisory Board during the period ended 31 December 2024

Compensation items for the financial year ended 31 December 2024	**Amount or accounting value submitted for approval** *(in euros)*	**Comments**
Fixed compensation	160,000	Amount owed (gross before tax)

Eric La Bonnardière was also a member of the Nomination, Compensation and Governance Committee from 26 July 2022 to 15 February 2024, but waived his entitlement to any compensation in this capacity.

2.3.7 Equity ratios between the compensation paid to the Chairman of the Management Board and of the Supervisory Board and the average and median compensation paid to employees

The following ratios have been calculated on the basis of fixed and variable compensation, incentives and benefits in kind due during the years in question.

Consideration of the amount of compensation owed began in 2020 to ensure that the variable amounts for a given year were aligned as far as possible with the economic and financial performances of that same year.

The ratios have also been calculated taking into account the LTIP allocated as well as the 2024 LTIP allocations under the investment and performance share plan of Tarkett Participation.

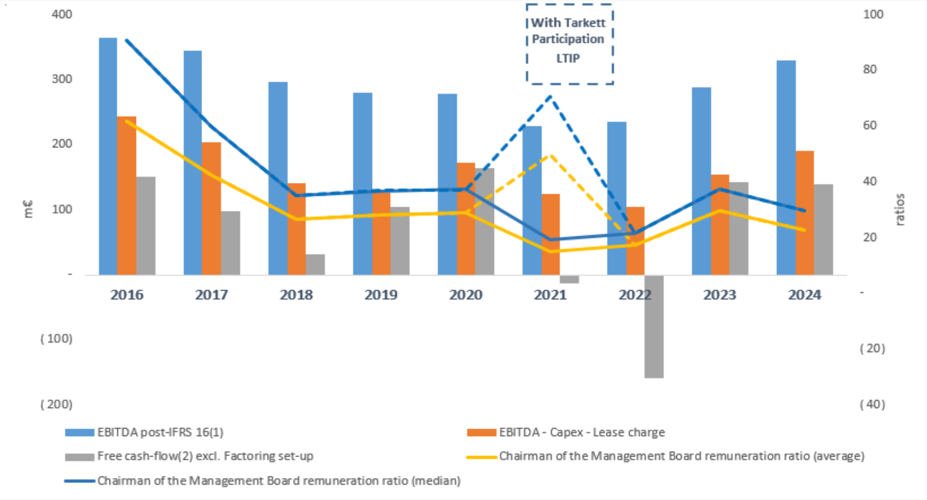
The average and median amounts have been calculated for all employees in France present throughout the whole of the year concerned, representing a broader scope than the one required by law.

	2020	2021	2022	2023	2024
Average salary France	62,205/61,615	63,945/70,226	62,480	69,198	71,515
Median salary France	47,903/47,372	49,274	50,406	54,990	54,216
Chairman of the Management Board					
Chairman of the Management Board compensation	1,794,646/ 1,775,479	952,810/ 3,489,210	1,078,681	2,053,957	1,619,550
Ratio based on average compensation	29	15/50	17	30	23
Ratio based on median compensation	37	19/71	21	37	30
Chairman of the Supervisory Board					
Chairman of the Supervisory Board compensation	85,000/63,000	70,000	70,000	105,000	160,000
Ratio based on average compensation	1.4/1.0	1.0	1.1	1.5	2.2
Ratio based on median compensation	1.8/1.3	1.4	1.4	1.9	3.0

With regard to the compensation ratios in 2020, the first amount on each line takes into account the theoretical basic compensation whilst the second amount includes reductions in compensation due to the COVID-19 pandemic. The ratios are comparable in both cases for the Chairman of the Management Board.

For the compensation ratios in 2021, the first amount on each line excludes allocation of free shares under the Tarkett Participation plan. The second amount on each line includes allocation of free shares under the Tarkett Participation plan.

Comparison between the changes in the compensation ratios concerning the Chairman of the Management Board and the company's financial performance



The adjusted EBITDA is the operating profit before depreciations and provisions for amortisations and subtraction of the following earnings and costs: restructuring costs intended to improve the Group's future profitability, capital gains and losses generated from significant asset transfers, provisions and reversals of provisions for loss of value, costs relating to business combinations and legal restructuring, expenses linked to compensation in shares and other one-off items considered by their nature to be non-recurrent.

Free cash flow is the operational cash flow before working capital variation, onto which the following encashments are added (or disbursements are redacted): Change in working capital requirement, repayment of lease liabilities, net interest received (paid), net income tax collected (paid), various operating items collected (disbursed), acquisition of intangible assets and property, plant and equipment, and proceeds (loss) from sale of fixed asset.

2.4 Employee savings plans and agreements

2.4.1 Profit-sharing and incentive agreements

Incentive schemes and profit-sharing agreements in place for many years within the Group companies in France, cover all French employees.

There are three principal profit-sharing agreements with their own calculation formulas, adjusted to the reality of each entity and taking into account financial criteria, as well as criteria relating to safety in the workplace and commitment to corporate social responsibility (CSR). The duration of each agreement is three years.

2.4.2 Company savings plans and similar schemes

The Group created a company savings plan on 29 June 2004 for a term of one year, renewable automatically. This plan offers employees, based in France, who have been with the Company for over three months the ability to allocate amounts paid to them immediately and in full to subscribe for shares in company investment funds (FCPE). In particular, this plan can receive amounts from an incentive scheme or profit-sharing agreement, as well as voluntary payments. In 2022, a Collection Pension Savings Plan was also set up for the benefit of certain companies in France, along with an Inter-company Savings Plan.

2.5 Corporate officers' transactions

The table below shows, for the period ended 31 December 2024, that no share acquisitions, disposals and exchanges, nor any transactions have been carried out with closely related financial instruments, that fall within the scope of Articles L.621-18-2 and R.621-43-1 of the French Monetary and Financial Code and Article 19 of (EU) Regulation No. 596/2014 of 16 April 2014 on market abuse and that have been subject to disclosure to the AMF over the financial year.

2.6 Other information

2.6.1 Declarations linked to corporate governance

2.6.1.1 Conflicts of interest

As of 31 December 2024 and on the date of publication of this Document, in addition to the elements set out in Section 2.2.3.7 and 2.6.2, there were no potential conflicts of interest between the duties of Management Board or Supervisory Board members vis-à-vis the Company and their private interests or other duties. In accordance with article 2.2 of the Internal Regulations of the Supervisory Board, each of its members has the obligation to inform it of any conflicts of interest, even if potential.

As of 31 December 2024 and on the date of publication of this Document, and subject to the provisions of Section 2.3.4 “Long Term Incentive Plans (LTIP)” and the rules relating to the prevention of insider trading and the recommendations of the Afep-Medef Code imposing a share retention requirement, and the provisions of the By-laws and Internal Regulations requiring Board members to hold 1,000 shares each during their office, no restrictions have been accepted by the members of the Management and Supervisory Boards concerning the transfer of their holdings in the Company’s equity capital.

2.6.1.2 Personal information relating to corporate officers

As of 31 December 2024 and the date of publication of this Document, to the Company’s knowledge there were no family relationships between the Company’s officers other than the fraternal relationship between Didier Deconinck (Vice-Chairman of the Supervisory Board until 26 April 2024) and Bernard-André Deconinck (Observer), and between these two members of the Board and Eric La Bonnardière (Chairman of the Supervisory Board), Nicolas Deconinck (Supervisory Board member), Julien Deconinck (Supervisory Board member and Vice-Chairman since 26 April 2024) and Marie Deconinck (member of the Board), their nephews and niece.

With the exception of the agreements described in Sections 2.2.3.7 and 2.6.2, there are no business ties between the members of the Supervisory Board and the Management Board, on the one hand, and the Company, on the other.

To the Company’s knowledge, over the course of the past five years:

- no corporate officer has been convicted of fraud;
- none of the corporate officers has been associated in any bankruptcy, receivership or liquidation;
- none of the company officers have been held guilty of an offence and/or had an official public sanction imposed by statutory or regulatory authorities (including designated professional bodies); and
- none of the aforementioned persons has ever been prevented by a court from acting as a member of an administrative, management, or supervisory body of an issuer, nor from being involved in the management or conduct of the business of an issuer.

2.6.2 Regulated agreements

2.6.2.1 Procedure for reviewing current and regulated agreements

On 13 February 2020, the Board adopted an internal Group charter for qualifying agreements subject to the regulated agreements procedure, thereby distinguishing them from agreements relating to ordinary transactions entered into under normal conditions and facilitating the Group's compliance with the legal requirements in this area, which provide for a regular assessment of the conditions under which the various agreements are entered into and an analysis of their qualification. This Policy was reviewed in advance by the statutory auditors and the Audit, Risks and Compliance Committee.

In addition to summarising the legislative and regulatory framework applicable to the different types of agreement likely to be concluded, this Policy sets out a procedure for regular review by the Supervisory Board of the terms and conditions for the conclusion of standard agreements entered into and makes it clear that persons with a direct or indirect interest in any such agreement may not take part in that review.

2.6.2.2 Service agreement with Société Investissement Deconinck (SID)

The Company has entered into a service agreement with (SID) under which the latter can avail itself of the Company's administrative support services in relation to business management, tax declarations and accounting, for a fixed annual fee of 55,000 euros before tax.

Eric La Bonnardière (Chairman of the Supervisory Board), Didier Deconinck (Vice-Chairman of the Supervisory Board until 26 April 2024), Julien Deconinck (member of the Board and Vice-Chairman since 26 April 2024), Nicolas Deconinck (member of the Board), Marie Deconinck (member of the Board since 26 April 2024), and Bernard André Deconinck (Observer) declared an indirect interest in this agreement, even though they were not party to it.

2.6.2.3 Assistance and guidance agreement with Société Investissement Deconinck (SID)

The Company and the SID entered into an assistance agreement stating that SID assists the Company in defining its strategic objectives and major decision-making. In return for its services, and in particular the work undertaken by its Management Board members and its role in assisting with the definition of the strategic approaches to be adopted by the Company, SID receives a fixed annual amount before tax of 300,000 euros which subject to indexation each year based on an index agreed between the parties.

Eric La Bonnardière (Chairman of the Supervisory Board), Didier Deconinck (Vice-Chairman of the Supervisory Board until 26 April 2024), Julien Deconinck (member of the Board and Vice-Chairman since 26 April 2024), Nicolas Deconinck (member of the Board), Marie Deconinck (member of the Board since 26 April 2024), and Bernard André Deconinck (Observer) declared an indirect interest in this agreement, even though they were not party to it.

2.6.2.4 Agreements concluded within the framework of the simplified tender offer

Within the framework of the simplified tender offer that took place in 2021, the Supervisory Board approved the conclusion of the following regulated agreements on 23 April 2021 in order to refinance its existing debt:

2021 intra-group loan agreement

Within the framework of this agreement concluded between the Company in its capacity as borrower and Tarkett Participation in its capacity as lender, Tarkett Participation is to provide the Company, in one or more instalments, with sums obtained from one or more drawdowns by Tarkett Participation of Tranche B (as the term is defined below) in the form of a term loan facility.

1. Purpose of the intra-group loan agreement: The purpose of the intra-group loan agreement is, inter alia, to finance the refinancing of the Company's existing debt.

2. Financial conditions of the intragroup loan agreement: The main financial terms of the intra-group loan agreement are as follows:

- maximum amount of 528,000,000 euros as principle, used on 31 December 2024 for an amount of 419,000,000 euros, and a maximum amount of 72,000,000 US dollars, used on 31 December 2024 for an amount of 69,500,000 US dollars (equivalent to 66,897,680.24 euros on 31 December 2024);
- maturity: 7 years;
- margin: equal to that of Tranche B (see below).

Act of accession to a loan agreement governed by English law

Within the framework of this act of accession by the Company to a loan agreement governed by English law (the “Credit Agreement”), namely concluded between:

- Tarkett Participation in its capacity as borrower
- BNP Paribas, Crédit Agricole Corporate and Investment Bank and Société Générale in their capacity as underwriters and guarantors of the offer
- the financial institutions listed in the document in their capacity as initial lenders
- CACIB in its capacity as agent and security agent

the lenders are to provide:

- Tarkett Participation, a term loan for a maximum amount of 889,173,870.24 euros as principle, used as at 31 December 2024 for an amount of 821,175,270.45 euros (“**Tranche B Euro**”) and for an amount of 72,000,000 US dollars as principle, used as at 31 December 2024 for an amount of 69,500,000 US dollars (“**Tranche B USD**”)
- Tarkett Participation and all members of the Group, subject to their involvement, with a revolving loan for a total principal amount of 350,000,000 euros (“**Revolving Tranche**”) which namely has the purpose of financing the Group’s general requirements.

Within the framework of this agreement, the Company is acting as borrower with regard to the Revolving Tranche as well as guarantor. In this context, the borrowers and guarantors, including the Company, guarantee the obligations of other debtors (including Tarkett Participation, via an upstream guarantee), with the Company and/or its subsidiaries having adhered to the credit agreement via the act of accession, within the limits at all times of the amounts that would have been received by the Company and its subsidiaries (via the intra-group loan), or by any other means.

1. Aim of the credit agreement: The Credit Agreement, for an initial maximum amount of 1,239,173,870.24 euros, used as of 31 December 2024 for an amount of 1,189,173,870.24 euros and an amount of 72,000,000 USD (equivalent to 65,158,371.04 euros on 31 December 2024), was intended in particular to:

- for Tranche B Euro: (a) for the partial funding of the acquisition price of target shares (including the refinancing of all drawdowns of the Revolving Tranche allocated to the acquisition of target shares) and associated expenses; and (b) the refinancing of the existing debt through the provision of the intragroup loan by Tarkett Participation to the Company, and
- for Tranche B USD: The refinancing of the existing debt through the provision of the intra-group loan by Tarkett Participation to the Company, and
- for the Revolving Tranche: The funding of general and operational requirements, Group development and investment and all acquisitions and the refinancing of certain loans.

2. Financial conditions of the Credit Agreement: The main financial terms of the credit agreement are as follows:

- initial maximum amount of 1,239,173,870.24 euros, used on 31 December 2024 for an amount of 821,175,270.45 euros and an initial maximum amount of 72,000,000 US dollars, used on 31 December 2024 for an amount of 69,500,000 US dollars (equivalent to 66,897,680.24 euros on 31 December 2024);
- maturity of Tranche B: 7 years;
- maturity of the Revolving Tranche: 6 years and 6 months;
- Tranche B Euro margin: Between 3.00% and 3.75% (depending on (i) the leverage ratio level and (ii) subject to an adjustment mechanism according to certain environmental, social and good governance criteria);
- Tranche B USD margin: Between 3.25% and 4.25% (depending on (i) the leverage ratio level and (ii) subject to an adjustment mechanism according to certain environmental, social and good governance criteria);
- Revolving Tranche margin: Between 1.75% and 2.50% (depending on (i) the leverage ratio level and (ii) subject to an adjustment mechanism according to certain environmental, social and good governance criteria);
- underwriting fee equal to 1.25% of the principal amount; and
- commitment fee equal to 30% of the margin applied to the available commitment of the lender concerned for the Revolving Tranche for the availability period applying to the Revolving Tranche.

Act of accession to a subordination agreement governed by English law

The Company has adhered, through a deed of accession, to a subordination agreement governed by English law which intended to govern creditors’ rights, in particular with respect to the Credit Agreement referred to above.

The Supervisory Board has concluded that the agreements referred to above present the following financial advantages for the Company:

- Market positioning: The possibility for the Company to gain access to a more liquid market than the bond market, the market associated with the two Tranche Bs, which is more likely to finance its external growth;
- Financing capacity: The possibility for the Company to cover its general financial requirements and its working capital requirement;
- Flexibility: Easing of the credit repayment terms under the Credit Agreement (early repayment of the two B Tranches at any time without charge, with the exception of an initial six month period during which a penalty of 1% will be applied and early repayment of all or part of the Revolving Tranche);

- Financial ratios: the absence of any financial ratio to be respected by the Group within the framework of the refinancing of the existing debt by the Company, with the exception of compliance with a leverage ratio provided that the drawdowns associated with the Revolving Tranche are greater than 40% of the total amount of the Revolving Tranche. The financial covenant is also fixed at a significantly higher level (around 5.8x).
- Financial conditions: The financial terms associated with the two Tranche Bs reflected in the intra-group loan seem to be competitive in the Term Loan B market, given that this financing benefits from extremely favourable market conditions, close to historical lows, and the competitive process introduced with the selected banks; and
- Maturity: The opportunity for the Company to anticipate the refinancing of its existing financing lines (the maturity of the two B Tranches (i.e. 7 years) and the Revolving Tranche (i.e. 6.5 years) being longer than the residual term of the existing credits (i.e. 5 years for the existing revolving credit and between 2 and 5 years for the Schuldschein credits).

The Company's Supervisory Board also noted that the accession fees for this type of financing seem reasonable, based on the elements presented, with regard to the advantages for the Company and that these fees have been distributed fairly between Tarkett Participation and the Company, with Tarkett Participation having committed, under the terms of the letter of commitment, to cover a significant proportion of the Company's refinancing costs.

It should also be pointed out that the following individuals:

- SID in its capacity as indirect majority shareholder of the Company;
- Eric La Bonnardière, within his capacity as Chairman of the Supervisory Board of the Company;
- Didier Deconinck, in his capacity as Vice Chairman of the Supervisory Board of the Company;
- Julien Deconinck, in his capacity as member of the Supervisory Board of the Company;
- Nicolas Deconinck, within his capacity as member of the Company's Supervisory Board; and
- Bernard André Deconinck, within his capacity as Observer at the Company's Supervisory Board meetings, have declared an indirect interest in the agreements above, even though they were not party to it.

2.6.2.5 Agreements concluded in 2024 as part of the additional tranche of the Credit Agreement

In November 2024, Tarkett Participation signed an English legal agreement entitled "Incremental Facility Notice" with Crédit Agricole Corporate and Investment Bank as an Agent, Security Agent, and Incremental Facility Lender, under the terms of which the lender provided Tarkett Participation with an additional tranche for a total maximum amount as principle of 100 million euros (€100,000,000) (the "Additional Tranche"). Within the framework of the Additional Tranche, on 10 October 2024, the Supervisory Board authorised the conclusion of the following regulatory agreements to finance certain acquisition projects for the Company and its subsidiaries:

2024 intra-group loan agreement

Within the framework of this agreement concluded between the Company in its capacity as borrower and Tarkett Participation in its capacity as lender, Tarkett Participation is to provide the Company, in one or more instalments, with sums obtained from one or more drawdowns by Tarkett Participation for the Additional Tranche.

1. Purpose of the intra-group loan agreement: The purpose of the intra-group loan agreement is to finance or refinance, directly or indirectly, some of the Company and its subsidiaries' acquisition projects.

2. Financial conditions of the intragroup loan agreement: The main financial terms of the intra-group loan agreement are as follows:

- maximum amount of 100,000,000 euros as principle; used as of 31 December 2024 for an amount of 97,000,000 euros;
- maturity: 23 October 2028;
- margin: equal to that of Tranche B Euro (i.e. between 3.00% and 3.75%), including the margin adjustment and the ESG margin, as stipulated for Tranche B Euro

Guarantee confirmation document

Within the framework of this agreement, the Company and its subsidiaries confirmed, in particular, that the Guarantee also covers the obligations resulting from the Additional Tranche, in any case, within the limits specified therein. The Supervisory Board highlighted that the costs of this agreement align with market practices and are acceptable for the Company, and that it will enable the latter to sustain its growth and acquisition strategy.

It should also be pointed out that the following individuals:

- Eric La Bonnardière, within his capacity as Chairman of the Supervisory Board of the Company;
- Julien Deconinck, within his capacity as Vice-Chairman of the Supervisory Board of the Company;
- Nicolas Deconinck, within his capacity as member of the Company's Supervisory Board; and
- Marie Deconinck, within her capacity as member of the Company's Supervisory Board, have declared an indirect interest in the agreements above, even though they were not party to it.

2.6.3 Main transactions with related parties

Material transactions entered into or ongoing between the Company and related parties (whether individuals or entities), other than those referred to in Section 2..2., consist of the following operations.

2.6.3.1 Guarantees

The Company:

- has granted a counter-guarantee ("*General Indemnity Agreement*") for a maximum amount of USD 75 million for the benefit of *Federal Insurance Company* so that this company can issue site guarantees for FieldTurf Inc, which had been availed of in full at the end of the period;
- signed a *Joint and Several Guarantee* for a maximum amount of 120 million USD in favour of Ester Finance Technologies for the assignment of receivables line set up with certain subsidiaries of Tarkett Finance Inc in the United States, in order to secure future client collections to be collected on its behalf, representing 97.3 million USD at the end of the financial year;
- granted a guarantee to the Swedish pension insurance company Pri-Pensions to insure Tarkett AB's employee benefit commitments in the amount of 256.9 million SEK;
- granted joint and several guarantees in favour of several banks in respect of the outstanding amortisable loans taken out in June 2022 and April 2023 respectively by Tarkett France, and in May and June 2023 by Tarkett GDL, representing a total outstanding amount of 24.6 million euros at the end of the financial year;
- has granted rent guarantees in favour of two lessors of Tarkett USA Inc. representing a commitment of 7.9 million US dollars at the end of the financial year, and for which the corresponding rents are included in the lease liability valued in the consolidated balance sheet in application of IFRS 16 "Leases";
- granted a payment guarantee to a supplier of its subsidiary Morton Extrusiontechnik (M.E.T GmbH) for deliveries of raw materials up to a maximum amount of 7 million euros, of which 1.7 million euros had been committed at the balance sheet date;
- gave its guarantee as parent company to the banks of certain subsidiaries, in particular Company's Tarkett Limited (United Kingdom), Tarkett BV (Netherlands), Tarkett Asia Pacific (Shanghai) Management Co Ltd, Morton Extrusiontechnik GmbH (Germany), Fieldturf Tarkett SAS (France) and Fieldturf Poligras SA (Spain), to enable them to obtain overdraft facilities, bank loans or credit lines for a maximum total amount equivalent to 32.8 million euros, of which the equivalent of 14.4 million euros had been committed at the balance sheet date.

Furthermore, in the ordinary course of business, Tarkett and several of the Group's subsidiaries granted payment or site guarantees to various suppliers, clients, government bodies, lessors and cash pooling or trade finance operators, either directly or through bank guarantees, for an amount of 48.6 million euros at the balance sheet date.

In addition, pledges have been established for the securities and financial receivables of the Company and certain subsidiaries as a security for new financing (see Section 4.3.4 "Terms of principal credit lines").

2.6.3.2 Cash management agreements

The Company has cash management agreements in place with some of its subsidiaries to organise financing between the Group's entities and manage centralisation of the Group's treasury.

2.6.3.3 Services agreements

The Company has entered into service agreements with some of its French and foreign manufacturing subsidiaries. The purpose of these contracts is to provide the following services: general management services, financial services, legal services, human resources, operations and communication. These contracts represented an aggregate amount of 17.9 million euros in 2024.

In addition, the Company has also entered into IT support agreements with certain of its subsidiaries. The purpose of these contracts is to provide the following IT services: IT support, project management, development, IT licensing and consulting services (audit and SAP project preparation). These agreements represented an aggregate amount of 37.4 million euros in 2024.

2.7 Supervisory Board's observations on the management report and financial statements for the previous financial year

Ladies and Gentlemen,

We inform you that the Management Board has provided the annual company financial statements, the consolidated financial statements and the management report to the Supervisory Board within the legal time limits.

In accordance with Article L.225-68 of the French Commercial Code, we have examined the company financial statements, the consolidated financial statements, and the Management Board's management report, and we believe that such documents do not call for any particular observations.

3

SUSTAINABILITY STATEMENT

3.1 General information (ESRS 2)

3.1.1 General basis for preparation of the sustainability statement (BP-1)

This sustainability statement presented thereafter in Chapter 3 has been prepared in the context of the first year of application of the new European Corporate Sustainability Reporting Directive (CSRD).

The Group has endeavored to apply the normative requirements set out in the European Sustainability Reporting Standards (ESRS), as applicable on the date of preparation of the sustainability statement, on the basis of the information available within the timeframe for preparing the sustainability statement.

This first sustainability statement for the Group is characterized by specific contextual factors linked to the first year of application of the CSRD requirements:

- The absence of established practices, notably for more in-depth analysis of impacts, risks and opportunities (IROs) across the value chain, or for defining materiality thresholds (*see 3.1.10 Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3) and 3.1.11 Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)*).
- The use of perimeter limitations on a case-by-case basis on certain data as specified in relation to the values communicated in the thematic sections of the sustainability statement, and of estimates in certain cases (*see 3.1.2 Disclosures in relation to specific circumstances (BP-2)*).
- Certain datapoints required by the ESRS which are not relevant for describing the management measures covering the Group's material IROs, and which are therefore not disclosed in the sustainability statement (*see explanations provided in sections 3.2.3.4 Resource inflows (raw materials E5-4) and 3.2.3.5 Resource outflows (products and waste E5-5)*).

In this context, based on evolving market practices and recommendations, as well as a better understanding of these new regulations and standards, the Group may need to review certain reporting and disclosure practices in its sustainability statements over the coming years. That way, the Group is engaged in a continuous improvement approach in this reporting and disclosure exercise.

As part of the assessment of IROs related to social topics, including within the value chain, the Group has adopted a contextualized materiality approach. The Group will continue to monitor developments in market practices in these areas in future years, and may update its material IROs accordingly.

The sustainability statement has been prepared on a consolidated basis, with the scope of consolidation being consistent with the financial statements and covering all Tarkett subsidiaries. It should be noted that the operational control consolidation approach is applied to the compilation of the sustainability (environmental and social) metrics. There has been no change in this chosen approach compared to previous years which reflects Tarkett's historical engagement to manage sustainability impacts where the Group has operational control. In 2024, there are two entities (namely M-Wall and Dynamic Base Construction) over which Tarkett has financial control (and which are fully integrated in financial statements) but not operational control (and which are therefore not integrated in the metrics published in the sustainability statement). There are no entities in which Tarkett has operational control and not financial control. It should be noted that Tarkett holds a 40% minority participation in Tarkett Arabia, a new joint venture created in November 2024. Based in Jeddah (Saudi Arabia), it consists of a factory dedicated to the manufacturing of rigid luxury vinyl tiles, which will start production in the first quarter of 2025. Tarkett has neither financial control nor operational control over this joint venture, which is thus not consolidated in the financial statements or in the sustainability statement.

The sustainability statement covers Tarkett's own operations (product manufacturing at Tarkett sites), as well as the upstream value chain (raw materials manufacturing - involving Tarkett suppliers) and the downstream value chain (product sales, installation, usage and end-of-life – involving customers, end-users, reverse logistics / recycling partners), as relevant and material.

No specific piece of material information corresponding to intellectual property, know-how or the results of innovation, and which would be relevant to meet the objective of a disclosure requirement, has been omitted in the sustainability statement. No material information on impending developments or matters in course of negotiation, and which would be relevant to meet the objective of a disclosure requirement, has been omitted in the sustainability statement.

3.1.2 Disclosures in relation to specific circumstances (BP-2)

Time horizons

Tarkett considers the following time horizons:

- Short-term: from 0 to 2 years;
- Medium-term: from 2 to 5 years;
- Long-term: more than 5 years.

These time horizons slightly differ from the definitions of ESRS 1 §6.4, in the sense that our short-term interval extends up to two years, while the ESRS 1 definition considers the period adopted as the reporting period in the financial statements, which would therefore be one year. This slight difference originates from the specificity of the building sector, where contractual agreements typically extend for at least two years. Our definitions of medium-term and long-term time horizons, with a cut-off at 5 years, are similar to the definitions of ESRS 1 §6.4.

Value chain estimation

Value chain metrics estimated using indirect sources include Scope 3 greenhouse gas (GHG) emissions from processing of raw materials (upstream, GHG Protocol[1] Scope 3 Category 1) and from end-of-life treatment of sold products (downstream, GHG Protocol Scope 3 Category 12). These emissions are calculated based on the actual quantities of raw materials procured and on ad-hoc emission factors from various sources (databases such as Ecoinvent; specific data from suppliers; our own knowledge of the processes to model them; and/or calculations based on combustion chemical equations). The resulting level of accuracy can significantly vary depending on the types and sources of the emission factors used. We are constantly scanning for best available data to improve accuracy, and the emission factors are therefore regularly updated (e.g. by updating generic coefficients at least every 4 years to take into account changes in third-party databases such as Ecoinvent, and/or by collecting specific data from suppliers). More details on the methodologies and assumptions for calculating Scope 3 GHG emissions are provided in section 3.2.1.6.

Other value chain metrics are based on actual data (e.g., weight of raw materials; share of suppliers who have adhered to Tarkett's Code of Conduct or equivalent; quantity of post-installation and post-use flooring collected and recycled) and do not rely on estimates using indirect sources.

Sources of estimation and outcome uncertainty

Apart from the Scope 3 GHG emissions from processing of raw materials and from end-of-life treatment of sold products which are subject to some level of uncertainty depending on emission factors used, as described above, there are no quantitative metrics subject to a high level of uncertainty.

Monetary amounts disclosed in the sustainability statement are limited to significant Opex/Capex to implement the action plans. Opex/Capex amounts for past actions (already implemented) are not subject to significant uncertainties, but Opex/Capex amounts for future action plans may be subject to uncertainties, e.g. linked to the evolving economic and regulatory context.

Unless otherwise specified, the data and indicators presented in the sustainability statement have not been subject to any external validation other than assurance on the sustainability information by the statutory auditors. Details of the definitions, methodologies and assumptions used to compile the data and indicators disclosed are provided in the thematic sections (environment, social, governance) of the sustainability statement.

Changes in preparation or presentation of sustainability information

For the calculation of Scope 3 GHG emissions from processing of raw materials (GHG Protocol Scope 3 Category 1) and product's end-of-life (GHG Protocol Scope 3 Category 12), an update of the database of generic emission factors, as well as certain supplier-specific emission factors, was carried out in 2024. As these emission factors are for the most part also valid for previous reporting periods (2019-2023), this has led to a revision of historical data for this indicator.

For the other environmental indicators disclosed in the sustainability statement (energy consumption, Scope 1 & 2 GHG emissions, raw materials consumption, amount of waste generated, quantities of product's end-of-life waste collected via the ReStart® and Infill Take Back programs), there have been no significant changes in the methodologies used to prepare the metrics compared with previous years, which would require a revision of historical data. The presentation of data has, however, been adapted to meet ESRS requirements where appropriate (e.g. for the breakdown of energy consumption by source, or for the breakdown of waste quantities by destination).

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[1] *The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)*

For indicators relating to the Group's own workforce, the permanent employee turnover rate for 2023 has been recalculated on the basis of the total number of permanent employees (in headcount) at the beginning of the reporting period, whereas it was previously based on headcount at the end of the reporting period. There have been no other significant changes in the methodologies used to prepare workforce metrics compared with previous years, which would require a revision of historical data. The number of non-guaranteed hours employees is, however, published separately to meet ESRS requirements, whereas it was previously included in the number of temporary employees (employees on Tarkett payroll engaged for a specified limited duration).

For health and safety data, the number of days lost to work-related injuries and ill health for Tarkett employees has been recalculated in calendar days for 2023, whereas it was previously calculated in working days. There have been no other significant changes in the methodologies used to prepare health and safety metrics compared with previous years, which would require a revision of historical data.

For indicators relating to our Responsible Sourcing Program (percentage of suppliers adhering to our Code of conduct or equivalent) and for indicators relating to governance (percentage of targeted employees having completed an e-learning on business ethics), there have been no significant changes in the methodologies used to prepare the metrics compared with previous years, which would require a revision of historical data.

Reporting errors in prior periods

One material error has been identified and revised in this report in relation to the share of renewable energy and the share of renewable purchased electricity published in the 2023 report. One plant mistakenly reported its purchased electricity consumption as 100% renewable, whereas Guarantee of Origin (GO) certificates were only purchased for a small portion of the purchased electricity. Following the correction of this error, the corrected share of renewable purchased electricity in 2023 for the Group was 66% (vs. 77% in published report) and the corrected share of renewable energy in 2023 was 39% (vs. 44% in published report).

Minor corrections have moreover been made on the 2023 Scope 2 GHG emissions (location-based and market-based) due to (i) the correction of market-based emission factors at two sites and of location-based emission factors at one site, and (ii) the reallocation of GO purchased renewable electricity between EMEA sites. The impact of this correction is 1.8% on the 2023 Scope 2 location-based GHG emissions (from previous published data 145,730 tCO_2e to corrected data 148,370 tCO_2e) and 0.5% on the 2023 Scope 2 market-based GHG emissions (from previous published data 41,983 tCO_2e to corrected data 42,179 tCO_2e).

Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements

Information provided in the sustainability statement is partially compliant with the reporting requirements from the Global Reporting Initiative (GRI) Standards. GRI disclosures covered in the sustainability statement are listed in the below table, along with the sections where the information can be found.

GRI Standards disclosures covered by the sustainability statement	Section of the sustainability statement where related disclosures are located
GRI 2: General Disclosures 2021	
2-2 Entities included in the organization's sustainability reporting	3.1.1
2-4 Restatements of information	3.1.2
2-5 External assurance	Statutory Auditor's Report on the Sustainability Statement
2-6 Activities, value chain and other business relationships	3.1.8
2-7 Employees	3.3.1.6
2-8 Workers who are not employees	3.3.1.7
2-9 Governance structure and composition	3.1.3
2-12 Role of the highest governance body in overseeing the management of impacts	3.1.3
2-13 Delegation of responsibility for managing impacts	3.1.3
2-14 Role of the highest governance body in sustainability reporting	3.1.3
2-16 Communication of critical concerns	3.1.4
2-17 Collective knowledge of the highest governance body	3.1.3
2-19 Remuneration policies	3.1.5
2-23 Policy commitments	3.2.1.2 / 3.2.2.1 / 3.2.3.1 / 3.3.1.1 / 3.4.1
2-24 Embedding policy commitments	3.2.1.2 / 3.2.2.1 / 3.2.3.1 / 3.3.1.1 / 3.4.1
2-25 Processes to remediate negative impacts	3.3.1.3
2-26 Mechanisms for seeking advice and raising concerns	3.3.1.3 / 3.4.1
2-29 Approach to stakeholder engagement	3.1.9
GRI 3: Material Topics 2021	
3-1 Process to determine material topics	3.1.11
3-2 List of material topics	3.1.10
3-3 Management of material topics	3.2.1 / 3.2.2 / 3.2.3 / 3.3.1 / 3.4
GRI 201: Economic Performance 2016	
201-1 Direct economic value generated and distributed	3.1.8

GRI Standards disclosures covered by the sustainability statement	Section of the sustainability statement where related disclosures are located
201-2 Financial implications and other risks and opportunities due to climate change	3.2.1.8
GRI 205: Anti-corruption 2016	
205-1 Operations assessed for risks related to corruption	3.4.3
205-2 Communication and training about anti-corruption policies and procedures	3.4.3
205-3 Confirmed incidents of corruption and actions taken	3.4.4
GRI 206: Anti-competitive Behavior 2016	
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	3.4.4
GRI 301: Materials 2016	
301-1 Materials used by weight or volume	3.2.3.4
301-2 Recycled input materials used	3.2.3.4
301-3 Reclaimed products and their packaging materials	3.2.3.5
GRI 302: Energy 2016	
302-1 Energy consumption within the organization	3.2.1.5
302-3 Energy intensity	3.2.1.5
302-4 Reduction of energy consumption	3.2.1.3 / 3.2.1.4 / 3.2.1.5
GRI 305: Emissions 2016	
305-1 Direct (Scope 1) GHG emissions	3.2.1.6
305-2 Energy indirect (Scope 2) GHG emissions	3.2.1.6
305-3 Other indirect (Scope 3) GHG emissions	3.2.1.6
305-4 GHG emissions intensity	3.2.1.6
305-5 Reduction of GHG emissions	3.2.1.3 / 3.2.1.4 / 3.2.1.6
GRI 306: Waste 2020	
306-1 Waste generation and significant waste-related impacts	3.2.3.2 / 3.2.3.5
306-2 Management of significant waste-related impacts	3.2.3.2 / 3.2.3.5
306-3 Waste generated	3.2.3.2 / 3.2.3.5

GRI Standards disclosures covered by the sustainability statement	Section of the sustainability statement where related disclosures are located
306-4 Waste diverted from disposal	3.2.3.2 / 3.2.3.5
306-5 Waste directed to disposal	3.2.3.2 / 3.2.3.5
GRI 308: Supplier Environmental Assessment 2016	
308-1 New suppliers that were screened using environmental criteria	3.2.2.2 / 3.2.2.3
308-2 Negative environmental impacts in the supply chain and actions taken	3.2.2.2 / 3.2.2.3
GRI 401: Employment 2016	
401-1 New employee hires and employee turnover	3.3.1.6
GRI 403: Occupational Health and Safety 2018	
403-1 Occupational health and safety management system	3.3.1.4
403-2 Hazard identification, risk assessment, and incident investigation	3.3.1.4
403-5 Worker training on occupational health and safety	3.3.1.4
403-8 Workers covered by an occupational health and safety management system	3.3.1.9
403-9 Work-related injuries	3.3.1.9
403-10 Work-related ill health	3.3.1.9
GRI 405: Diversity and Equal Opportunity 2016	
405-1 Diversity of governance bodies and employees	3.3.1.8

Incorporation by reference

No disclosure requirement or specific datapoint is fully incorporated by reference to other sections of the Universal Registration Document (URD) or to any other report (i.e. only referring to another document to be covered, without providing any information in the sustainability statement itself). For some disclosure requirements and specific datapoints, only limited information is provided in the sustainability statement (to ensure sufficient understanding for the users) and reference is made to other sections of the URD for further detail; in this case, this is clearly mentioned under the concerned disclosure requirements / datapoints.

3.1.3 Role of the administrative, management and supervisory bodies (GOV-1)

Composition and diversity of the Boards

Tarkett has a two-tier board structure, with a **Management Board** (2 executive members) and a **Supervisory Board** (12 non-executive members, including 2 members representing the employees and 2 observers).

The members of the Management and Supervisory Boards have experience relevant to the sectors of activities, the products and the geographic locations of Tarkett (see biographies in sections 2.2.2.4 and 2.2.3.5 of the URD for detail). Skills possessed by members of the Supervisory Board include industry and sector knowledge, finance and M&A, governance and compensation, marketing and digital, sustainability, and international experience.

The proportion of women on the Supervisory Board stands at 50% (4 women vs. 4 men - excluding members representing employees and observers), a higher rate than the legal requirements. Four different nationalities are represented in the Supervisory Board, and the average age of members is 50 years.

The proportion of independent members of the Supervisory Board is equal to 25% (members representing employees and observers are not considered in this calculation), as indicated in section 2.1.1 of the URD.

More detail on the composition and diversity of the Boards can be found in sections 2.1.1, 2.2.2 and 2.2.3 of the URD.

Roles and responsibilities of the Boards

Tarkett's CEO is responsible for oversight of climate-related and other sustainability issues on the executive Management Board and larger **Executive Management Committee (EMC)**, reporting regularly to the Supervisory Board.

In 2021 the Supervisory Board created a new special committee, the CSR Committee, to assist it in reviewing sustainability risks, opportunities and corresponding strategy and actions. This committee has evolved in 2023 to become the CSR and Innovation Committee, addressing Tarkett's innovation strategy in addition to sustainability topics. In 2024, in the context of the new European Corporate Sustainability Reporting Directive (CSRD), the name of the committee was changed to **Climate, Durability & Innovation Committee**. The role of this committee includes the review of:

- Tarkett's main sustainability impacts, risks and opportunities;
- the Group's climate and sustainability policies, commitments, strategy and internal management;
- reporting, assessment and control systems to enable the Group to produce relevant and consistent non-financial information;
- the Group's communication to shareholders and other stakeholders, notably with the review of Tarkett's annual sustainability statement;
- the ratings obtained by the Group from non-financial rating agencies or independent certification / labelling bodies;
- ethical issues that the Audit, Risks and Compliance Committee may decide to refer;
- Tarkett's innovation roadmap, set to deliver the company's objective to become the most sustainable and innovative flooring and sport surfaces company.

The Committee, to form its opinion, consults Tarkett's CEO, Chief Sustainability & Safety Officer, and other executives when appropriate, as well as the Group's statutory auditors responsible for certifying sustainability information from the year ending December 31, 2024. It then reports to the Supervisory Board with the findings of its work.

The Climate, Durability & Innovation Committee, which met twice in 2024, reviewed the results of the Extra-Financial Performance Declaration audit and the progress in the implementation of Tarkett's sustainability roadmap. It also examined the milestones to align Tarkett's reporting processes with the requirements of the new European CSRD. In terms of innovation, it reviewed the product launch portfolio.

Furthermore, the two other existing special committees continue to support the Supervisory Board on certain sustainability aspects related to their area of responsibility:

- The **Audit, Risks and Compliance Committee** monitors the effectiveness of internal control, internal audit and risk management systems; monitors the Group's exposure to the key risks, including sustainability risks; monitors the process for preparing sustainability information, and the certification of sustainability information by independent third-party body(ies); and follows-up on the systems put in place regarding compliance and business conduct (including corruption / bribery, fair competition, and more generally compliance with applicable regulations).
- The **Nominations, Compensations and Governance Committee** determines and regularly reviews the compensation and benefits awarded to the Company's top executives, including the inclusion of sustainability objectives in the variable compensation criteria.

In 2022, the **Supervisory Board** reviewed and approved the new 5-year strategic plan ImpacT2027, with a clear ambition for Tarkett: to be the easiest, the most innovative, and the most sustainable flooring and sport surfaces company to work for, and to work with. Over the past years, the Supervisory Board has monitored the follow-up and progress of existing actions and targets as part of the ImpacT2027 strategic plan, which includes a clear focus on leading on sustainability, notably on climate change and on the circular economy (e.g., GHG emissions reduction and the transition to a circular economy with the increasing use of recycled secondary raw materials).

More detail on the roles and responsibilities of the Boards and their committees can be found in sections 2.2.2, 2.2.3, 2.2.4 and 2.2.5 of the URD.

Execution of our strategic plan and associated sustainability strategy is monitored by the CEO and the EMC, involving the Divisions' Presidents (Sports, North America, Eastern Europe & APAC, EMEA & Latin America) and the support functions' Executive Vice Presidents / Chief Officers. The EMC meets monthly to review the Group's operational, financial, and non-financial performance, notably the execution of the strategic plan, including the safety, diversity, climate and circular economy objectives, and to discuss business operations and other current sustainability issues.

Other key functions involved in the leadership and execution of our strategic plan and associated sustainability strategy are summarized in the table below.

Function	Key sustainability roles and responsibilities
Chief Sustainability & Safety Officer	> Propose necessary update of sustainability strategy to the Executive Management Committee. > Lead the implementation of strategy on sustainability. > Establish Tarkett as a reference regarding climate change and circular economy, working together with Divisions to intensify the reduction of greenhouse gas emissions and deploy circular solutions for our customers. > Support innovation programs for the circular economy and the creation of new business models that contribute to achieving sustainability targets. > Support Divisions to continuously improve safety results.
General Counsel	> Support the Divisions in overseeing legal, compliance and insurance issues for their respective scope. > Support the Divisions in ensuring compliance with applicable laws and regulations, as well as the respect of Tarkett's codes on business ethics, anti-corruption and competition.
Chief Financial Officer	> Oversee the company risk mapping, risk mitigation, and internal control. > Review business plans and ensure the monitoring of progress against strategic targets.
Presidents of Tarkett's 4 Divisions	> Set up specific Division's strategy to achieve Group targets and ensure its operational deployment. This work is led by Division sustainability managers who mobilize networks of local experts and managers in the plants and sales networks with the assistance of Group support functions. > Manage human resources (diversity and inclusion, career development, social dialogue…). > Ensure product eco-design according to Cradle to Cradle® principles, innovation, and responsible sourcing. > Improve operational performance through Tarkett's World Class Manufacturing system. > Report progress on sustainability to Tarkett Management Board three to four times per year during Management Business Reviews.

Finally, the **Group Sustainability Committee** is composed of the Chief Sustainability & Safety Officer, Sustainability Managers of each Division, the Group Internal Audit and Control Director, the Group R&D Regulatory Affairs Director, the Director Sustainability and Public Affairs EMEA, and the Group CSR Communication Manager. The role of the committee is to coordinate and to monitor the execution of Tarkett's sustainability strategy; to regularly review the adequation of Tarkett's sustainability strategy and objectives in the light of new risk, opportunity and materiality assessments and internal and external stakeholder dialogue; and to prepare proposals for the Executive Management Committee to ensure Tarkett leads the industry regarding climate change and circular economy.

In 2024 the committee met six times, notably reviewing the climate and circular economy roadmaps deployed in each Division; the deployment of knowledge to support the execution of the sustainability strategy; internal and external communication to build a competitive advantage on sustainability related topics; the change of regulations that could impact the sustainability strategy and priorities; partnerships that could help accelerating the deployment of the strategy; a benchmark of Tarkett results with those of competitors; and a review of short/mid-term must win battles.

Skills and expertise of the Boards

58% of the members of the Supervisory Board possess sustainability skills and expertise based on their education and experience. Such skills cover material impacts, risks and opportunities for Tarkett, including climate change, circular economy, responsible sourcing, health and safety, diversity, and business conduct (anti-corruption, competition, international sanctions).

Members of the Supervisory Board also have access to such skills and expertise by consulting the Group Sustainability Committee, the Chief Sustainability & Safety Officer, and other executives in their respective fields of competence.

3.1.4 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (GOV-2)

The Supervisory Board is regularly informed (several times per year) of sustainability matters (material impacts, risks and opportunities; implementation of strategic action plans; progress on targets) by both the Executive Management Committee (EMC) and the Climate, Durability & Innovation Committee. These two committees consult, as appropriate, the Group Sustainability Committee, the Chief Sustainability & Safety Officer and other executives in their respective fields of competence, to form their opinion, develop the strategic plan, monitor the implementation of actions, and follow-up on progress compared to targets.

The Supervisory Board then considers this information when monitoring the follow-up and progress of existing actions and targets as part of the strategic plan, and when taking strategic decisions accordingly.

The **Climate, Durability & Innovation Committee** met twice in 2024 and addressed the following sustainability matters:

- 2023 Extra-Financial Performance Declaration: verification results;
- Sustainability roadmap: main achievements and outlook;
- Innovation: presentation of the product launch portfolio;
- Presentation of milestones to align Tarkett's reporting processes with the requirements of the new European CSRD (Corporate Sustainability Reporting Directive);
- EU Green Deal and its impact on Tarkett's business model.

The **Management Board** meets regularly throughout the year, including on a monthly basis as part of the **Executive Management Committee** (EMC) to review the Group's operational and financial performance, and to discuss strategic projects and the business operations of the Group; **Management Business Reviews** (MBRs) with the Divisions are held on a monthly basis and sustainability topics are reviewed three times a year. The following sustainability matters were addressed during some of these meetings throughout 2024:

- Progress and projections on our annual strategic objectives (safety, climate, circular economy);
- Progress of our improvement actions (training, innovation and new product launches, development of recycling technologies, material substitution, partnerships…);
- Results of extra-financial ratings (CDP, EcoVadis);
- Discussion of gaps in skills, resources, etc., prior to updating the budget and strategic plan;

- Customer's feedback.

The **Supervisory Board** met 6 times in 2024 and addressed the following sustainability matters:

- Validation of Tarkett's 2023 Extra-Financial Performance Declaration by the independent third party;
- Analysis of the double materiality assessment required by the Corporate Sustainability Reporting Directive (CSRD);
- Review of policies, objectives and indicators to align them with the CSRD approach;
- Review of the Group's 2030 sustainability roadmap.

More detail on the activities of and topics addressed by the Boards and their committees can be found in section 2.2.2.5, 2.2.3.9 and 2.2.4 of the URD.

3.1.5 Integration of sustainability-related performance in incentive schemes (GOV-3)

The reduction of Scope 1 & 2 greenhouse gas (GHG) emissions and the increase in the percentage of recycled materials used in the manufacture of our products are included each year since 2020 in our **LTIP (Long-Term Incentive Plans)** criteria, accounting for 20% of the criteria (10% each). In total, some 181 to 240 managers and executives worldwide, depending on the plan, have part of their LTI grant related to the achievement of these two objectives.

Furthermore, all the members of the **Executive Management Committee (EMC)** have:

- An annual bonus multiplier that applied for the first time on the 2023 annual bonus and results. This multiplier is based on three objectives: Group carbon intensity in $kgCO_2e$ per ton of finished goods manufactured (Scope 1, Scope 2, and Scope 3 for raw materials); safety, with recordable work-related accidents frequency rate [FR1t] objective (Group & Divisions); and Group and Divisions diversity through the percentage of women amongst director level and above. This multiplier impacts the bonus payment (-2% if at least one of the objectives is not reached, +5% if all objectives are reached, and +10% if all objectives are reached and at least one is over-performing).
- Other individual sustainability objectives depending on their areas of responsibilities which impact their variable compensation.

Incentive schemes are regularly assessed by the Nominations, Compensations and Governance Committee and validated by the Group Supervisory Board.

More detail on the sustainability-related performance criteria in incentive schemes can be found in section 2.3 of the URD.

3.1.6 Statement on due diligence (GOV-4)

In line with the requirements of Article L. 225-102-4 of the French commercial code ('Code de commerce'), Tarkett develops and implements a vigilance plan based on due diligence to identify risks and prevent potential violations of human rights and fundamental liberties, adverse impacts on the health and safety of people and on the environment. This vigilance plan and the due diligence process cover Tarkett's own operations and our suppliers / subcontractors in the upstream value chain. The vigilance plan and due diligence process are incorporated into the Group's sustainability strategy and policies, as summarized in the below table.

Core elements of due diligence / vigilance plan	Sections of the statement	Short description
Embedding due diligence in governance, strategy and business model	3.1.4 / 3.1.5	Key sustainability impacts addressed by the Boards, integrated in incentive schemes, and considered for the strategic plan.
Engaging with affected stakeholders in all key steps of the due diligence	3.1.9	Affected stakeholders (employees, suppliers, subcontractors) engaged through various means.
Identification and assessment of negative impacts and risks (risk mapping and assessment procedures)	3.1.11	Double Materiality Assessment (DMA) conducted to identify and assess impacts, risks and opportunities (IROs) throughout Tarkett's value chain (own operations, upstream, downstream). For own operations, DMA informed by local assessments as part of management systems (e.g., ISO45001 for health and safety; ISO14001 and ISO50001 for environment and energy) and audits (e.g., external audits by ERM). For suppliers, DMA informed by the procurement CSR risk mapping, the third-party supplier CSR evaluation by EcoVadis, and the results of specific audits (e.g., audits on ethics by QIMA in China and Vietnam).
Taking actions to address those negative impacts and risks	3.2.1.3 / 3.2.2.2 / 3.2.3.2 / 3.3.1.4 / 3.4.3	Actions taken to address material negative impacts and risks are described in the relevant sections of the sustainability statement.
Monitoring the effectiveness of these actions	3.2.1.4 / 3.2.2.3 / 3.2.3.3 / 3.3.1.5	The effectiveness of the actions is monitored through targets and KPIs, as disclosed in the relevant sections of the sustainability statement.
Alert mechanism and grievance system	3.3.1.3 / 3.4.1	Compliance Hotline accessible from 150 countries and Ethics Hotline in the United States and in Canada.

3.1.7 Risk management and internal controls over sustainability reporting (GOV-5)

The reporting process of sustainability indicators is managed and consolidated by the Group Sustainability department with the support from the Divisions and sites, and from different relevant functions (including Operations, HR, Finance, Legal, Research & Development…). It is a detailed and rigorous reporting process documented in a comprehensive CSR reporting guide, which provides the Group and all teams involved in sustainability reporting at all levels of the organization with clear instructions, definitions and guidelines. This guide, which is reviewed annually, describes in detail sustainability reporting principles, the scope, the definition of indicators, as well as the tools / calculation methods and controls carried out by contributors at the local level, and consolidation of data at the Group level. The process and the key performance indicators relating to material topics are covered by the work of the internal audit teams and by the work of the Group's statutory auditors responsible for certifying sustainability information from the year ending December 31, 2024.

The Group follows dashboards to allow accountability and management of sustainability performance at each level, which notably include Tarkett's environmental and social objectives for 2025 and 2030. In 2022 Tarkett implemented a new web-based CSR reporting tool, Reporting 21, to further facilitate data controls and access at all levels to sustainability results and KPIs. This tool centralizes all CSR metrics and KPIs: data already collected in other tools (e.g. Workday for HR data, BITS for environmental and safety data) is regularly injected into Reporting 21, while other data is reported directly in Reporting 21.

The easy-to-use tool allows the creation and regular monitoring of dashboards on sustainability topics such as environmental performance, employee safety, diversity... This enables the different entities to drive their performance and focus their efforts on the material challenges associated with their local activities. The analysis of indicators over time is crucial to measure progress achieved, identify room for improvement and the challenges which still need to be tackled, and implement ambitious and pragmatic action plans. Progress review meetings are also jointly organized at different levels: Group, Divisions, functions and sites, and as part of specific "networks" (Operations, HR, etc.).

Sustainability reporting-related risks are identified through the controls and internal audits performed during / after each reporting campaign. The main sustainability reporting related risks identified include data accuracy (due to errors and/or misunderstanding of definitions, which may be exacerbated in case of change of contributors), data completeness, and consistency of data between different reporting streams. The mitigation strategies for these risks include regular communication and training of contributors, use of automated tools, several levels of controls over the data (automated controls in the tools, controls at site, Divisions and/or Group level), and internal and external audits.

Findings from controls and audits are integrated into the relevant reporting processes on a continual improvement basis. Findings from internal and external audits are reported to the Audit, Risks and Compliance Committee.

3.1.8 Strategy, business model and value chain (SBM-1)

Key elements of the strategy that relate to or affect sustainability matters

We offer our customers one of the largest portfolios of **flooring and sports surface solutions**: resilient flooring (vinyl and linoleum); parquet and laminate flooring; carpets; rubber flooring and accessories; artificial turf (synthetic grass); athletic tracks; indoor sports flooring. More details on the products marketed by the Group can be found in section 1.6 of the URD.

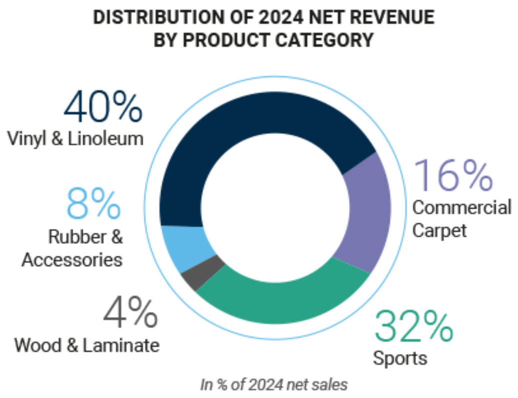
Markets served by Tarkett include commercial (health care & aged care, education, workplace, hospitality, sports) and residential, and cover both new construction and renovation, in more than 100 countries worldwide. More details on the flooring and sports surfaces markets can be found in section 1.5 of the URD.

The Group has a broad and diversified **customer** base, including wholesalers / distributors, do-it-yourself (DIY) stores, independent retailers, general contractors, project managers, installers, and specifiers (architects, designers). Distributors are the Group's principal customers and represent most of the sales volume, followed by retail chains (including DIY chains). More details on Tarkett customers can be found in section 1.6.3 of the URD.

Headcount of Tarkett employees by geographical area is provided in the below table.

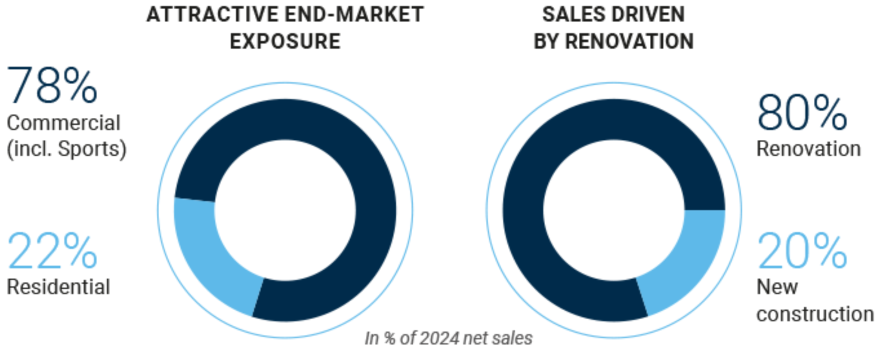
Region	Number of employees (headcount as of 31/12/2024)
Europe (Corporate, EMEA, Tarkett Sports EMEA)	4,405
North America (Tarkett North America, Tarkett Sports North America)	3,960
Rest of World (Tarkett Eastern Europe, Asia, Latin America, Australia & New Zealand, Tarkett Sports Australia)	3,078

Total net revenue for 2024 amounted to 3,332 millions of euros (as disclosed in the consolidated financial statements as of December 31, 2024 – section 5.1 of the URD). The distribution of the 2024 net revenue per product category and per market is provided in the below graphs.



DISTRIBUTION OF 2024 NET REVENUE BY PRODUCT CATEGORY

In % of 2024 net sales



ATTRACTIVE END-MARKET EXPOSURE

SALES DRIVEN BY RENOVATION

In % of 2024 net sales

As part of its **ImpacT2027 strategic plan** presented in 2022, Tarkett has set key company-wide medium- and long-term sustainability objectives. These objectives, along with the progress achieved in 2024, are summarized in the below table:

Topic	Objective	2024 Status
Greenhouse gas (GHG) emissions	Reduce absolute scope 1 and 2 GHG emissions 50% by 2030 from a 2019 base year and reduce absolute scope 3 GHG emissions from purchased goods and services and end-of-life treatment of sold products 27.5% within the same timeframe	-36% for Scope 1 & 2 -22% for Scope 3
Circular Economy	Triple the share of recycled raw materials from 10% in 2018 to 30% by 2030	19.4%
Safety	Reduce the recordable work-related accidents frequency rate [FR1t] for all employees to 1.0 by 2025	2.78
Diversity	Increase the share of women among managers and senior executives to 30% by 2025	29%

The ImpacT2027 strategic plan presented in 2022 will guide Tarkett until 2027. It is built on the conviction that Tarkett has an impact on people's lives, that we must act now to curb climate change, and that experience makes the difference. This strategic framework is the result of work engaged by the Executive Management Committee, aiming at clarifying our vision, what our future holds and defining strategic axes for the years to come. It is designed with a clear ambition for Tarkett: to be the easiest, the most innovative, and the most sustainable flooring and sport surfaces company to work for, and to work with. ImpacT 2027 is based on 4 pillars: Empower our high-performing teams, to deliver on the promise; Offer our customers a best-in-class experience; Create innovative products and services; Lead with sustainability. Our commitment to social and environmental responsibility is embedded in our strategy through the fourth pillar and integrated in all our activities.

To deliver our strategic plan and achieve our ambitious goals in terms of climate change and circular economy, we are facing several **challenges** along the way:

- We push for a rapid transformation, and we encourage our partners to do the same. This transformation requires everyone to participate.
- Today, not all customers are willing to pay a price premium for lower carbon solutions. Moreover, we are competing against imported products that are made with a higher environmental footprint.
- Better regulation will be essential to encourage our customers to return materials at the end of use, rather than going to incineration.

Business model and value chain

Our business model is presented in the introductory section of this Universal Registration Document.

3.1.9 Interests and views of stakeholders (SBM-2)

For each key stakeholder's group, the main means of engagement, its frequency, its purpose and outcomes are summarized in the below table.

Key stakeholders	Main means of engagement	Frequency	Main purpose and outcomes of engagement
Main shareholders / investors Banks / insurance companies	• Tarkett Group (https://www.tarkett-group.com), Divisions and countries websites • Response to questions on ESG topics from investors, creditors, analysts, and rating agencies • Presentations to creditors / asset management companies • Supervisory Board and its Climate, Durability & Innovation Committee • Shareholder's Annual General Meeting • Financial statements / URD / Sustainability Statement	Throughout the year 5-12 times per year Up to 4 times per year	Share Tarkett's sustainability strategy with the financial community (shareholders, investors, creditors) Take shareholder's inputs / requests into account when defining the Group strategic plan
Raw materials suppliers (PVC, plasticizers, wood, polymers, fibers, rubber, cork…)	• Business contractualization • Responsible sourcing program: supplier code of conduct, supplier CSR assessment / audits, raw material assessments…	> 12 times per year	Secure supply of quality raw materials at reasonable prices Ensure business is conducted with responsible suppliers Develop supply of low carbon / circular (e.g., recycled) raw materials
Reverse logistics and recycling partners		> 12 times per year	Increase the quantity of post-installation and post-use flooring and sports surfaces collected and recycled (instead of landfilled / incinerated)

Key stakeholders	Main means of engagement	Frequency	Main purpose and outcomes of engagement
	• Business contractualization • ReStart® take-back and recycling program for post-installation and end-of-use flooring • Third-party recycling programs (e.g. Valobat in France, Carpet America Recovery Effort in US, AgPR in Germany) • FieldTurf's SuReTec™ program (Sustainable Recycling Technology) and Infill Take Back program		
Trade associations / business networks / academic institutions	Regular research projects, meetings, workshops, conferences, events as part of the membership / participation in trade associations / business networks and as part of exchanges with scientific and academic institutions: • Industry trade and professional associations (e.g. VinylPlus®, European Plastics Converters, European Parquet Federation, European Resilient Flooring Manufacturers' Institute – ERFMI, Resilient Floor Covering Institute – RFCI, Vinyl Sustainability Council, Multilayer Modular Flooring Association – MMFA, Ecopreneur.eu, Green Sports Alliance...) • Scientific institutes and experts (e.g. Cradle to Cradle Products Innovation Institute – C2CPII, Environmental Protection Encouragement Agency – EPEA, French National Institute for Circular Economy – INEC, Carbone 4...) • Industry projects (e.g. EU Circular Plastics Alliance, ERFMI Circular Economy Platform, Upcyclea Circular Buildings Platform, Terra Matters pilot Product Circularity Data Sheet - PCDS Platform in Luxembourg...) • Think tanks (e.g. Globe EU Bee Group, Circular Sweden and Cireko in Sweden, The Shift Project, Green Future Lab...)	> 12 times per year	Discuss and understand upcoming sustainability-related regulations Support the development of low carbon / circular products
Regulatory bodies at regional (e.g. EU) and national levels	• Public consultations (e.g. EU Taxonomy, OECD Sustainability Criteria for Plastics Design) • Public-Private projects (e.g. Circular Flooring EU, EU Circular Plastics Alliance)	5-12 times per year Up to 4 times per year	Discuss and understand upcoming sustainability-related regulations

Key stakeholders	Main means of engagement	Frequency	Main purpose and outcomes of engagement
	• Participation to European Commission Circular Economy Platform • Participation to standardization work (e.g. Cradle to Cradle Certified, CEN/TC 134 on product category rules for flooring environmental product declarations, ISO TC323 on future ISO Circular Economy standard)		Support the development of low carbon / circular products
Customers: distributors, retail chains / DIY stores, building contractors, specifiers (architects, designers), installers End-users: facility occupants / users, facility managers	• Social media, internet, email • Tarkett showrooms • Tarkett Academy & continual professional development (CPD) • Transparency tools: Material Health Statements (MHS®), Environmental Product Declarations (EPDs), Green Building Cards, Cradle to Cradle® certification, and other product certifications and information tools • Product brochures and documentation • Tarkett ReStart® take-back and recycling program • Conferences, exhibitions, trade shows • Tarkett hosted events (Circles of Architects, Design Days, Sustainability Leadership Summit) and webinars • Tarkett Green Tours on our production sites • White papers	> 12 times per year 5-12 times per year Up to 4 times per year	Gather customer's needs / expectations and support the development of products meeting these needs / expectations (e.g., low carbon, circular…)
All employees (managers, technical, blue collars) Trade unions Executive Management Committee Supervisory Board / Management Board	• Multidisciplinary working groups • Tarkett Connect intranet & Workday • Internal communities (e.g. Safety, Environment) • Employee Resource Groups (ERGs) • Internal newsletter One Tarkett Experience • Focus days / weeks (e.g. Global Safety Day, Sustainability Week) • Employee feedback surveys • Internal webinars • Annual meeting and quarterly conference calls on financial, strategic and CSR topics for senior executives • Social dialogue with worker representatives, such as with the Tarkett Forum in Europe • Annual Performance and Development Dialogue	> 12 times per year 5-12 times per year Up to 4 times per year	Ensure the health, safety and well-being of our employees Provide a diverse and inclusive workplace to our employees

The interests and views of stakeholders, gathered and understood through the continual engagement with key stakeholders, have been considered in the double materiality assessment (DMA) conducted to determine material impacts, risks and opportunities (as described in section 3.1.11).

When relevant to the Group's strategy and business model, interests and views of key stakeholders are shared with the Management and Supervisory Boards to inform the strategic plan.

3.1.10 Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

The material impacts, risks and opportunities (IROs) for Tarkett, as identified by the double materiality assessment (DMA), are summarized in the below table, along with information on their location in the value chain, their time horizons, their effects on the strategy, the plans to address them, the resilience of Tarkett business model to these IROs, and the related disclosure requirements (DRs) / sections of the sustainability statement where additional details can be found.

Topic	IRO description	I/R/O	Value chain location	Time horizon	Effects on strategy / Plans to address IROs / Resilience	DRs / sections of the report
Climate change adaptation	Risk of production interruption at a Tarkett's site due to climate change impacts (e.g., damages from acute or chronic weather-related events such as floods, storms / tornados, sea level rise). *[physical risk]*	R	Own operations	Medium to Long	• Limited number of sites heavily exposed. • Flood protection barriers at sites most exposed to flooding (Dendermonde in Belgium, Bačka Palanka in Serbia). • For Ronneby (Sweden), which is exposed to long-term sea level rise, study conducted to assess the possibility of mitigating the risk, for example by transferring the plant to another location (postponed for now given the cost and the complexity of implementing such a solution).	*See 'Focus' box below the table*
Energy	Energy consumption at Tarkett manufacturing sites.	I	Own operations	Short	• Scope 1 & 2 GHG reduction target (SBTi validated) of -50% by 2030 compared to 2019 (-36% achieved in 2024). • Energy reduction / efficiency projects; ISO50001 certification at production sites. • Renewable energy sources at production sites (biomass, geothermal, solar panels). • Renewable electricity contracts. • Electrification of natural gas boilers.	DR E1-1 to E1-6 Sections 3.2.1.1 to 3.2.1.6
Climate change mitigation	Scope 1 & 2 GHG emissions.	I	Own operations	Short		
Climate change mitigation	Scope 3 GHG emissions from the processing of raw materials.	I	Upstream	Short	• Scope 3 GHG reduction target (SBTi validated) of -27.5% by 2030 compared to 2019 (-22% achieved in 2024). • Maximize recycled content in our products (through post-installation / end-of-use flooring and secondary raw materials from other industries): target to triple the share of recycled content in raw materials from 10% in 2018 to 30% in 2030 (19.4% achieved in 2024).	DR E1-1 to E1-4; E1-6 Sections 3.2.1.1 to 3.2.1.4; 3.2.1.6
	Risk of raw material's price increase due to carbon taxes, higher energy costs, higher production costs for manufacturing low carbon materials. Risk of low-carbon raw materials shortages and/or price increases if the demand for such materials is higher than the supply.	R	Upstream	Medium to Long		

Topic	IRO description	I/R/O	Value chain location	Time horizon	Effects on strategy / Plans to address IROs / Resilience	DRs / sections of the report
	[transition risks]				• Materials selection as part of New Product Development Process (NPDP): preference for renewable materials, recycled materials, materials with low manufacturing carbon footprint. • Material health and environmental third-party assessments by EPEA based on Cradle to Cradle® criteria. • Low carbon methodology for materials purchase, the MOOD methodology ("Measure, Optimize, Optimize further, Disrupt"). • Develop recyclable products, and ensure effective recycling at end-of-life. • Diversification of supplier's portfolio. • Possibility to transfer the cost of raw materials price increase onto customers.	
	Opportunity to source low-carbon materials to reduce the carbon footprint of Tarkett products.	O	Upstream	Short to Medium		
Resource use	Consumption of fossil and non-abundant mineral resources, potentially participating in natural resources depletion. Using recycled materials from closed-loop / open-loop recycling enables diverting these materials from landfilling / incineration. *[positive impact]*	I	Upstream	Short		DR E5-1 to E5-4 Sections 3.2.3.1 to 3.2.3.4
	Risk of price increase of fossil-based raw materials due to additional taxes / strengthened regulations on these materials. Risk of shortages and/or price increases of renewable / recycled materials if the demand for such materials is higher than the supply. Risk of strengthened regulations regarding the minimum share of renewable / recycled materials in products.	R	Upstream	Medium to Long		
	Opportunity to reduce the cost of raw materials and the dependency to fossil-based and nature-based raw materials by increasing the share of recycled materials in Tarkett products.	O	Upstream	Short to Medium		
Climate change mitigation	Scope 3 GHG emissions from transportation (raw materials to Tarkett sites, inter-site transportation, distribution of products to customers).	I	Upstream	Short	No monitoring, no target and no action plan on GHG emissions from transportation: not considered a strategic / priority matter at this stage (limited influence / leverage; no significant risk, opportunity or stakeholder's expectation on this matter).	DR E1-6
Climate change mitigation	Scope 3 GHG emissions from the end-of-life treatment of Tarkett products.	I	Downstream	Short	• Post-installation and end-of-use flooring take-back and recycling (ReStart® program). • FieldTurf's SuReTec™ program (Sustainable Recycling Technology) and Infill Take Back program. • Eco-designing the flooring installation system for easy removal and effective recycling (smart click systems, loose-lay technology). • Reusing flooring and sports surfaces when possible. • R&D recycling programs.	DR E1-1 to E1-4; E1-6 Sections 3.2.1.1 to 3.2.1.4; 3.2.1.6
End-of-life waste	Management of Tarkett product's installation / end-of-life waste, which may lead to environmental impacts / pollution if improperly disposed of / landfilled / incinerated.	I	Downstream	Short		DR E5-1 to E5-3; E5-5 Sections 3.2.3.1 to 3.2.3.3; 3.2.3.5
		O	Downstream	Short to Medium		

Topic	IRO description	I/R/O	Value chain location	Time horizon	Effects on strategy / Plans to address IROs / Resilience	DRs / sections of the report
	Opportunity to increase collection and recycling of post-installation and post-use flooring and sports surfaces, in turn reducing the cost of and reliance on virgin raw materials.				• Participation in / collaboration with industry trade and professional associations, scientific institutes and experts, industry projects, think tanks.	
Climate change mitigation / Circular economy	Risk of suppliers and/or candidates - employees and/or distributors - customers not willing to work for / with Tarkett if the company is seen as not making sufficient efforts to reduce GHG emissions (reputational issue). *[transition risk]*	R	Own operations	Medium to Long	*See above.*	*See above.*
	Risk of reduced sales if Tarkett products are not sufficiently low carbon / circular to meet market's / customer's expectations. Risk of reduced sales if Tarkett low carbon / circular products are too expensive compared to standard products. *[transition risks]*	R	Downstream	Medium to Long		
	Opportunity to increase sales / market shares by developing low carbon / circular products aligned with market expectations.	O	Downstream	Short to Medium		
	Air emissions, discharge of effluents, and/or potential accidental spill from the processing of raw materials at / upstream of supplier's sites.	I	Upstream	Short		

Topic	IRO description	I/R/O	Value chain location	Time horizon	Effects on strategy / Plans to address IROs / Resilience	DRs / sections of the report
	Use of hazardous / toxic substances, including substances of (very high) concern at supplier's sites, which may impact the health of the workers and pollute the environment if improperly discharged.	I	Upstream	Short		
	Withdrawal and consumption of water at supplier's sites, which may exacerbate water scarcity in water-stress areas and which may compete with usage by local communities.	I	Upstream	Short		
Micro-plastics	Microplastics are part of some Tarkett products (rubber infill in artificial turfs), and may pollute the environment if improperly discharged during the use phase of the products.	I	Downstream	Short	> Development of artificial turfs with no infill or with natural bio-based infill (cork, olive cores, coconut peat, corn cob). > Control measures (lining, containment) on existing SBR (synthetic-based rubber) turfs to prevent rubber infill from escaping the fields.	
Production waste	Production waste generated at Tarkett's sites, which may lead to environmental impacts / pollution if improperly disposed of / landfilled / incinerated.	I	Own operations	Short	• Reprocessing and internal recycling of post-manufacturing waste. • Minimization of landfilling.	DR E5-1 to E5-3; E5-5 Sections 3.2.3.1 to 3.2.3.3; 3.2.3.5
Health and safety	Potential occupational injuries and/or illnesses of Tarkett workers (own employees and temporary workers)[1].	I	Own operations	Short	• Target to reach a recordable work-related accidents frequency rate [FR1t] of 1.0 for own employees by 2025 (2.78 achieved in 2024; no fatal incident). • 73% of the Group's manufacturing sites certified to the ISO 45001 health and safety standards. • World Class Manufacturing (WCM); Safety pledge; Global Safety Day. • Safety action plan, procedures, standards and rules, training, incentives, assessments, reporting and good practice sharing.	DR S1-1; S1-4; S1-5; S1-14 Sections 3.3.1.1; 3.3.1.4; 3.3.1.5; 3.3.1.9

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[1] *Health and safety incidents may occur in any country / at any site of Tarkett operations, but each case would be an individual / isolated incident.*

Topic	IRO description	I/R/O	Value chain location	Time horizon	Effects on strategy / Plans to address IROs / Resilience	DRs / sections of the report
Diversity and inclusion	Potential positive impacts on Tarkett workers (e.g. on their working conditions and/or their well-being in the work environment if they feel respected, included and valued for who they are) by providing them with a diverse and inclusive workplace. *[positive impact]*	I	Own operations	Short	• Target of 30% of women in management by 2025 (29% achieved in 2024). • European Network for Women in Leadership (WIL Europe). • Diversity Fresk in EMEA. • Equity, Diversity, and Inclusion (EDI) program in TNA.	DR S1-1; S1-4; S1-5; S1-9 Sections 3.3.1.1; 3.3.1.4; 3.3.1.5; 3.3.1.8
Corruption / bribery	Risk of non-compliance with the system in place to prevent corruption and/or risk of acts of corruption by Tarkett, if any, generating potential warnings, fines, lawsuits and/or reputational issues.	R	Own operations	Short	• Code of Ethics covering: Fighting corruption; Maintaining healthy and fair competition; Compliance with international sanctions programs. • Anti-corruption Code of Conduct. • Corruption Prevention Program. • Competition Policy. • International Sanctions Policy. • Whistleblowing systems (Ethics Hotline in the US and Canada; Compliance Hotline in other countries). • Compliance training program.	DR G1-1, G1-3, G1-4 Sections 3.4.1; 3.4.3; 3.4.4
Fair competition	Risk of breaches of applicable competition laws, if any, generating potential warnings, fines, lawsuits and/or reputational issues.	R	Own operations	Short		
International sanctions	Risk of breaches of applicable international sanctions programs, if any, generating potential warnings, fines, lawsuits and/or reputational issues.	R	Own operations	Short		

Notes:

> Positive impacts are clearly identified as such (by '*[positive impact]*' at the end of the IRO description); impacts which do not have this indication are (potential) negative impacts.

> For climate-related risks, it is clearly mentioned whether they are physical risks or transition risks.

> All material opportunities are actual opportunities already pursued by Tarkett.

> Current financial effects of the ROs have not been quantified, and are currently not expected to be significant.

> Anticipated financial effects of the ROs not disclosed for 2024 (1-year phased-in provision used as allowed by ESRS 1 Appendix C).

The following topics, while considered important and appropriately dealt with locally, have not been assessed as material from an impact, risk or opportunity perspective for Tarkett as a whole:

- **Working conditions for Tarkett own workforce**: In most regions / countries where Tarkett operates (e.g. Europe which represents 38% of our workforce; North America which represents 35% of our workforce by end 2024), strong social regulations are in place in terms of working conditions (e.g. contract's types, working hours, minimum wages, parental leave, freedom of association, social dialogue), and respecting these applicable regulations is sufficient to ensure that there would be no significant negative impact on our workers. Similarly in terms of positive impacts, because strong social regulations are in effect in most regions / countries where Tarkett operates, it is not likely that Tarkett will have significant positive impacts on its own workers by providing them with working conditions over and above existing regulations. For the same reasons, the risk for Tarkett if own workers would not be provided with good working conditions is limited; as is the opportunity if own workers would be provided with working conditions significantly over and above existing regulations. In all its countries of operation, Tarkett complies with local social regulations in terms of working conditions.
- **Training and skills development for Tarkett own workforce**: Based on the consultations carried out, Tarkett has not identified any significant negative impact on the engagement, safety, well-being or productivity of its employees in the event of a limited offer of training and skills development. Similarly, would Tarkett provide good training and development opportunities to its own workforce, this may have some positive impacts on their well-being and personal fulfillment, but these impacts would be limited in scale. In terms of scope, only the population of white collars would significantly be concerned by such positive impacts, as training and development opportunities are more limited for blue collars. The risk for Tarkett if own workers would not be provided with good training and development opportunities is also limited (e.g. some employees may leave the company, productivity may slightly decline…); as is the opportunity (e.g. in terms of improved productivity, reduced turnover and human resources costs) if own workers would be provided with good training and development opportunities. Tarkett does provide various learning programs to its employees depending on their needs (through Learning Management Systems - Workday Learning, LinkedIn Learning -, and through formal training and coaching programs), organizes their professional development (through Performance and Development Reviews, Talent Reviews, Individual Development Plans…), and fosters career mobility, all of which are managed at Division / regional levels.
- **Human rights in the upstream value chain**: Most Tarkett suppliers operate in countries where the human rights risk is limited, and cases of human rights infringement in the upstream value chain, if any, would be isolated events, localized to a few countries at higher risk. Nonetheless, Tarkett treats this matter with the utmost importance. Respect for human rights is indeed an essential part of our vision and of our Responsible Sourcing Program: our Code of Conduct for Tarkett Suppliers covers the topics of modern slavery / forced labor, child labor, working conditions, freedom of association and discrimination, among others. We request our suppliers to adhere to our Code of Conduct, and we perform supplier's evaluation through third-party CSR assessments and targeted onsite audits.

Focus: Resilience to climate-related risks

Physical risks

Three Tarkett manufacturing sites are currently mainly exposed to climate-related physical events: Bačka Palanka (Serbia) near the Danube River (flooding), Dendermonde (Belgium) in a flood area (flooding), and Ronneby (Sweden) near the sea (long-term sea level rise). Flood protection barriers are present at the Dendermonde and Bačka Palanka sites. For Ronneby, a study was conducted to assess the possibility of mitigating such a risk of sea level rise, for example by transferring the plant to another location; given the cost and the complexity of implementing such a solution, it was decided to postpone the realization of this project for now.

In 2024, our insurance company has prepared a Climate Change Impact Report assessing the exposure of our sites to the main acute and chronic climate physical risks they may be exposed to (extreme precipitation, wind, drought and sea level rise) by 2030 and 2050, according to three distinct IPCC scenarios (low emissions RCP 2.6; intermediate emissions RCP 4.5; high emissions RCP 8.5). According to this report, the sites mainly exposed to evolving climate change impacts are as follows:

- Florence, Chagrin Falls, Middlefield, Solon, Calhoun (US), Beijing (China), Orzechowo (Poland) most exposed to changes in extreme precipitation;
- Jacareí (Brazil) most exposed to changing stronger winds;
- Narni (Italy) and Bačka Palanka (Serbia) most exposed to droughts;
- Ronneby (Sweden) most exposed to sea level rise (and longer term Waalwijk in the Netherlands and Abu Dhabi in the UAE), due to their proximity to the coastline.

Apart from the Ronneby exposure to sea level rise, the level of exposure of our sites to changing climate acute and chronic events by 2030 and 2050 is limited and does not require significant action at this stage to ensure resilience.

Transition risks

In 2020-2021, Tarkett conducted, with the assistance of Carbone 4 (an independent climate consulting firm), a quantitative scenario-based foresight analysis to measure activity against different future scenarios, identifying the risks and opportunities in each scenario and assessing the resilience of our business.

Two different scenarios leading to a low-carbon world were considered (pro-techno scenario and sobriety scenario – defined by considering various parameters such as GDP, population / demographic evolution, energy transition / needs, territorials dynamics, socio-economic environment, regulations, technologies, geopolitics…). The level of risk was assessed in both scenarios for different time horizons (2030, 2040 and 2050) in terms of: procurement of petrochemical-based raw materials, procurement of wood, transport, volume demand in flooring and artificial turf, and product category attractiveness.

Only one risk related to the attractiveness of PVC products was assessed as high in the sobriety scenario. All other risks were assessed as either low or medium in both scenarios, confirming the current resilience of our business model to the climate-related transition risks.

3.1.11 Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)

The **Double Materiality Assessment (DMA)** process / methodology followed by Tarkett has been developed in compliance with the requirements on double materiality of the European Sustainability Reporting Standard 1 (ESRS 1) *General requirements*, and is consistent with *EFRAG IG 1: Materiality assessment implementation guidance* (May 2024). It is also aligned with Tarkett's global risk mapping methodology.

The first DMA exercise was conducted during the first half of 2024, and is then expected to be revised annually. It was led by a **Core Team** consisting of the Chief Sustainability & Safety Officer (member of Executive Management Committee), the Group Internal Audit and Control Director (to ensure integration and consistency with the overall Group risk management process), the Group General Counsel (for the governance / business conduct aspects), and the Group R&D Regulatory Affairs Director. The results of the DMA have been approved by the members of the Management Board (Tarkett's Chief Executive Officer and Chief Financial Officer), and have been presented to the Audit, Risks and Compliance Committee.

The **first step** of the DMA was to obtain an **understanding of the context**. To this end:

> A mapping of Tarkett's value chain was developed to ensure that all steps and activities of the value chain were considered in the assessment (upstream – raw materials manufacturing; own operations – product manufacturing by Tarkett; downstream – product distribution, installation, use and end-of-life).

> A mapping of all Tarkett's stakeholders was established, identifying for each category of stakeholders: who are the main stakeholders for Tarkett, where they are located along the value chain, what are the existing means / forms of dialogue and its frequency, what information is available to inform the DMA, and a screening of the topics the stakeholders are mainly concerned with / interested in. The interests and views of stakeholders have been considered based on information gathered by internal experts (procurement, operations, marketing, human resources…) through their continual engagement with key stakeholders.

> A screening of ESG matters throughout the value chain was conducted:

- For Tarkett manufacturing sites, the screening was based on actual social and environmental data available from the existing sustainability reporting process;
- For the upstream value chain, the screening was based on available data on raw materials and suppliers from the supply chain / procurement teams;
- For the downstream value chain, the screening was based on available data on products and customers from the sustainability / marketing teams.

The **second step** of the DMA was to **identify the sustainability matters and their related impacts, risks and opportunities (IROs)**:

> A complete list of sustainability matters, broken-down into topics, sub-topics and sub-sub-topics, was derived from the generic list provided in ESRS 1 AR16, and completed by additional / specific elements from other standards (such as Global Reporting Initiative - GRI, and Sustainability Accounting Standards Board - SASB) and from Tarkett's entity-specific matters.

> For each (sub-sub-)topic, a comprehensive list of possible IROs throughout the value chain was established, considering the different time horizons (short, medium and long term). Two types of risks and opportunities were identified: those arising from impacts, and those which are independent (not linked to an impact).

The **third step** was to make the **assessment of each IRO** based on the following criteria:

> For impacts, the assessment is based on:

- the scale (i.e. the magnitude of the impact on people – human rights, living / working conditions, health and safety, local communities; or on the environment – climate change, pollution, water, resources, biodiversity);
- the scope (i.e. the extent of the impact in terms of number of people impacted or geographical spread);
- and for negative impacts, the remediability (i.e. whether the impact is reversible or not).

Combining these three criteria provides the severity of the impact, which is then weighted by the likelihood of occurrence for potential impacts to obtain a gross impact materiality score (between 0.5 - the lowest level of impact, and 4 - the highest level of impact). The different levels for the scale, scope and remediability are defined based on a mix of qualitative and quantitative thresholds.

> For risks and opportunities, the potential magnitude of financial effects is defined based on five criteria: strategic, financial, operational, compliance, reputational. These criteria are the same as those used for the Group general risk mapping, thus ensuring an integration and consistency of the sustainability DMA with the overall Group risk management process. The different levels for the five criteria (from 1 - low to 4 - major) are defined based on a mix of qualitative and quantitative thresholds. The magnitude is then weighted by the likelihood of occurrence to obtain a gross financial materiality score (between 0.5 - the lowest level of risk / opportunity, and 4 - the highest level of risk / opportunity).

The assessment of the IROs was made in several steps (preliminary assessment, review with the Core Team, review with internal experts / stakeholders) during a total of 8 workshops which involved over 45 experts from all Divisions in the different geographic regions (North America – TNA, Europe and Latin America - EMEA & LATAM, Eastern Europe and Asia Pacific - TEE & APAC for flooring activities; and one Division covering Sports activity globally - TSP). The main functions consulted included Operations, Human Resources, Purchasing, Sustainability, Legal / Compliance, and Internal Audit.

The **fourth step** was to **consolidate the results** of the assessment: considering the selected scoring methodology described in the third step, which leads to IRO scores between 0.5 and 4, a materiality threshold of 2.5 (out of 4) was determined to be the most relevant; all IROs above a score of 2.5 are thus considered material, in turn determining which sustainability matters / topics are material (from an impact and/or a financial perspective).

The DMA covered all Tarkett operations (manufacturing and other sites; Tarkett own employees and temporary workers), the upstream value chain (raw materials manufacturing by suppliers) and the downstream value chain (product distribution, sales and installation by customers; product use by end-users; product end-of-life). Consideration was given to specific activities (e.g. manufacturing, logistics, recycling…), to the different product categories (e.g., various types of flooring, artificial turfs), to the different geographies (e.g. to evaluate the inherent exposure to human rights or corruption issues), and to the different categories of people potentially impacted (e.g., for Tarkett own workforce, consideration was given to people with particular characteristics who could be more exposed, such as blue collars more exposed to health and safety risks; or women, persons with disabilities, migrant workers more exposed to discrimination / inequal treatment).

A total of 30 IROs emerged as material from the DMA exercise, covering 17 different sustainability matters / topics (as summarized in section 3.1.10)[1]. These material IROs and sustainability matters / topics are those covered by this sustainability statement.

It should be highlighted that 2024 marked the first year of the DMA exercise, which was a new approach for Tarkett. The DMA will be revised on an annual basis, and both its methodology and its results may evolve over time as we refine the assessment and we obtain a more thorough and detailed understanding of the different aspects of the DMA, including stakeholder's expectations.

Focus: Identification and assessment of material climate-related IROs

For identifying material **impacts on climate change**, Tarkett has leveraged on the comprehensive greenhouse gas (GHG) inventory conducted in 2019 for Scope 1, Scope 2 and Scope 3 (all applicable categories of the GHG Protocol), and which is updated annually for Scope 1, Scope 2 and the significant Scope 3 categories (refer to section 3.2.1.6 for details).

For identifying **climate-related physical risks** in own operations, we have leveraged on the Climate Change Impact Report prepared in 2024 by our insurance company, which assessed the exposure of our sites (based on their geospatial coordinates) to the main acute and chronic climate physical risks they may be exposed to (extreme precipitation, wind, drought and sea level rise) by 2030 and 2050, according to three distinct IPCC scenarios (low emissions RCP 2.6; intermediate emissions RCP 4.5; high emissions RCP 8.5). For climate-related physical risks in the upstream and downstream value chain, the assessment was mostly qualitative, based on our knowledge of the geographic locations of our key suppliers and customers.

For identifying **climate-related transition risks and opportunities** throughout the value chain, we have leveraged on the quantitative scenario-based foresight analysis conducted in 2020-2021 with the assistance of Carbone 4 (an independent climate consulting firm) to measure activity against different future scenarios and identify the risks and opportunities in each scenario. For this analysis, two different scenarios leading to a well-below 2°C low-carbon world were considered (pro-techno scenario and sobriety scenario – defined by considering various parameters such as GDP, population / demographic evolution, energy transition / needs, territorials dynamics, socio-economic environment, regulations, technologies, geopolitics…). The level of risk was assessed in both scenarios for different time horizons (2030, 2040 and 2050). As part of the DMA exercise, this study was completed by an assessment (partly quantitative, partly qualitative) of various relevant climate-related transition events such as increased pricing of GHG emissions, lower carbon products, changing customer behavior / preferences, increased costs of raw materials, strengthened regulations…

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[1] *Some of the material IROs (and related sustainability matters / topics), which are closely interrelated, have been merged / consolidated in the IRO summary table in section 3.1.10, for simplification and to avoid repetitions.*

3.1.12 Disclosure Requirements in ESRS covered by the undertaking's sustainability statement (IRO-2)

The below table provides the list of the disclosure requirements complied with in preparing the sustainability statement (based on the outcomes of the double materiality assessment), including the sections where the related disclosures are located in the sustainability statement.

ESRS	Disclosure Requirements (DRs) covered by the sustainability statement	Section of the sustainability statement
2	BP-1 – General basis for preparation of the sustainability statement	3.1.1
2	BP-2 – Disclosures in relation to specific circumstances	3.1.2
2	GOV-1 – The role of the administrative, management and supervisory bodies	3.1.3
2	GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	3.1.4
2	GOV-3 – Integration of sustainability-related performance in incentive schemes	3.1.5
2	GOV-4 – Statement on due diligence	3.1.6
2	GOV-5 – Risk management and internal controls over sustainability reporting	3.1.7
2	SBM-1 – Strategy, business model and value chain	3.1.8
2	SBM-2 – Interests and views of stakeholders	3.1.9
2	SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	3.1.10
2	IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities	3.1.11
2	IRO-2 – Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	3.1.12
2	MDR-P – Policies adopted to manage material sustainability matters	3.2.1.2 / 3.2.2.1 / 3.2.3.1 / 3.3.1.1 / 3.4.1
2	MDR-A – Actions and resources in relation to material sustainability matters	3.2.1.3 / 3.2.2.2 / 3.2.3.2 / 3.3.1.4
2	MDR-M – Metrics in relation to material sustainability matters	3.2.1.5 / 3.2.1.6 / 3.2.3.4 / 3.2.3.5 / 3.3.1.6 / 3.3.1.7 / 3.3.1.8 / 3.3.1.9
2	MDR-T – Tracking effectiveness of policies and actions through targets	3.2.1.4 / 3.2.2.3 / 3.2.3.3 / 3.3.1.5
E1	E1-1 – Transition plan for climate change mitigation	3.2.1.1
E1	E1-2 – Policies related to climate change mitigation and adaptation	3.2.1.2
E1	E1-3 – Actions and resources in relation to climate change policies	3.2.1.3
E1	E1-4 – Targets related to climate change mitigation and adaptation	3.2.1.4
E1	E1-5 – Energy consumption and mix	3.2.1.5
E1	E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions	3.2.1.6

ESRS	Disclosure Requirements (DRs) covered by the sustainability statement	Section of the sustainability statement
E1	E1-8 – Internal carbon pricing	3.2.1.7
E1	*E1-9 – Anticipated financial effects from material physical and transition risks and potential climate-related opportunities*	*3.2.1.8* *(not disclosed for 2024, 1-year phased-in provision used as allowed by ESRS 1 Appendix C)*
E2	E2-1 – Policies related to pollution	3.2.2.1
E2	E2-2 – Actions and resources related to pollution	3.2.2.2
E2	E2-3 – Targets related to pollution	3.2.2.3
E3	E3-1 – Policies related to water and marine resources	3.2.2.1
E3	E3-2 – Actions and resources related to water and marine resources	3.2.2.2
E3	E3-3 – Targets related to water and marine resources	3.2.2.3
E5	E5-1 – Policies related to resource use and circular economy	3.2.3.1
E5	E5-2 – Actions and resources related to resource use and circular economy	3.2.3.2
E5	E5-3 – Targets related to resource use and circular economy	3.2.3.3
E5	E5-4 – Resource inflows	3.2.3.4
E5	E5-5 – Resource outflows	3.2.3.5
E5	*E5-6 – Anticipated financial effects from material resource use and circular economy-related risks and opportunities*	*3.2.3.6* *(not disclosed for 2024, 1-year phased-in provision used as allowed by ESRS 1 Appendix C)*
S1	S1-1 – Policies related to own workforce	3.3.1.1
S1	S1-2 – Processes for engaging with own workforce and workers' representatives about impacts	3.3.1.2
S1	S1-3 – Processes to remediate negative impacts and channels for own workforce to raise concerns	3.3.1.3
S1	S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	3.3.1.4
S1	S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	3.3.1.5
S1	S1-6 – Characteristics of the undertaking's employees	3.3.1.6

ESRS	Disclosure Requirements (DRs) covered by the sustainability statement	Section of the sustainability statement
S1	S1-7 – Characteristics of non-employees in the undertaking's own workforce	3.3.1.7
S1	S1-9 – Diversity metrics	3.3.1.8
S1	S1-14 – Health and safety metrics	3.3.1.9
G1	G1-1– Business conduct policies and corporate culture	3.4.1
G1	G1-2 – Management of relationships with suppliers	3.4.2
G1	G1-3 – Prevention and detection of corruption and bribery	3.4.3
G1	G1-4 – Incidents of corruption or bribery	3.4.4

The below table provides the list of all the datapoints that derive from other EU legislation (as listed in ESRS 2 Appendix B), including the sections where the related disclosures are located in the sustainability statement for material datapoints (and for not-material datapoints, the mention 'Not material').

DRs and related datapoints that derive from other EU legislation	Section of the sustainability statement
ESRS 2 GOV-1 §21 (d) Board's gender diversity	3.1.3
ESRS 2 GOV-1 §21 (e) Percentage of board members who are independent	3.1.3
ESRS 2 GOV-4 §30 Statement on due diligence	3.1.6
ESRS 2 SBM-1 §40 (d) I Involvement in activities related to fossil fuel activities	Not material
ESRS 2 SBM-1 §40 (d) ii Involvement in activities related to chemical production	Not material
ESRS 2 SBM-1 §40 (d) iii Involvement in activities related to controversial weapons	Not material
ESRS 2 SBM-1 §40 (d) iv Involvement in activities related to cultivation and production of tobacco	Not material
ESRS E1-1 §14 Transition plan to reach climate neutrality by 2050	3.2.1.1
ESRS E1-1 §16 (g) Undertakings excluded from Paris-aligned Benchmarks	
ESRS E1-4 §34 GHG emission reduction targets	3.2.1.4
ESRS E1-5 §38 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	3.2.1.5
ESRS E1-5 §37 Energy consumption and mix	
ESRS E1-5 §40-43 Energy intensity associated with activities in high climate impact sectors	
ESRS E1-6 §44 Gross Scope 1, 2, 3 and Total GHG emissions	3.2.1.6
ESRS E1-6 §53-55 Gross GHG emissions intensity	

DRs and related datapoints that derive from other EU legislation	Section of the sustainability statement
ESRS E1-7 §56 GHG removals and carbon credits	Not material
ESRS E1-9 §66 Exposure of the benchmark portfolio to climate-related physical risks	3.2.1.8 *(not disclosed for 2024, 1-year phased-in provision used as allowed by ESRS 1 Appendix C)*
ESRS E1-9 §66 (a) Disaggregation of monetary amounts by acute and chronic physical risk	
ESRS E1-9 §66 (c) Location of significant assets at material physical risk	
ESRS E1-9 §67 (c) Breakdown of the carrying value of its real estate assets by energy-efficiency classes	Not material
ESRS E1-9 §69 Degree of exposure of the portfolio to climate-related opportunities	3.2.1.8 *(not disclosed for 2024, 1-year phased-in provision used as allowed by ESRS 1 Appendix C)*
ESRS E2-4 §28 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	Not material
ESRS E3-1 §9 Water and marine resources	3.2.2.1
ESRS E3-1 §13 Dedicated policy	Not material
ESRS E3-1 §14 Sustainable oceans and seas	Not material
ESRS E3-4 §28 (c) Total water recycled and reused	Not material
ESRS E3-4 §29 Total water consumption in m3 per net revenue on own operations	Not material
ESRS 2- IRO 1 - E4 §16 (a) i	Not material
ESRS 2- IRO 1 - E4 §16 (b)	Not material
ESRS 2- IRO 1 - E4 §16 (c)	Not material
ESRS E4-2 §24 (b) Sustainable land / agriculture practices or policies	Not material
ESRS E4-2 §24 (c) Sustainable oceans / seas practices or policies	Not material
ESRS E4-2 §24 (d) Policies to address deforestation	Not material
ESRS E5-5 §37 (d) Non-recycled waste	3.2.3.5
ESRS E5-5 §39 Hazardous waste and radioactive waste	3.2.3.5
ESRS 2- SBM3 - S1 §14 (f) Risk of incidents of forced labour	Not material
ESRS 2- SBM3 - S1 §14 (g) Risk of incidents of child labour	Not material

DRs and related datapoints that derive from other EU legislation	Section of the sustainability statement
ESRS S1-1 §20 Human rights policy commitments	3.3.1.1
ESRS S1-1 §21 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	3.3.1.1
ESRS S1-1 §22 Processes and measures for preventing trafficking in human beings	Not material
ESRS S1-1 §23 Workplace accident prevention policy or management system	3.3.1.1
ESRS S1-3 §32 (c) Grievance/complaints handling mechanisms	3.3.1.3
ESRS S1-14 §88 (b)-(c) Number of fatalities and number and rate of work- related accidents	3.3.1.9
ESRS S1-14 §88 (e) Number of days lost to injuries, accidents, fatalities or illness	3.3.1.9
ESRS S1-16 §97 (a) Unadjusted gender pay gap	Not material
ESRS S1-16 §97 (b) Excessive CEO pay ratio	Not material
ESRS S1-17 §103 (a) Incidents of discrimination	Not material
ESRS S1-17 §104 (a) Non-respect of UNGPs on Business and Human Rights and OECD	Not material
ESRS 2- SBM3 – S2 §11 (b) Significant risk of child labour or forced labour in the value chain	Not material
ESRS S2-1 §17 Human rights policy commitments	Not material
ESRS S2-1 §18 Policies related to value chain workers	Not material
ESRS S2-1 §19 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	Not material
ESRS S2-1 §19 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	Not material
ESRS S2-4 §36 Human rights issues and incidents connected to its upstream and downstream value chain	Not material
ESRS S3-1 §16 Human rights policy commitments	Not material
ESRS S3-1 §17 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	Not material
ESRS S3-4 §36 Human rights issues and incidents	Not material
ESRS S4-1 §16 Policies related to consumers and end-users	Not material
ESRS S4-1 §17 Non-respect of UNGPs on Business and Human Rights and OECD guidelines	Not material

DRs and related datapoints that derive from other EU legislation	Section of the sustainability statement
ESRS S4-4 §35 Human rights issues and incidents	Not material
ESRS G1-1 §10 (b) United Nations Convention against Corruption	3.4.1
ESRS G1-1 §10 (d) Protection of whistle- blowers	3.4.1
ESRS G1-4 §24 (a) Fines for violation of anti-corruption and anti-bribery laws	3.4.4
ESRS G1-4 §24 (b) Standards of anti-corruption and anti-bribery	3.4.4

For all material topics and disclosure requirements (based on the outcomes of the double materiality assessment), a separate qualitative review has been conducted for every single datapoint, to determine (i) whether the datapoint was applicable to Tarkett, and if so (ii) whether it was relevant for Tarkett (in terms of the significance of the information in relation to the matter and/or in terms of the capacity of the information to meet decision-making needs / expectations of users of the sustainability statement).

3.2 Environmental information

3.2.1 Climate Change (ESRS E1)

3.2.1.1 Transition plan for climate change mitigation (E1-1)

Tarkett has implemented a **climate transition plan**, which includes the following key characteristics:

- A 2030 Scope 1, 2 and 3 GHG reduction target, compatible with limiting global warming to 1.5°C / well-below 2°C in line with the Paris Agreement, has been defined and validated by the Science Based Targets initiative (SBTi) (see section 3.2.1.4 for details on the target and on progress achieved).
- The key decarbonization levers and actions planned to achieve the target include (see section 3.2.1.3 for details):
  - For Scope 1 & 2 GHG emissions[1]: energy reduction / efficiency projects, electrification of natural gas boilers, renewable energy sources at production sites (biomass, geothermal, solar), and renewable electricity contracts (e.g., through Guarantees of Origin – GO, Renewable Energy Certificates - REC, or equivalent);
  - For Scope 3 GHG emissions: switching to raw materials with lower carbon footprints over their lifecycle (e.g. biomaterials, recycled materials, substitution of polymers having a high carbon footprint by lower ones), increasing the rate of recycling of products at their end-of-life (and injecting the materials back into their value chain), reducing the weight of our products per square meter by redesigning products, and developing products that can be installed without glue.
- Significant Opex / Capex (if any) to support the above key decarbonization levers and actions are provided in section 3.2.1.3. Local teams in the Divisions are accountable for selecting the most appropriate solutions and securing the resources to achieve the GHG emissions reduction targets. Consequently, we currently do not have a consolidated view of the necessary investments and funding required overall at Group level to support the implementation of our transition plan and the achievement of our 2030 Scope 1, 2 and 3 GHG reduction target. We are working on this and expect to publish more information in subsequent annual reports.
- The climate transition plan is embedded in Tarkett's ImpacT2027 strategic plan, under the pillar 'Lead with sustainability' (the GHG reduction target being one of the key objectives of ImpacT2027). The GHG emission reduction target, its timeline and the pathways to achieve it have been approved by the Supervisory Board.

Regarding the Group's transition plan for climate change mitigation, it aims to provide an understanding of the Group's past, current and future mitigation efforts to ensure that its strategy and business model are compatible with the transition to a sustainable economy.

It is understood, however, that to date there is no consensus on targets or trajectories for reducing greenhouse gas emissions at the level of a company (objectives being set at national levels), which would make it possible to guarantee the compatibility of a strategy with a scenario limiting global warming to 1.5 °C, in line with the Paris Agreement.

However, private initiatives are developing methodologies to help companies set targets that are compatible with these international agreements. Tarkett has decided to follow the methodology proposed by the Science Based Targets initiative (SBTi) to define its greenhouse gas reduction targets. Tarkett obtained official SBTi validation in December 2022.

It should be noted that Tarkett is not excluded from the EU Paris-aligned Benchmarks.

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[1] *Note on potential locked-in GHG emissions from our key assets: these emissions primarily concern natural gas-fired equipment (such as boilers) at our manufacturing sites and are not a significant concern for the following reasons: the concerned assets are progressively replaced by electrical or biomass equipment whenever technically and economically feasible; they generate limited amounts of GHG emissions; they do not create a significant transition risk; and they do not jeopardize the achievement of our 2030 Scope 1 & 2 SBTi GHG emission reduction target.*

3.2.1.2 Policies related to climate change (E1-2)

Tarkett Code of Ethics

Our **Code of Ethics** (2021 edition) sets out Tarkett's ethical expectations and standards for all our directors, managers, employees and representatives worldwide. It is set in three parts and addresses various topics:

- Our commitments as a player in an ethically demanding business environment (covering corruption, conflicts of interest, fair competition, international sanctions, confidentiality...);
- Our commitments as an employer (covering human rights, health and safety, inclusion and diversity, social dialogue...);
- Our commitments as a socially responsible and accountable company (covering the environment, the local communities, the quality of our products, privacy and personal data...).

The Code of Ethics addresses the interests and views of our key stakeholders: our employees (by committing to respect for individuals, by opposing all forms of discrimination, and by promoting health and safety in the workplace); our customers (by complying with contractual obligations while aiming to exceed their expectations); our suppliers and partners (by complying with clear contractual conditions); and the community (by respecting local laws and protecting the environment).

The Code of Ethics is endorsed by the Chief Executive Officer and Chairman of the Management Board, is publicly available to all stakeholders on the Group's corporate website, and is translated into 17 languages on Tarkett's intranet for our employees.

"Combating climate change" is a clear commitment of our environmental policy under the Code of Ethics, as Tarkett undertakes to limit the scale of climate change by respecting the objectives defined by the Paris Agreement.

Responsible Sourcing Code of Conduct for Tarkett Suppliers

The **Responsible Sourcing Code of Conduct for Tarkett Suppliers** (Version 1.0) provides a clear and common set of requirements relating to the three pillars of our Responsible Sourcing Program (namely Sourcing healthy and sustainable materials; Ensuring Suppliers conduct their business ethically, with respect for human rights and fair treatment of a safe and healthy workforce; and Ensuring Suppliers manage their operations with environmental responsibility), and aims to promote continuous improvement for our suppliers. It covers the topics of modern slavery, child labor, freedom of association, discrimination, health and safety, working conditions, business ethics, and environmental stewardship.

The Code of Conduct for Tarkett Suppliers applies to any company, corporation or individual supplying a product, raw material or service to Tarkett.

It is consistent with the fundamental international labor standards as defined by the ILO Declaration of Fundamental Principles and Rights at Work, and with the ten principles of the United Nations Global Compact; and it intends to contribute to the United Nations' Sustainable Development Goals.

The Code of Conduct for Tarkett Suppliers is endorsed by the Executive Management Committee, is publicly available to all stakeholders on the Group's corporate website, and is translated into 15 languages on Tarkett's intranet for our employees.

In terms of climate change, it requires suppliers of raw materials and finished goods to track energy consumption / calculate GHG emissions; set targets for reductions of emissions and review these on an annual basis; and to provide information on GHG at product level or share of renewable energy used for the manufacture of the material.

3.2.1.3 Actions / resources in relation to climate change (E1-3)

Main actions related to climate change mitigation – Reduction of energy consumption and Scope 1 & 2 GHG emissions

Our main actions to reduce our Scope 1 and 2 GHG emissions include energy efficiency projects, electrification of gas-powered equipment, development of on-site renewable energy production, and procurement of renewable electricity. In 2023, we launched the Greenergy project with the aim to further reduce our Scope 1 and 2 GHG emissions, while at the same time reducing our exposure to the price volatility of certificates of origin, which guarantee the allocation of renewable energy. We therefore looked at opportunities at our most energy-intensive sites in Europe, the US and Serbia, ranking each opportunity according to the amount of emissions reduced and the abatement cost per ton of CO_2e. The study concluded that the opportunities are mainly in Europe, where energy prices are much higher than in the US, government subsidies are often available and new renewable energy capacity offers possibilities. The project continued in 2024 to confirm the most relevant near-term opportunities, including the installation of solar panels on the roofs of our buildings, the use of Corporate Purchase Power Agreements (CPPAs) and the electrification of our buildings' heating systems. Details on Scope 1 and 2 GHG emissions reduction projects implemented in recent years and planned for the future are provided in the following sections.

Improving energy efficiency

Tarkett is committed to constantly improving energy efficiency in its operations to limit its impact on the climate and to reduce costs. All plants track and report their energy usage every month, map and analyze consumption and implement energy saving measures which include energy efficiency in production processes (heat recovery, equipment replacement, process optimization, cooling …) and energy efficiency in buildings (heating, lighting, insulation…).

Some of our plants follow the ISO 50001 standard to develop an energy management system and support a more efficient use of their energy. By end 2024, 36% of our plants were certified to ISO 50001, including all Tarkett European sites that employ more than 250 people.

Key actions taken in past years and planned for the coming years to reduce energy consumption and resulting Scope 1 & 2 GHG emissions include:

- With the implementation of the new LVT technology since 2018, Tarkett's plant in Jacareí (Brazil) changed the energy source of its natural gas hot press to a new electricity-based technology, leading to a reduction of 59% in energy consumption and 83% in GHG emissions (considering that the plant sources 100% renewable electricity).
- At our Clervaux site (Luxembourg), several energy efficiency projects were implemented in 2023-2024 and more projects are planned for 2025-2026 (regarding air leaks repair, automated / motorized valves, refrigeration, cooling water, waste heat recovery…). Total investments for these projects amount to circa 490 k€, for expected GHG emissions reductions of circa 1,900 tCO_2e/year.
- At our Narni site (Italy), several energy efficiency projects were implemented in 2023-2024 and more projects are planned for 2025 (regarding heat exchangers, ovens management, electrification of equipment…). Total investments for these projects amount to circa 1,150 k€, for expected GHG emissions reductions of circa 650 tCO_2e/year.
- At our Bačka Palanka site (Serbia), we installed in 2024 a new, more efficient pump for textile heating, which is expected to lead to GHG emissions reduction of circa 250 tCO_2e/year.
- At our Mytishchi site (Russia), we plan on installing in 2025 a new electrical boiler in replacement of the current natural gas boiler; powered by 100% renewable electricity, the new boiler is expected to lead to a GHG emissions reduction of circa 160 tCO_2e/year thanks to avoided natural gas consumption.
- At our Beijing site (China), the increase of granulation speed in 2023 enabled to reduce the electricity consumption of the site by circa 100 MWh/year; in 2025, we plan on replacing outdated motors with variable frequency motors, which is expected to lead to an additional reduction of electricity consumption by circa 120 MWh/year.
- At our Farnham site (Canada), we implemented in 2023 a heat recovery process from the chilling system. Total investment for this project amounted to circa 500 k€, for GHG emissions reductions of circa 1,900 tCO_2e/year.

Developing on-site renewable energy production

Developing the use and production of renewable energy on our sites represents one solution to reduce Tarkett's GHG emissions. Key actions taken in past years and planned for the coming years in this area include:

- Wood dust from our production is used as biomass for energy production at seven of our plants: Hanaskog and Ronneby (Sweden); Narni (Italy); Orzechowo (Poland); Kalush (Ukraine); Bačka Palanka (Serbia) and Mytishchi (Russia). The same energy consumption using natural gas would emit 12.1 kt CO_2e more Scope 1 GHG emissions equivalent to 7.5% of total 2024 Scope 1 & market-based Scope 2 GHG emissions.
- At our Bačka Palanka site (Serbia), we implemented a new 3MW biomass boiler using saw dust from wood production process and wooden saw dust from milling process, which was commissioned in October 2023 and became fully operational in 2024. The project involved a total investment of circa 2.4 million € and leads to Scope 1 GHG emissions reduction of circa 950 tCO_2e/year.
- Solar energy is produced and consumed at our carpet sites in Dendermonde (Belgium) and in Waalwijk (Netherlands); at the linoleum site in Narni (Italy) which also uses on-site produced geothermal energy; at our Tarkett sports plant in Prestons (Australia), where the plant is equipped with 660 solar panels generating 100% of its electricity requirements; at our wood and laminate plant in Orzechowo (Poland), where a photovoltaic installation was commissioned in 2023; and at our plant in Kalush (Ukraine), where solar panels were installed in 2024 to support production and street lighting. At our plant near Clervaux (Luxembourg), 2,200 solar panels are installed in the parking lot of our plant to produce renewable electricity which is fed to the power grid.
- At our Bačka Palanka site (Serbia), we plan on installing in 2025 a solar power plant which will produce circa 18% of the electricity needs of the site, for a total investment of circa 250 k€. At several EMEA sites (Hanaskog and Ronneby in Sweden, Kalush in Ukraine, Narni in Italy, Orzechowo in Poland, Konz in Germany), we plan on installing additional solar panels in 2025-2026 for a total investment of circa 900 k€ and expected GHG emissions reductions of circa 250 tCO_2e/year (resulting GHG emissions reductions are limited as several sites already procure 100% renewable electricity).

Procuring renewable electricity

Purchasing certified renewable electricity (e.g., through Renewable Energy Certificates - REC, Guarantees of Origin – GO, or equivalent) is another lever to reduce our Scope 2 market-based GHG emissions.

In 2024, 12 plants purchased 100% renewable electricity: Jaslo and Orzechowo (Poland), Abtsteinach and Konz (Germany), Chagrin Falls and Middlefield (United States), Narni (Italy), Dendermonde (Belgium), Waalwijk (Netherlands), Bačka Palanka (Serbia), Tuzla (Turkey), and Jacareí (Brazil). Six other plants (Otradny and Mytishchi in Russia, Clervaux in Luxembourg, Hanaskog and Ronneby in Sweden, and Dalton in US) have purchased electricity with renewable attributes which cover part of their electricity consumption. Collectively this prevents some 101 kt CO_2e per year of greenhouse gas emissions (base 2024 for these plants), the equivalent of 62% of total 2024 Scope 1 and market-based Scope 2 GHG emissions.

Corporate Purchase Power Agreements (CPPAs) are being studied at several EMEA sites (Clervaux in Luxembourg, Konz and Abtsteinach in Germany) for possible implementation between 2025 and 2027.

Main actions related to climate change mitigation – Reduction of Scope 3 GHG emissions

The key decarbonization levers and main actions to reduce our Scope 3 GHG emissions are the following:

- Procuring more externally sourced low carbon materials for our products (e.g. recycled, renewable, bio-sourced), including secondary raw materials from other industries;
- Optimizing internal recycling of post-manufacturing Tarkett flooring and sports surface waste;
- Collecting and (internally) recycling post-installation and end-of-use flooring and sports surface waste;
- Reducing the weight of purchased goods by redesigning products.

This includes new technologies such as new techniques of recycling and new types of low carbon raw materials.

All these decarbonization levers / actions are closely tied to the topics of resource use and circular economy, and are thus described in detail in section 3.2.3.2.

3.2.1.4 Targets related to climate change (E1-4)

In line with its commitment to “Combating climate change” as set out in the Code of Ethics, Tarkett has defined in 2021 a new target of 30% reduction of our combined Scope 1, Scope 2 (market-based) and Scope 3 (category 1 related to purchased goods and category 12 related to end-of-life treatment of sold products) GHG emissions by 2030 compared to 2019 (used as the most representative base year, pre-Covid crisis). This overarching target is made up of the two following science-based targets:

- Reduce absolute Scope 1 and Scope 2 (market-based) GHG emissions 50% by 2030 from a 2019 base year (baseline value: 251 ktCO_2e); and
- Reduce absolute Scope 3 GHG emissions from purchased goods and services and end-of-life treatment of sold products 27.5% by 2030 from a 2019 base year (baseline value: 1,737 ktCO_2e).

The target's boundary includes biogenic land-related emissions and removals from bioenergy feedstocks, but excludes other GHG removals, carbon credits or avoided emissions. All relevant greenhouse gases (namely CO_2, CH_4 and N_2O) are included in the target's boundary.

In line with the Paris Agreement, the Scope 1 & 2 target is aligned with the objective of limiting the global temperature rise to 1.5°C, while the Scope 3 target is aligned with a well-below 2°C trajectory (WB2D).

These targets were established following the GHG Protocol standard[1], and the methodology and criteria of the Science Based Target initiative (SBTi):

- For Scope 1 & 2, 100% of energy-related GHG emissions from Tarkett plants are included in the target. GHG emissions associated with refrigerant's leakages (e.g., from air conditioning equipment) are not included in the target (estimated to represent circa 0.3% of total Scope 1 GHG emissions); neither are energy-related GHG emissions from commercial and administrative offices (estimated at less than 1% of total Scope 1 & 2 GHG emissions).
- For Scope 3, a comprehensive GHG inventory was developed based on data for base year 2019, covering all categories of the GHG Protocol Scope 3 standard[2] which are applicable to Tarkett[3]. Based on this inventory and following SBTi criteria, the Scope 3 target was defined to include Scope 3 GHG emissions from purchased goods and services (category 1) and end-of-life treatment of sold products (category 12) only, two categories which represent together more than two thirds of total Scope 3 GHG emissions (73% for base year 2019).

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[1] *The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)*

[2] *GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard*

[3] *Namely: category 1 – purchased goods and services; category 2 – capital goods; category 3 – fuel and energy-related activities; category 4 – upstream transportation; category 5 – waste generated in operations; category 6 – business travel; category 7 – employee commuting; category 9 – downstream transportation; category 10 – processing (installation) of sold products; category 12 – end-of-life treatment of sold products*

Both the Scope 1 & 2 target, and the Scope 3 target were validated by the SBTi in December 2022.

The main decarbonization levers for achieving our GHG emissions reduction targets are described in the previous section 3.2.1.3. These objectives, action levers and associated actions have been identified and updated through a process which begun in 2020. Between 2020 and 2021, the consulting firm Carbone 4 assisted us in measuring our carbon footprint and identifying the risks and opportunities associated with the “low-carbon transition”. These analyses enabled us to define GHG emission reduction targets in line with the Paris Agreement (+1.5°C and WB2D). They also enabled us to identify and prioritize the main action levers (renewable energies, bio-materials, implementation of the circular economy principles to substitute virgin materials with recycled materials and eliminate the incineration of our products at end-of-life). Scenario-based prospective analysis has enabled us to qualify and quantify the main long-term risks and opportunities (cost of decarbonizing our upstream value chain, changes in demand for our product categories in each market segment). Based on all this work, we defined the “Sustainability” pillars of our ImpacT 2027 strategy. Since then, we have been implementing this strategy. For example, between 2023 and 2024, with the support of Blunomy, we defined the priorities for reducing Scope 1 and 2 GHG emissions (electrification, biomass, green hydrogen, installation of solar panels, and implementation of Corporate Power Purchase Agreements - PPAs).

Moreover, two key levers to further develop to achieve our Scope 3 target are the increased intake of recycled PVC into vinyl products and next generation close loop recycling for carpets.

An annual volume growth of circa 4% per year is expected between 2024 and 2030, thus requiring even more GHG reduction projects to counteract the volume growth and meet our GHG emissions reduction targets.

In 2024, the following progress has been made against our GHG emissions reduction targets (refer to section 3.2.1.6 for details on how GHG emissions are calculated and monitored):

- -36% of absolute Scope 1 and market-based Scope 2 GHG emissions compared to 2019 (vs. 2030 target of -50%);
- -22% of absolute Scope 3 (categories 1 and 12) GHG emissions compared to 2019 (vs. 2030 target of -27.5%).

We are on track to achieve our Scope 1 & 2 target by 2030 (despite the increase in market-based Scope 2 GHG emissions in 2024 – see section 3.2.1.6). We have made good progress on our Scope 3 target, and we need to further accelerate on the Scope 3 decarbonization levers to be able to achieve our target.

3.2.1.5 Energy consumption and mix (E1-5)

Energy consumption

The total energy consumption of Tarkett manufacturing sites, disaggregated by type / source, is presented in the below table.

Energy consumption and mix	2024	2023[1]
Fuel consumption from crude oil and petroleum products (MWh)	21,760	15,986
Fuel consumption from natural gas (MWh)	411,521	421,715
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	108,086	79,883
Total fossil energy consumption (MWh)	**541,367**	**517,584**
Share of fossil sources in total energy consumption (%)	***55.6%***	***52.6%***
Consumption from nuclear sources (MWh)	**99,760**	**84,135**
Share of consumption from nuclear sources in total energy consumption (%)	***10.2%***	***8.5%***
Fuel consumption for renewable sources, including biomass / biofuel (MWh)	70,023	69,573
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	262,849	312,828
Consumption of self-generated non-fuel renewable energy, including solar / geothermal (MWh)	829	853
Total renewable energy consumption (MWh)	**333,701**	**383,254**
Share of renewable sources in total energy consumption (%)	***34.2%***	***38.9%***
Total energy consumption (MWh)	**974,828**	**984,973**

The following definitions / methodologies / assumptions apply to the reported energy consumption data:

- Fuel consumption from crude oil and petroleum products includes the consumption of fuel oil, liquefied petroleum gas, propane and/or butane, and other petroleum gas (e.g. ethane).
- Fuel consumption for renewable sources includes the consumption of biomass and biofuel.
- Consumption of self-generated non-fuel renewable energy includes geothermal, solar thermal and solar photovoltaic energy produced on site. It excludes the purchase of renewable electricity reported separately under purchased electricity.

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[1] *The 2023 share of renewable energy published in the 2023 report has been corrected further to the identification of a reporting error for one of the plants, as described in section 3.1.2. Following the correction of this error, the corrected share of renewable sources in total energy consumption in 2023 was 39% (vs. 44% in published report).*

- Consumption of purchased or acquired electricity, heat, steam, and cooling mainly covers purchased electricity, but also a small amount (<1%) of purchased heat from a district heating network for one plant. The consumption is then split between the sources of production of the purchased electricity / heat (from fossil sources, from nuclear sources, and from renewable sources).

  Consumption of electricity from renewable sources includes purchased electricity with renewable attributes (Renewable Energy Certificates - REC, Guarantees of Origin – GO, green tariffs or other instruments) and the residual mix renewable share of purchased electricity not covered by renewable attributes.
- Energy consumption at the plants is reported monthly based on invoiced quantities, direct measurement from meters, or documented calculation / estimation as last resort. Data is converted from local monitoring units to MWh using supplier specific or standard conversion factors.

Total energy consumption remained stable between 2023 and 2024 (-1%). The energy mix slightly changed, mainly due to the reduction in certificates / renewable electricity purchased at our Otradny and Clervaux manufacturing sites in 2024 compared to 2023.

Energy intensity

Tarkett activities (manufacturing of flooring and sports surfaces) are classified under high-climate impact sectors according to the NACE classification[1] (Section C – Manufacturing). The energy intensity based on net revenue presented in the below table thus covers all Tarkett activities, and has been calculated by dividing the total energy consumption (in MWh) by the total net revenue (in €, as disclosed in the consolidated financial statements as of December 31, 2024 – section 5.1 of the URD).

Energy intensity based on net revenue	2024	2023	% Variation 2024/2023
Total energy consumption per net revenue (MWh/€)	0.00029	0.00029	0%

3.2.1.6 Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)

Tarkett's GHG emissions inventory is aligned with the GHG Protocol standard[2]. It includes the relevant greenhouse gases in relation to our activities (namely CO_2, CH_4 and N_2O) and uses the Global Warming Potential (GWP) values from the IPCC Fifth Assessment Report (AR5) based on a 100-year time horizon to calculate CO_2e emissions of non-CO_2 gases.

The operational control consolidation approach is applied to the compilation of the GHG inventory. There has been no change in this chosen approach compared to previous years which reflects Tarkett's historical engagement to manage environmental impacts where it has operational control. In 2024, there are two entities (namely M-Wall and Dynamic Base Construction) over which Tarkett has financial control (and which are fully integrated in financial statements) but not operational control (and which are therefore not integrated in the GHG inventory). There are no entities in which Tarkett has operational control and not financial control.

Gross Scope 1 & 2 GHG emissions

Gross Scope 1 & 2 GHG emissions from Tarkett manufacturing sites are presented in the summary table at the end of this section.

For Scope 1 & 2, 100% of energy-related GHG emissions from Tarkett plants are included in the inventory. GHG emissions associated with refrigerant's leakages (e.g., from air conditioning equipment) are not included (estimated to represent circa 0.3% of total Scope 1 GHG emissions); neither are energy-related GHG emissions from commercial (sales) and administrative offices (estimated at less than 1% of total Scope 1 & 2 GHG emissions).

Scope 1 GHG emissions are calculated based on the consumption of natural gas, fuel oil, LPG, propane, butane, other petroleum gas (e.g. ethane), CO_2 refrigerant (CO_2 consumption to produce dry ice at one site), biomass and biofuel, multiplied by their respective emission factors (taken from Defra's 2024 - UK Government conversion factors for company reporting of greenhouse gas emissions). For biomass / biofuel consumption this relates only to CH_4 and N_2O emissions (net CO_2 emissions are considered to be nil, since the fuel source itself absorbs an equivalent amount of CO_2 during the growth phase as the amount of CO_2 released through combustion); out of scope biogenic CO_2 emissions are however reported separately.

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[1] *Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2*

[2] *The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)*

Car leasing GHG emissions (not updated since 2019 due to their small contribution) were calculated based on the annual number of kilometers and fuel type of vehicle indicated in car leasing contracts for teams in Corporate, EMEA, Latin America, Eastern Europe and for some of Sport. Data was extrapolated for North America based on the share of workers and using the data from EMEA as a reference. Conversion to CO_2 equivalent emissions was made using the GHG Protocol transport tool version 2.6.

Scope 2 GHG emissions are reported according to both the location-based and market-based approaches.

Gross location-based Scope 2 GHG emissions are calculated based on the electricity consumption multiplied by the location-based emission factors, where the location-based method reflects the average GHG emissions intensity of grids on which energy consumption occurs, using mostly grid-average emission factor data. GHG emissions related to purchased steam consumption in 2023 were calculated by multiplying this consumption by an emission factor related to the consumption of electricity produced by coal combustion.

Gross market-based Scope 2 GHG emissions are calculated based on the electricity consumption multiplied by a market-based emission factor which corresponds to the characteristics of the electricity purchased. For purchased renewable electricity (e.g. Renewable Energy Certificates - REC, Guarantees of Origin - GO), the factor is 0 $kgCO_2e$/kWh. In other cases, the supplier specific emission factor communicated by the electricity provider is considered, or, in the absence of a specific supplier factor, the emission factor based on the regional electricity generation mix, or the residual mix (AIB 2023 data published in 2024), or finally the default location-based emission factor.

Scope 2 location-based emission factors are taken from 3 sources: (i) Defra 2024 for UK purchased electricity and for Scope 2 emissions associated to purchased steam consumption in 2023 (electricity generation based on coal combustion); (ii) US EPA: eGRID 2022 - Subregion Emissions – Greenhouse Gases for US regional purchased electricity and (iii) IEA "Emissions Factors (2024 edition considering 2022 results)" for all other countries' purchased electricity.

Emission factors applied do not enable to separate the percentage of biomass or biogenic CO_2 from Scope 2 GHG emissions.

41% of our purchased electricity originates from specific renewable energy contract instruments with renewable attributes, such as REC, GO, green tariffs or other instruments.

Gross Scope 3 GHG emissions

For **Scope 3**, a comprehensive and full **GHG inventory** was developed based on data for base year 2019, covering all categories of the GHG Protocol Scope 3 standard[1] which are applicable to Tarkett, namely:

- Category 1 – purchased goods and services (calculated based on raw material purchases and available relevant emission factors for the processing of materials).
- Category 2 – capital goods (related to company electronic devices, factory buildings and production lines; emissions from capital goods were estimated by calculating maximum possible emissions from one of our largest factories based on recognized LCI datasets).
- Category 3 – fuel and energy-related activities (calculated based on energy consumption multiplied by upstream energy emission factors from ADEME and International Energy Agency).
- Category 4 – upstream transportation (calculated based on in-bound transport in t.km taking into account the mode of transport, multiplied by emission factors - source depending on transport mode: ADEME, France or EPA, US -, for 12 plants representing 80% of produced volumes; and based on selected materials covering 75% of inbound volumes for each plant; total emissions were extrapolated from this base).
- Category 5 – waste generated in operations (calculated based on quantity of waste generated by type and destination, multiplied by relevant emission factors from Ecoinvent and European Life Cycle Database).
- Category 6 – business travel (calculated based on data from business travel calculation by plane and train in passenger.km, and car in km, multiplied by ADEME emission factors representative of average data for France).
- Category 7 – employee commuting (calculated based on average number of full-time equivalent employees multiplied by an average commuting CO_2 emission factor representative of France).
- Category 9 – downstream transportation (calculated similarly to category 4; storage in the retail shops has been considered in this category as specified in the GHG Protocol Scope 3 standard).

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[1] *GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard*

- Category 10 – processing (installation) of sold products (calculated based on the total quantity of flooring sold multiplied by emission factors from Ecoinvent / SimaPro, assuming that all flooring products are installed using glue).
- Category 12 – end-of-life treatment of sold products (calculated based on raw material purchases and available relevant emission factors for the end-of-life of materials).

It should be noted that Category 11 – use of sold products has not been included in the inventory, as Tarkett products fall under the category of products with indirect use-phase emissions (products that indirectly consume energy during use) for which the emissions from use are optional and not required according to the GHG Protocol Scope 3 standard.

Based on this initial inventory and following the GHG Protocol criteria for determining significant categories (size of emissions, influence of the company, risk exposure, stakeholder's expectations), two Scope 3 categories have been assessed as significant (i.e., a priority) for Tarkett: GHG emissions from purchased goods and services (category 1) and GHG emissions from end-of-life treatment of sold products (category 12). These two categories represent together more than two thirds of our total Scope 3 GHG emissions (73% for base year 2019).

It should be noted that, while GHG emissions from distribution / transportation (categories 4 & 9) are relatively important in terms of size (14% of our total Scope 3 GHG emissions for base year 2019), they are not considered significant for Tarkett in light of the other GHG Protocol criteria (Tarkett has limited influence / leverage on these emissions, and there are no significant risk, opportunity or stakeholder's expectation in this regard). All other categories are not significant in terms of size of emissions.

Gross Scope 3 GHG emissions for the two significant categories are presented in the summary table at the end of this section. On an annual basis, Scope 3 GHG emissions for these two categories are calculated as follows:

- **Scope 3 category 1 (purchased goods and services) GHG emissions**: 357 categories of raw materials were identified in Tarkett's purchase data warehouse (SAP). This list of raw material categories is updated each year based on current raw material purchases and available relevant emission factors. Total volumes per category are converted to kilograms and then emission factors applied to obtain GHG emissions. Emission factors from suppliers' EPDs are used when available. Alternatively, we use generic emission factors from recognized LCI datasets (Ecoinvent, European Life Cycle database, etc.) or generic certified EPDs.
- **Scope 3 category 12 (end-of-life treatment of sold products) GHG emissions**: Based on the updated list of raw materials categories as described above, total volumes per category are converted to kilograms and then emission factors applied to obtain GHG emissions for the relevant mix of recycling, incineration and landfill of each raw material at end-of-life. Emission factors from recognized LCI datasets (Ecoinvent, European Life Cycle database, etc.) or generic certified EPDs are used. Prior to 2022, Tarkett calculated end-of-life emissions based on a scenario of 100% incineration, the worst-case scenario in terms of GHG emissions. In 2022, SBTi suggested that it is more appropriate to use actual average waste treatment scenarios (a mix of landfill and incineration), which has significantly reduced the end-of-life emissions. Assumptions on end-of-life of products (incineration and landfill) are from the World Bank "what a waste 2.0" report and the "Service contract on management of construction and demolition waste" report ordered by the European Commission. Recycling rates of each product range are taken from recycling KPIs.

In the calculations described above, each combination of "raw material category + emission factor" is associated to a data quality indicator: good, medium, poor, very poor. The indicator is determined by several factors: data origin, match of dataset with modeled material in terms of technology and geography, third party review. The data quality indicator guides the continuous work for emission factor improvement and specific data collection:

- Good: Good match of dataset for carbon footprint and material, and carbon footprint is based on own LCA calculations (or supplier's) and the data that is used is of high quality and complete.
- Medium: Generic datasets (LCI) are used in combination with IPCC's LCIA (Life Cycle Impact Assessment), and carbon footprint is based on verified information (EPD, LCA etc.).
- Poor: Poor geographic or material match, outdated data, and/or calculations with partly poor data.
- Very poor: Vague match of dataset and material specifications or specifications unknown, with at least 10% of impact from very poor conversion factors.

In terms of perimeter, Scope 3 emissions for categories 1 & 12 are calculated for all raw materials (excluding packaging) used at all industrial sites, excluding our sports plants in Toronto (Canada), Prestons (Australia), and the new plant in Abu Dhabi (UAE). Raw materials used for outsourced Luxury Vinyl Tile (LVT) products are also included. Other outsourced goods are excluded.

It is estimated that 31% of the Scope 3 GHG emissions for categories 1 & 12 are calculated based on specific data obtained from suppliers or value chain partners (e.g. specific emission factors for a given raw material). The remainder of the emissions are calculated based on emission factors from recognized LCI datasets and national / international databases.

In a similar approach as for Scope 1 GHG emissions, biogenic CO_2 emissions and removals related to Scope 3 categories 1 & 12 are reported separately. They are calculated using a similar approach to that used to calculate the Scope 3 categories 1 & 12 emissions, where each raw material category is associated to emission factors for biogenic carbon sequestration (removal) and biogenic carbon emissions:

- Biogenic carbon sequestration emission factors are calculated using the formula found in the norm EN16449:2014, which is the European standard providing a method to quantify the amount of atmospheric carbon dioxide sequestered based on the carbon content of wood and wood-based products. The method is extended not only to wood-based products but all biomass based raw materials in the purchase list when relevant. Data required for the calculation is either collected internally (wood density, wood species, humidity) or estimated using biogenic carbon content databases such as Phyllis2.
- Biogenic emissions at end-of-life depend on the product the raw material is used in:
  - When used in biodegradable products (parquet), they include CH_4 and N_2O emissions. They are calculated based on DEFRA emission factors in case of incineration and Ecoinvent emission factors in case of landfilling.
  - When used in non-biodegradable products, only the sequestered carbon is considered re-emitted in case of incineration, or permanently stored in case of landfilling.

Total GHG emissions

Our total gross Scope 1, 2 and 3 GHG emissions are presented in the below table[1].

(in tCO2e)	Retrospective				Target year	
	Base year 2019	2024	2023	% Variation 2024/ 2023	2030	2024 % target vs. base year
Scope 1 GHG emissions						
Gross Scope 1 GHG emissions	106,232	92,083	90,699	+2%	-	-
Scope 2 GHG emissions						
Gross location-based Scope 2 GHG emissions	190,387	145,189	148,370	-2%	-	-
Gross market-based Scope 2 GHG emissions	144,873	69,765	42,179	+65%	-	-
Scope 1 & 2 GHG emissions						
Gross Scope 1 and market-based Scope 2 GHG emissions	251,104	161,847	132,878	+22%	-50%	-36%
Significant Scope 3 GHG emissions						
1. Purchased goods	1,482,402	1,151,977	1,321,116	-13%	-	-
12. End-of-life treatment of sold products	254,472	209,814	219,098	-4%	-	-
Total gross Scope 3 GHG emissions (significant categories)	1,736,874	1,361,791	1,540,215	-12%	-27.5%	-22%
Total Scope 1, 2 & 3 GHG emissions						
Total Scope 1, 2 & 3 GHG emissions (location-based)	2,033,493	1,599,063	1,779,284	-10%	-	-
Total Scope 1, 2 & 3 GHG emissions (market-based)	1,987,979	1,523,638	1,673,092	-9%	-30%	-23%
Separate reporting of biogenic emissions and removals of CO_2						
Scope 1 biogenic CO_2 emissions	32,982	24,488	24,331	+1%	-	-
Scope 3 Category 1 biogenic CO_2 emissions and removals	-243,514	-126,697	-115,290	+10%	-	-
Scope 3 Category 12 biogenic CO_2 emissions and removals	233,490	110,311	100,637	+10%	-	-

Scope 1 and location-based Scope 2 GHG emissions remained stable in 2024 compared to 2023, in line with the stable total energy consumption. Market-based Scope 2 GHG emissions increased significantly between 2023 and 2024 for the following reasons: reduced certificates / renewable electricity purchased at our Otradny and Clervaux

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[1] *As described in section 3.1.2, Scope 3 GHG emissions have been restated for 2019 and 2023 further to an update of the emission factors database, and minor corrections have been made on the 2023 Scope 2 GHG emissions (location-based and market-based).*

manufacturing sites (only partially offset by increased certificates / renewable electricity purchased at other sites such as Mytishchi, Ronneby and Hanaskog); addition of the Abu Dhabi factory to the reporting scope; and increase of residual electricity mix emission factors for some countries in 2024. Overall, this led to a 22% increase in our total Scope 1 and market-based Scope 2 GHG emissions between 2023 and 2024.

Scope 3 GHG emissions decreased by 12% between 2023 and 2024 thanks to the continued efforts to use materials with lower carbon footprint (as described in section 3.2.3.2), in addition to product mix and volume reduction effects.

GHG intensity

The GHG intensity based on net revenue presented in the below table covers all Tarkett activities, and has been calculated by dividing the total Scope 1, 2 and 3 (categories 1 & 12) GHG emissions (in tCO_2e) by the total net revenue (in €, as disclosed in the consolidated financial statements as of December 31, 2024 – section 5.1 of the URD).

GHG intensity based on net revenue	2024	2023	% Variation 2024/2023
Total GHG emissions (location-based) per net revenue (tCO_2e/€)	0.000480	0.000529	-9.3%
Total GHG emissions (market-based) per net revenue (tCO_2e/€)	0.000457	0.000497	-8.1%

3.2.1.7 Internal carbon pricing (E1-8)

We have implemented an **internal shadow carbon price** of 250 €/tCO_2e to facilitate the assessment of the impact of our investments on our carbon footprint and ease investment decision making.

All new facilities / projects must apply this internal carbon price as part of the process for approval of investments. The process assesses the impact of proposed investments on Tarkett's GHG emissions as follows:

- (i) the estimation of the carbon impact (increased or decreased GHG emissions in tCO_2e) of the investment (based on energy consumption calculations or Scope 3 estimates);
- (ii) the calculation of the carbon financial impact of the investment (carbon impact in tCO_2e multiplied by the internal carbon price);
- (iii) the calculation of the payback of the investment, including the carbon financial impact;
- (iv) the evaluation of the carbon financial impact on the overall return on investment (ROI).

The internal carbon price mechanism is thus integrated into the evaluation of the proposed investment payback evaluation, and considered as part of the decision process.

The investment validation process has been modified to ensure that the shadow carbon price is applied and achieves its objective: divisional presidents verify that this price is taken into account when reviewing investments above €100,000; and the CEO and CFO verify that this carbon pricing is correctly applied for investments above €1 million.

The current carbon price was set using the recommendations of the 2019 Quinet II report (supervised by French economist Alain Quinet), recommending a carbon price of 250 €/tCO_2e in 2030 and 775 €/tCO_2e in 2050. This price of 250 €/tCO_2e is in line with our 2030 targets and with the amortization period of most of our investments. It will be updated in 2030, probably to around 500 €/tCO_2e. The aim is for this price to be high enough to trigger a change in decision-making.

The aim of this shadow carbon pricing is to facilitate decisions that improve energy efficiency, encourage investments that reduce our carbon footprint (mainly in Scopes 1 and 2), and influence strategic decisions that will have an impact on the company's carbon footprint in the medium and long term. In the latter case, changes in our scope 3 are considered, for example, to financialize the carbon impact of relocating a production site (taking into account the need for new raw materials, the use of low-carbon energy or longer transport distances for raw materials and finished products).

In the past years, several projects have been accelerated as a result of our carbon shadow pricing, such as the following major investments: a biomass boiler in Serbia in 2023, a waste heat recovery system in France in 2022, or a heat exchanger system in Canada in 2023. Some projects were also abandoned because they would have significantly increased the Group's scope 3 emissions (e.g. relocation of certain activities away from the main customers). These examples clearly demonstrate the usefulness of this measure in achieving our goals.

It should be noted that no internal carbon price is used in our financial statements (e.g. for the assessment of the useful life of our assets, the impairment of our assets, or the fair value measurement of assets acquired through business acquisitions).

3.2.1.8 Anticipated financial effects from material climate risks and opportunities (E1-9)

Not disclosed for 2024, 1-year phased-in provision used as allowed by ESRS 1 Appendix C.

3.2.2 Pollution and water (ESRS E2 & E3)

The topics of pollution and water have only been assessed as material from the following (potential) negative impact's perspective:

- Pollution of air / water / soil, use of hazardous / toxic substances, and water withdrawal / consumption by suppliers to manufacture the raw materials (in particular petrochemical-based) used by Tarkett;
- Presence of microplastics rubber infill in FieldTurf's artificial turfs.

This section consequently addresses pollution and water-related matters from these two perspectives only.

3.2.2.1 Policies related to pollution and water (E2-1 / E3-1)

Pollution and water-related topics at supplier's level

The **Responsible Sourcing Code of Conduct for Tarkett Suppliers** described in section 3.2.1.2 addresses the topics of pollution and water. Amongst others, it requires all our suppliers to:

- Meet all local legal requirements related to water, wastewater effluent, emissions to air, and land, soil and groundwater protection;
- Keep relevant and up-to-date permits as required by applicable laws;
- Prevent environmental pollution;
- Have a site emergency plan in place with detailed guidelines/training in case of major incidents.

The following additional requirements apply to our suppliers of raw materials and finished goods:

- Suppliers will review their products against Tarkett's Restriction Substance List (RSL based on REACH[1] and additional flooring specific prohibited substances) and will inform Tarkett where a substance listed in the RSL is identified;
- Suppliers shall identify the source of the water used at the facility (water basin, watershed);
- Water consumption efficiency targets shall be reviewed on an annual basis to drive continuous improvement;
- Suppliers shall ensure they have either an on-site or an offsite water treatment system that improves wastewater quality;
- Wastewater quality and volume improvement targets shall be reviewed on annual basis to drive continuous improvement.

Microplastics infill in artificial turfs

Tarkett Sports does not currently have a formalized policy regarding the reduction or elimination of microplastics in rubber infill for artificial turfs. However, we strongly encourage our clients to adopt best practices in material selection and containment strategies to mitigate the spread of microplastics. Studies have shown that proper containment can significantly reduce their dispersal into the environment. In addition, we offer alternative solutions, including artificial turf systems with either no infill or natural, bio-based infill options (see section 3.2.2.2 for details). Our approach is to stay aligned with evolving regulations, such as the recent EU ban on rubber infill, while also responding to market and customer demands for more sustainable solutions.

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[1] *Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH)*

3.2.2.2 Actions / resources related to pollution and water (E2-2 / E3-2)

Pollution and water-related topics at supplier's level

Since 2011 we have committed our main raw material suppliers to respecting the principles of the United Nations Global Compact (UNGC), which cover amongst others the theme of respect for the environment.

Building on this action, we developed and launched in 2018 a wider Responsible Sourcing Program to further engage with our suppliers and to ensure and promote positive practices along the supply chain, including good environmental practices in terms of pollution and water.

Our **Responsible Sourcing Program** includes the following components:

- A procurement CSR risk mapping covering the majority of our suppliers was performed in 2018 in partnership with a company specialized in sustainability ratings and supply chain intelligence. This allowed us to identify the main environmental, social and ethical risks along our supply chain, based on procurement categories, countries of operation, flexibility of our supplier panel and on our purchase volume. This risk mapping has been updated in 2023 to consider the integration of new suppliers.
- The Responsible Sourcing Code of Conduct for Tarkett Suppliers provides a clear and common set of requirements relating to the three pillars of the Tarkett Responsible Sourcing Program (sustainable materials, business ethics, environmental responsibility) and aims to promote continuous improvement (see sections 3.2.1.2 and 3.2.2.1 for details). We are progressively requesting our suppliers to sign our Code of Conduct or to demonstrate adherence to equivalent standards. At the end of 2024, 40% of our suppliers (in spend) have adhered to our Code of conduct or equivalent.
- Integration of social and environmental requirements in supplier's contracts, through compliance with Tarkett's expectations as defined in the Responsible Sourcing Code of Conduct for Tarkett Suppliers and the respect of the ten principles of the United Nations Global Compact.
- Supplier evaluation and control through detailed supplier CSR assessment: Based on the findings of procurement CSR risk mapping, we initiated in 2019 a more detailed third-party CSR assessment of suppliers considered to present the most risk in terms of sustainability. Following the initial roll out of this action we have continued to request third-party CSR assessments to most critical suppliers. The aim of the supplier's sustainability assessment, managed by EcoVadis, is to measure the level of management (policy, action and results) in four areas: environment, labor and human rights, ethics, and sustainable procurement. Suppliers are scored out of 100, based on their responses to a questionnaire and based on the supporting documentation they provide. Their score reflects the company's sustainability maturity level and the corresponding risk to Tarkett. Suppliers who have already completed the questionnaire for other clients are able to share their evaluation directly with Tarkett, avoiding them having to complete a separate process. Depending on the supplier's assessment results, the supplier will be considered as either meeting Tarkett's sustainability performance requirements, requiring improvement or non-compliant. Tarkett appreciates that compliance with its Code of Conduct may require a process of gap analysis, corrective action planning, training for management and workers, capacity building and other measures. For this reason, non-compliant suppliers will be given one year to demonstrate they have made sufficient progress. These suppliers, along with suppliers requiring improvement, will be reassessed to measure progress. Suppliers considered compliant are reassessed every three years. At the end of 2024, 86% of most critical suppliers (in terms of purchasing spend, out of those requested) had completed the CSR assessment.
- Supplier capacity building on environmental or social issues is provided through the supplier CSR assessment platform as this allows suppliers to identify the key issues for their activity, to measure their degree of maturity in terms of their policies, actions, and performance, notably in comparison with their peers, as well providing them with a practical gap analysis to facilitate the development of action plans to improve.
- Alert mechanisms are in place via our whistleblowing systems (Ethics Hotline in the US and Canada; Compliance Hotline in other countries – see section 3.3.1.3 for details).

To accompany and promote the swift deployment of this program, Tarkett detailed a responsible sourcing procedure, provided various communication tools and implemented dedicated training towards its buyers and purchasing managers. For example, in 2023 specific training sessions (including a refresh of Tarkett Responsible Sourcing Program, how to onboard a supplier, how to perform an assessment and follow supplier progress based on the EcoVadis platform) were provided to global, EMEA, Eastern Europe and North America buyers (both for newcomers and as a refresher for buyers already trained previously). In 2024, FieldTurf trained all its procurement personnel to sustainable supply chains. These tools help set the context, explain the aims and objectives for Tarkett and outline the procedures to follow.

The individual actions and progress related to the deployment of the Responsible Sourcing Program are coordinated in each Division by their respective Purchasing departments. Division Purchasing Category Managers and Plant Purchasing Managers are incentivized to support the program by having personal objectives linked to this action and reviewed during their annual performance and development dialogue.

In the coming years, we will continue with the deployment and monitoring of our Responsible Sourcing Program as described above.

Microplastics infill in artificial turfs

For existing artificial turfs with rubber infill, control measures such as lining and containment are in place to prevent rubber infill from escaping the fields and polluting the environment. Studies have shown that proper containment can significantly reduce their dispersal into the environment.

As an alternative to rubber infill, we offer a growing range of artificial turfs with no infill (PureField Ultra) or with alternative natural bio-based infill, such as:

- PureFill which uses natural cork granules and sand;
- PureSelect which uses locally sourced olive cores in Europe;
- PureGeo which uses coconut peat and cork;
- PureGrain, a 100% plant-based infill crafted entirely from corn: sourced from the woody part of the corn cob, it is a corn seed by-product cultivated in France without the use of any GMOs.

In the coming years, we will continue to develop and promote our artificial turfs with no or alternative infills. In 2024, 40% of FieldTurf's sales originated from artificial turfs with no or alternative infills

3.2.2.3 Targets related to pollution and water (E2-3 / E3-3)

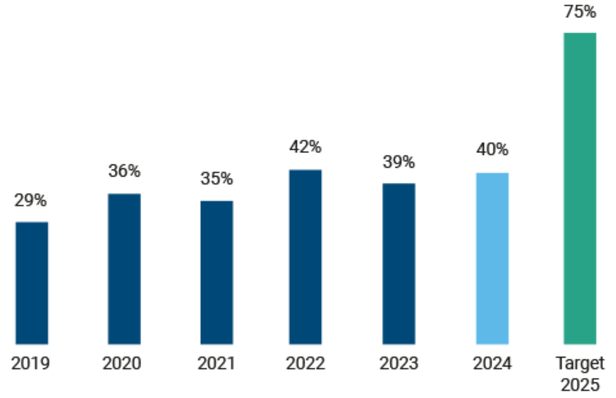
Pollution and water-related topics at supplier's level

As part of our Responsible Sourcing Program, Tarkett has defined a voluntary target of 75% of suppliers (in spend) who have adhered to Tarkett's Responsible Sourcing Code of Conduct for Suppliers (or equivalent) by 2025.

The target includes all direct purchases (raw materials and finished goods suppliers) and indirect purchases (local suppliers and service providers for production operations) from manufacturing sites (with the exception of purchases for Dalton Kraft, US and Mexico City, Mexico), excluding inter-company spends of semi-finished goods. The indicator is calculated based on suppliers who have adhered (including Tarkett Sports Division since 2021), using purchasing data from the reporting year. Accepted equivalents include: a supplier's Code of conduct if validated by Tarkett as being equivalent to Tarkett's Code of Conduct; SA8000 and ISO14001 certification; B Corp certification; and Cradle to Cradle® certification of products with all pillars in at least silver level.

In 2024, 40% of our suppliers (in spend) have adhered to our Code of conduct or equivalent. Tarkett plans to onboard more of these suppliers going forward to achieve our target, in particular in Tarkett Sports Division where the program was rolled out more recently.

Share (in spend) of suppliers who have adhered to Tarkett's Responsible Sourcing Code of Conduct for Suppliers (or equivalent)



Microplastics infill in artificial turfs

Tarkett Sports does not currently have a target regarding the reduction or elimination of microplastics in rubber infill for artificial turfs. However, we strongly encourage our clients to adopt best practices in material selection and containment strategies to mitigate the spread of microplastics. Studies have shown that proper containment can significantly reduce their dispersal into the environment. In addition, we offer alternative solutions, including artificial turf systems with either no infill or natural, bio-based infill options (see section 3.2.2.2 for details). Our approach is to stay aligned with evolving regulations, such as the recent EU ban on rubber infill, while also responding to market and customer demands for more sustainable solutions. In 2024, 40% of FieldTurf's sales originated from artificial turfs with no or alternative infills.

3.2.3 Resource use and circular economy (ESRS E5)

3.2.3.1 Policies related to resource use and circular economy (E5-1)

As part of our **Code of Ethics** described in section 3.2.1.2, "Making a difference with the circular economy" is a key focus of our environmental policy. We believe strongly that changing current models to preserve the planet's limited natural resources and capital is an urgent requirement. Our goal for the coming years is to build a healthy circular economy in our industry. Our environmental policy is mainly focused on respecting the planet's "natural capital" by reducing our environmental footprint, combating climate change, and accelerating the transition to a circular economy based on programs and economic models that promote the recycling of our products. Our commitments in this regard include:

> Designing products, services and business models that promote the circular economy;

> Promoting an optimized and judicious use of resources at all stages of production;

> Exploring and selecting materials that respect the environment, in line with Cradle to Cradle® principles;

> Developing and promoting our ReStart® program to collect and recycle our products (after installation and at the end of their lifecycle).

3.2.3.2 Actions / resources related to resource use and circular economy (E5-2)

Main actions related to raw materials

Materials assessment and selection

Tarkett works closely with the **EPEA (Environmental Protection Encouragement Agency**, part of Drees & Sommer), a research institute founded in 1987 which promotes the Cradle to Cradle® design methodology. Using this methodology since 2010 for all its activities, Tarkett not only guarantees compliance with EU regulatory requirements for chemical substances according to REACH[1], but goes further by enabling product optimization, substituting materials with alternative ones that can be recycled, and improving products' environmental credentials. The results of these material assessments enable us to better understand the environmental impact of our products and to select more carefully our raw materials by sharing our specifications with our suppliers.

To further drive the selection of low carbon materials, Tarkett has developed in 2022 and rolled-out in 2023 a low carbon methodology for materials purchase, the **MOOD methodology**, standing for "Measure, Optimize, Optimize further, Disrupt". Designed by Tarkett Sustainability and Purchasing Teams, this methodology and common framework provide guidelines for buyers to request GHG metrics to their suppliers ('Measure'): suppliers are asked to provide the product Life Cycle Analysis (LCA), sharing either the product certified EPD (Environmental Product Declarations) or PCF (Product Carbon Footprint). The MOOD methodology also requires asking the suppliers about: industrial optimization that might have a positive effect on carbon footprint, such as low carbon energy mix, energy savings, productivity increase ('Optimize'); the deeper transformation of product manufacturing, if the supplier is exploring alternative raw material sourcing and production pathways ('Optimize further'); or if they can offer alternatives to products ('Disrupt'). Tarkett Purchasing Teams take into consideration the upcoming transformations and progress declared by the suppliers in the selection of suppliers and materials.

Thanks to the collection of specific data from our key suppliers, Tarkett has been able to improve the assessment of the GHG footprint of its raw materials and identify the raw materials with the highest impact. With the MOOD approach, Tarkett is also able to identify and assess the potential contribution of low carbon raw materials that suppliers can offer and determine which technology could support our 2030 GHG reduction target. For

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[1] *Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH)*

example, thanks to our knowledge of our suppliers' specific emissions, we were able to eco-design a new homogeneous PVC floor covering, iQ Natural, by selecting the most efficient biobased alternatives, quantifying the gain in terms of carbon footprint (which was around 20% less GHG emissions during the whole life of the product and its recycling) compared to our conventional fossil fuel-based materials of this homogeneous PVC floor covering. In the coming years, we will continue with the deployment and application of the MOOD methodology for the selection of low-carbon circular raw materials.

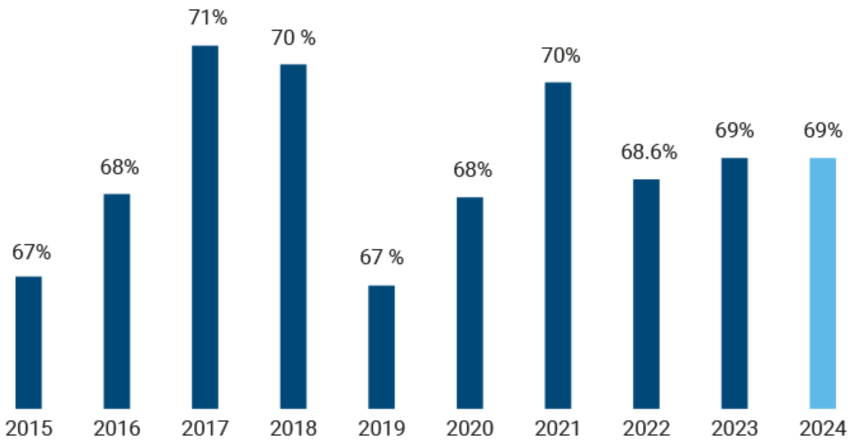
Materials not contributing to resource scarcity

Tarkett favors the use of natural abundant and renewable materials whenever possible:

- For parquet and laminate, the wood raw material is sourced from forests located close to our factories in Europe. A vast majority of our wood raw material (pine and spruce) comes from forests in Sweden and Finland where the growth exceeds logging. The hard wood (oak) is mainly sourced in Poland, Ukraine and the Balkans.
- Linoleum uses renewable materials such as linseed oil, pine resin, jute and cork.
- In recent years, we have started to use bio-based plasticizers in our luxury vinyl tiles produced at Jacareí (Brazil); and in our iQ Natural homogeneous vinyl flooring collection produced at Ronneby (Sweden), which has a carbon footprint 60% lower than the average homogeneous vinyl floor covering on the market.
- In 2023, Tarkett EMEA launched iD Evolution, a non-PVC collection of modular tiles made from 64% mineral content sourced from two natural resources: chalk and brucite.
- In 2024, our newest evolution of EcoBase carpet tile backing saw bio-based pine rosin replace a petroleum-based virgin polymer; the resulting 5% material change reduces the circular carbon footprint of each tile by on average 20%[1].
- The Eco Shell rubber flooring developed in North America includes, as a component, leftover walnut shells from local walnut tree culture.
- For artificial turfs, Tarkett's FieldTurf offers a growing range of alternative renewable material performance infill layers such as PureFill which uses natural cork granules and sand; PureSelect which uses locally sourced olive cores in the European market; PureGeo which uses coconut peat and cork; and PureGrain, which uses a plant-based infill crafted entirely from corn cobs. In Europe, our Ultra 360 + PureField offers sand-filled systems without polymeric infill.
- Our Beynon Sports athletic tracks and playground products incorporate bio-based raw materials such as bio-based polyurethane binders in surfacing; a new track surfacing system containing over 50% bio-based and 40% recycled material content is under development and expected to be launched in 2025.

In 2024, the share of our raw materials which did not contribute to resource scarcity (being abundant, rapidly renewable or recycled)[2] remained stable 69%[3] as in 2023.

Share of raw materials not contributing to resource scarcity (%)



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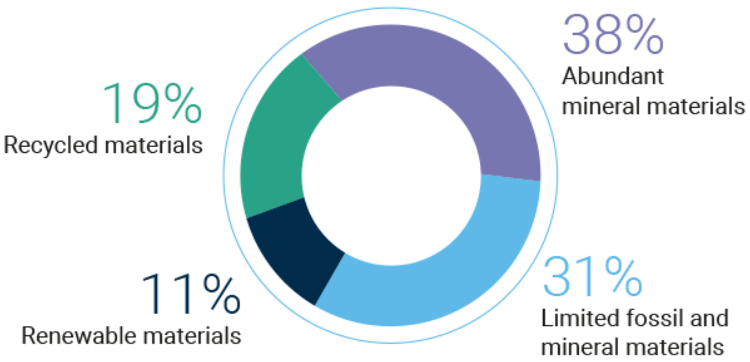
[1] Circular Carbon Footprint: according to the product specific Environmental Product Declarations (EPDs) S-P-13143, S-P-05827, S-P-08559, S-P-08561, S-P-09339, S-P-08952. Externally verified by Bureau Veritas, based on the total carbon footprint (Modules A-D) with a closed loop circular recycling scenario. Published March-June 2024.

[2] Materials characterized based on resources used in their production process (fossil, limited mineral, abundant mineral, renewable, recycled). The three categories not contributing to resource scarcity are: abundant mineral, renewable and recycled. This includes purchased raw materials as well as recycled materials used in production.

[3] Scope of reporting: All raw materials for the production of finished and semi-finished flooring and sports surface products, excluding: three entities acquired / which started operations in recent years (Thermagreen in Toronto, Canada; Grassman in Prestons, Australia; and Abu Dhabi, United Arab Emirates, representing together less than 2% of total raw materials procured) for which reporting is still being established; outsourced finished goods; process chemicals (except for carpet); and packaging. Any post-installation or post-use materials collected and effectively recycled by FieldTurf are not included, with the exception of recycled post-use artificial turf recycled at Abtsteinach (Germany). Most raw material purchase data comes from Tarkett's global SAP data warehouse. The remaining (circa 10%) is reported separately by the plants not using SAP.

Breakdown of raw materials used in 2024 (%)



Definitions:

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

Mineral materials: A chemical element or inorganic combination of chemical elements occurring naturally, extracted from the ground or water and used in economic activities. The category includes fossil-formed minerals like limestone.

Limited mineral materials: A resource that is threatened by exhaustion in a short term (as defined by selected models) and that is to be substituted in priority.

Abundant mineral materials: A resource that is not threatened by scarcity. It can have important reserve (sea salt – sodium chloride, limestone – calcium carbonate…), very good recycling process or be virtually inexhaustible (chlorine in sea water).

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

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

We are continually looking for new low-carbon materials not contributing to resource scarcity. For example, Tarkett and the Swedish environmental company Ragn-Sells, are working on the development of carbon negative mineral fillers for vinyl flooring. The primary role of a mineral filler is to bring weight and volume to the flooring. Tarkett uses approximately 100,000 tons of mineral fillers for vinyl flooring solutions in EMEA every year, of which 75% are calcium carbonate, with 40% from recycled origin. The calcium carbonate currently used by Tarkett has already a close to zero carbon footprint; with the calcium carbonate to be produced by Ragn-Sells, it is expected to generate a carbon negative footprint as the calcium is extracted from ash piles in Estonia and the calcium carbonate is produced using carbon capture technology. This innovation partnership, announced in 2021, is a long-term initiative with pilot production to be launched in 2026 following the design and construction of a future site in Estonia by Ragn-Sells.

Recycled materials

Using an ever-greater share of recycled materials is central to Tarkett's climate and circular economy objectives. We are taking a holistic approach focusing on both closed loop recycling (collecting and recycling Tarkett post-manufacturing, post-installation and post-use flooring and sports surface waste – see thereafter) and open loop recycling (sourcing post-industrial and post-use materials from other industries as well as procuring raw materials with recycled content). This applies to both flooring and sports surfaces, with for example, over 35% recycled content in certain homogeneous and heterogeneous flooring, luxury vinyl tile flooring, and linoleum (and up to 65% in some homogenous vinyl flooring categories); over 60% in certain carpet flooring solutions; and over 30% in certain artificial turfs and sports indoor surface layers.

Designing products with more recycled content and a lower carbon footprint: a few examples

In recent years, we launched several new flooring and sports surfaces products which contain more recycled materials, are themselves recyclable and exhibit lower carbon footprints than market average. Some examples are provided below:

- Launched in 2024, the iQ Loop homogenous vinyl flooring produced in Ronneby (Sweden) is made with at least 65% post-consumer recycled content and has a carbon footprint 50% lower than the market average.
- The newly relaunched iQ Optima homogenous vinyl flooring contains 25% recycled material on average, while our new Excellence heterogeneous vinyl collection exhibits a level of recycled content as high as 29% in some ranges.
- Safetred Serenity vinyl safety floors are made using around 40% recycled content.
- Our Elegance and Essence Rigid 55 vinyl collections manufactured in Europe are made with 20 to 30% recycled content on average. Our new Essence LVT collection launched in 2024 is made of up to 55% recycled content.
- Launched in 2024, our Aquasens anti-slip vinyl floor coverings for use in wet rooms are made up of 25.5-33% recycled content.
- In North America, the LVT iD Latitude collection is made with 45% recycled content, while the Color Pop collection is made with 30% pre-consumer recycled content.
- In EMEA, DESSO Fuse Landscape is a fully recyclable carpet tile collection made with 100% recycled yarn and 62.4% overall recycled content.
- Inspired Nature is a low carbon collection of modular carpets commercialized in North America: offered on Tarkett's ethos® Modular with Omnicoat Technology® carpet backing, it contains 48-64% overall recycled content.
- Our Originale xf² linoleum flooring is made with 76% biobased content and 30% recycled content.
- Tarkett Sports' FieldTurf proposes fibers composed of recycled materials such as CORE Prime, which can incorporate recycled polyethylene sourced from recycled materials such as post-industrial film waste. Another example is infill systems being developed for North America which will include post-consumer recycled content.
- Tarkett Sports' indoor flooring with the Omnisport X3LT 3-layer technology incorporates a calendared layer with up to 60% recycled content.
- The latest Triumph and Inertia® collections of Johnsonite rubber sports flooring are made with 40% and 33% recycled content respectively. According to its product-specific Environmental Product Declaration, Johnsonite rubber sports flooring demonstrates a cradle to gate carbon footprint up to 20% lower than equivalent products in the industry.

We look to procure secondary raw materials to reduce our exposure to the price volatility of fossil-based materials and to meet our climate and circular economy objectives. We are sourcing recycled materials from several partners in different industries, including:

- Econyl® fibers from Aquafil, an Italian company, which are composed of 100% regenerated nylon threads from pre- and post-consumer nylon waste, such as discarded fishing nets, textile scraps and used fiber waste from our Desso® carpets; we also source Renycle® nylon fibers from Radicifil, which are made of 75% recycled content.
- Upcycled chalk from a drinking water distribution company in the Netherlands, which is used in our EcoBase® carpet backings in replacement of traditional bitumen-based carpet backing.
- Post-industrial glass or marble powder waste material recycled for use in carpet backings and as a filler in our heterogeneous vinyl flooring.
- Post-industrial packaging film waste material recycled for use in sports fibers.
- Post-industrial automobile shock absorbing waste material recycled in sports field underlay.
- Recycled post-use polyvinyl butyral (PVB) from laminated safety glass (in car windscreens, buildings, solar panels), which is used in carpet backing in North America. In the US, Tarkett incorporates recycled post-use PVB, which has a carbon footprint 96% lower than virgin PVC backing, in our ethos® Modular with Omnicoat Technology™, a high-quality soft surface flooring solution made of 33% post-consumer recycled PVB.

At several of our manufacturing sites, research and projects are ongoing to gradually increase the share of recycled materials in our products. For example, at our Bačka Palanka site (Serbia), investigation is ongoing and work is done with suppliers to replace virgin polymers (such as polyester, polyamide and polypropylene) with externally recycled polymers. At our Otradny site (Russia), 74% of our procured polyester was made of recycled content in 2024. At our Tarkett Sports' Morton Extrusionstechnik artificial turf fiber and infill facility in Abtsteinach (Germany), turf fiber manufacturing includes both chemically and mechanically recycled polyethylene which can offset fossil-based polymer: a circa 400 k€ investment was required for the upgrade of the production line to accommodate more recycled content, resulting in GHG emissions reductions of circa 1,600 tCO_2e/year (based on the annual quantities of consumed recycled polyethylene in 2023 and 2024).

We also procure "virgin" raw materials with some recycled content, for example high density fibreboards at our laminate plant in Mytishchi (Russia), which partly consist of processed wood wastes.

Two key levers to further develop in terms of recycled materials are the increased intake of recycled PVC into vinyl products and next generation close loop recycling for carpets.

One of the main challenges of initiatives to promote the use of recycled materials is to trace the precise composition of materials that we incorporate into our manufacturing processes, and to guarantee their environmental quality. In addition to recycling our own products, we only work with partners able to provide this traceability, and which can guarantee a consistent level of quality in line with our specifications. Other challenges include the currently higher price of recycled materials compared to virgin raw materials, and the technical feasibility of integrating recycled materials into some product categories.

Thanks to the above actions, Tarkett continued towards its goal of tripling the share of recycled raw materials by 2030 compared to 2018 (see section 3.2.3.3), increasing the share to 19.4% in 2024 compared to 18.5% in 2023, 17% in 2022, 15% in 2021, 13% in 2020, 12% in 2019 and 10% in 2018.

In the coming years, we will continue to look for new recycled materials as an alternative to virgin raw materials.

Other low carbon materials

Procured raw materials can also have a lower carbon footprint due to their manufacturing process. In 2024, at our resilient flooring plants in Clervaux (Luxembourg), Sedan (France), Lenham (UK) and Konz (Germany), Tarkett continued to procure, from several suppliers, green energy-based PVC (manufactured with the use of renewable power) instead of conventionally produced PVC.

Limiting risks of supplier dependency

Each year, Tarkett conducts a supplier dependency assessment covering its principle raw materials. This annual review, by material category and plant, measures the degree of flexibility Tarkett has for its sourcing. The annual review process enables Tarkett to identify and evaluate risks of supplier dependency and prioritize its action plans to increase supplier flexibility. Furthermore, Tarkett is working on identifying and developing new sources of renewable and secondary raw materials (recycled materials) to replace virgin raw materials, thus diversifying supply sources and reducing dependence on its suppliers.

Main actions related to production waste

In our operations, we are firstly committed to avoiding the production of hazardous and non-hazardous waste. Secondly, where waste is generated, Tarkett is committed to managing it responsibly, with in order of preference, its reuse, internal or external recycling, or external incineration with energy recovery. Sending waste to landfill is always the last option when no other viable alternative is available. In all cases Tarkett ensures the respect of local waste management and disposal requirements and especially the proper handling and disposal of any hazardous waste.

Recycling initiatives at Tarkett started as early as 1957, with vinyl production recycling at the Ronneby plant (Sweden). Currently 17 plants reprocess and internally recycle their post-manufacturing waste using various techniques such as regrinding and reformulation to produce a secondary raw material. These processes avoid having to send the waste for external recycling, recovery or disposal and enable the material to be used in production in the place of virgin raw material.

At our Bačka Palanka site (Serbia), an exploration project was initiated in 2019 to internally recycle post-industrial PVC waste in a powder to be reused in product backing as replacement of virgin material. The recycling equipment was deployed in 2021 and fully operational from 2022 onwards. The first step of the project was completed in 2024, enabling to internally recycle 225 tons PVC / year; once the second step will be completed by 2027, an additional 1,650 tons PVC / year is expected to be further recycled. Total investment for this project is circa 670 k€.

At our Kalush site (Ukraine), a project was implemented in 2024 to recycle post-manufacturing PVC scrap in the vinyl flooring back layer, leading to an 8% reduction in quantities of PVC scrap waste. A similar project is planned in Konz (Germany) in 2026.

Where post-manufacturing scrap cannot be recycled and used on-site, then it may be sent to another Tarkett site where the facilities and capacity exist to process and reincorporate it into production. For example, our recycling center at Clervaux (Luxembourg) receives post-manufacturing waste and semi-finished products for recycling from other Tarkett plants such as Sedan (France), Konz (Germany), and Lenham (UK).

At our parquet manufacturing facilities, sawdust scrap is recovered and used as a biomass fuel for heating, avoiding fossil fuels or externally sourced biomass. The recovery and use of sawdust waste as a renewable energy source is implemented at Hanaskog (Sweden), Orzechowo (Poland), Mytishchi (Russia), Kalush (Ukraine) and Bačka Palanka (Serbia).

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

In the coming years, we will continue to work to minimize the waste quantities sent to landfill and maximize the share of waste sent to internal or external recycling.

Main actions related to post-installation and end-of-use flooring and sports surface waste

General approach

In addition to recycling our post-manufacturing flooring and sports surface waste, Tarkett is investing in another pathway, to increasing the use of secondary raw materials, with the longer-term goal of scaling up closed-loop post-installation and post-use flooring and sports surface collection and recycling. This pathway is more challenging, given the logistics, the technical hurdles of recycling post-use product and the need to engage with multiple stakeholders. However, Tarkett remains convinced that this is a key solution to achieving Tarkett's vision where in the future, all flooring will be recycled enabling Tarkett to become a truly circular company.

Recycling post-use flooring and sports surfaces as a key solution to avoiding Scope 3 GHG emissions related to the end-of-life treatment of sold products

In 2021, we assessed the potential avoided GHG emissions that would be achieved by recycling our products. This approach considered that the waste material is used as secondary raw material replacing virgin / fossil raw material instead of being incinerated, thus avoiding the emissions related to both the production of virgin raw materials and the incineration of the waste flooring.

Homogeneous vinyl flooring

Tarkett has overcome the challenge of recycling post-use homogeneous vinyl flooring through the in-house development of innovative technology. The flooring is granulated, washed several times to remove residues and glue, dried and safely reintroduced into our supply chain. The raw material is used in the production of new Tarkett homogeneous flooring at our recycling and production center in Ronneby (Sweden). For example, recycling 1 m² of post-use iQ homogenous vinyl flooring waste saves 11.8 kgCO_2e*.

Heterogeneous vinyl flooring

Tarkett collects clean post-installation off-cuts or used flooring, sending them to one of our dedicated sorting partners before shredding and granulating them into high quality raw materials. These materials are used in the production of new heterogeneous flooring at our plant in Sedan (France). For example, recycling 1 m² of post-use loose-lay vinyl Acczent Excellence Genius flooring waste saves 12.4 kgCO_2e*.

Carpet tiles

Tarkett processes collected post-use carpet tiles at its recycling center at Waalwijk (Netherlands) producing two material streams: the yarn and the backing. The yarn is recycled by its partner Aquafil into regenerated Econyl® nylon yarn to be used in the production of new EcoBase® carpet tiles along with the EcoBase® backing. Recycling 1 m² of post-use EcoBase® carpet tiles flooring waste saves 10.0 kgCO_2e*.

Linoleum flooring

We collect clean post-installation off-cuts or post-use linoleum flooring, sending them back to our plant in Narni (Italy) for recycling. The jute backing is easily separated and used on site as thermal fuel, while linoleum paste is micronized to become a filler for new Tarkett linoleum or other products. Recycling 1 m² of post-use linoleum flooring waste saves 5.4 kgCO_2e*.

* compared to an end-of-life scenario with 100% incineration

Developing capacity and solutions for recycling flooring and sports surface waste

Over the years, we have invested and developed our capacity to recycle post-installation flooring offcuts and post-use flooring materials and artificial turf in our own manufacturing processes, which required developing on-site recycling units.

In total, Tarkett counts **eight ReStart® flooring recycling centers** at its production sites across the world: Ronneby (Sweden), Clervaux (Luxembourg), Waalwijk (Netherlands), Narni (Italy), Jaslo (Poland), Dalton (US), Otradny (Russia), and Jacareí (Brazil). In addition, there are three FieldTurf recycling centers for sports surfaces with one in Europe at the plant in Abtsteinach (Germany), and two facilities in the US (Oregon and Pennsylvania).

The Clervaux recycling center (Luxembourg), which treats both post-manufacturing waste from other Tarkett European sites, and ReStart® collected post-installation and post-use flooring material, has the EuCertPlast certification for recycling post-consumer vinyl flooring. The backing produced using this recycled material is used at several vinyl flooring manufacturing sites in Europe and on the vinyl production line in Clervaux (Luxembourg). Our Ronneby vinyl recycling center (Sweden) also holds the EuCertPlast certification, and records its recycled volumes in RecoTrace™, the multi-polymer data collection system to record European recycled plastic data.

Tarkett Sports' Morton Extrusionstechnik artificial turf fiber and infill facility in Abtsteinach (Germany) and Tarkett's FieldTurf artificial turf production plant in Auchel (France) both obtained ISCC Plus certification in 2021 along with the ISCC Plus Sustainability Declaration for the FieldTurf artificial turf. This certification states both the origin and the proportion of recycled material, providing a guarantee that the plastic is actually made from recycled material. This follows on from the EuCertPlast certification which Morton Extrusionstechnik obtained in 2020 for recycling post-consumer artificial turf. The certification, based on European Standard EN 15343:2007 for plastics recycling and traceability, confirms the plant's use of at least 15% post-consumer recycled artificial turf in the production of FieldTurf's ProMax HydroFlex infill.

These actions are at the heart of **FieldTurf's SuReTec™ program** (Sustainable Recycling Technology) which is part of FieldTurf's Sustain the Game sustainability strategy. SuReTec™ is FieldTurf's program to apply plastic recycling technologies internally and externally, with the ultimate goal of creating a circular artificial turf. SuReTec™ relies on chemical recycling using mass balance pyrolysis oil from post-use end-of-life plastics and mechanical recycling converting plastic waste into new secondary raw materials to reduce the amount of virgin plastics used to make artificial turf and infill. The program also supports end-of-life treatment, recycling post-use turf to use as new components in new turf systems.

Tarkett Sports is also collecting and recovering used artificial turf and infill. In Oregon (US), Tarkett has a facility which recovers infill from retired fields as part of the **Infill Take Back program**. The recovered turf goes to the facility where the rubber crumb and sand infill materials are separated from the artificial turf. Infill materials are then washed and bagged ready for reuse, while the artificial turf part is often reused in community or residential applications. In 2023, a new state of the art infill regeneration facility started operation in Pennsylvania (US) to serve the Northeast US sports turf market. The facility is designed to collect and process old synthetic sports fields and recover, clean and separate the sand and rubber infill for reuse on new surfaces. Additionally, all post-consumer turf carpet that is processed is collected and sent to a third party to be recycled back into plastic lumber products. Additional infill regeneration facilities are expected to be commissioned in the coming years to serve a growing demand in the US market.

Similar to the existing system for synthetic rubber infill, a project was launched to enable alternative infill materials to be reused directly back into new sports surfaces. The first pilots are scheduled to be completed in 2025.

In the US, post-consumer turf can be used to make Greenboard, an innovative technology which combines mixed polymer recycled plastics from recycled post-consumer turf to make a durable and recycled fiber-reinforced composite board usable in the installation of new artificial turfs. The use by Tarkett Sports installation contractors of such boards, which include up to 60% post-consumer recycled content from end-of-life artificial turfs, is being gradually expanded. Alternatively, using a proprietary process that upcycles the material into a higher quality polyethylene and polypropylene blend, the carpet can be transformed into various products like nailer boards, tiles, planters, and park benches.

The recyclability of athletic tracks is also investigated: a small scale-up project was completed in 2024, which enabled end-of-life track systems to be recycled and used in playground surfacing systems; larger scale-up projects are scheduled for 2025 to confirm the large-scale feasibility.

As well as developing the capacity to handle and recycle increasing volumes of flooring and sports surface material, we also continue to conduct research and to trial new recycling techniques with the quest to develop technically and economically feasible solutions to recycle more end-of-life products. For example, in 2023 we started a partnership with Mycocycle, a Chicago-based biotech startup that leverages the root structure of mushrooms to break down construction waste, to use mycelium technology to bio-remediate our Powerbond carpet, which is manufactured and sold in the USA. This exclusive partnership was officially announced in the first half of 2024, and will continue by further testing the effects of mycelium on all types of flooring collected through our ReStart® program (see below) and explore the resulting by-product as a central ingredient in new flooring products.

Collecting and recycling post-installation and end-of-use flooring: the ReStart® program

ReStart® is Tarkett's flagship program for flooring waste collection and recycling which meets a double goal:

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

Onboarding customers, with a simple, cost-effective ReStart® take-back and recycling service is key to these goals. We are actively inviting our customers to join our ReStart® take-back and recycling program which helps them manage their flooring waste while contributing to the implementation of a circular economy. As project owners are increasingly including site waste management in their calls for tender, ReStart® allows Tarkett's customers to sign up simply to our local take-back and recycling program for flooring.

At the end of 2024, the ReStart® program is proposed in 29 countries across the globe. It exists in several formats across Europe (Sweden, Norway, Finland, Denmark, France, United Kingdom, Ireland, Belgium, Netherlands, Luxembourg, Italy, Spain, Portugal, Germany, Austria, Switzerland, Poland, Estonia, Latvia, Lithuania, Czech Republic, Romania, Slovakia and Hungary), in Brazil, India, Malaysia, Australia and in the US.

In **Europe**, we are mainly collecting vinyl installation off-cuts and post-use carpet tiles:

- For vinyl flooring, Tarkett provides big-bags and organizes the collection of offcuts or end-of-use materials (currently for post-consumer homogeneous flooring installed since 2011) which are sent to our recycling centers either at Clervaux (Luxembourg) or Ronneby (Sweden). In each market we are developing practical solutions and finding the right local partners for the collection and sorting to facilitate the recovery of recyclable materials. Once at our recycling centers, the material is controlled before processing and reintegration into our production process. In a few years, it is expected that post-use vinyl floors will be the most important contributor to ReStart® volumes.
- For carpet flooring, Tarkett provides a support to facilitate the on-site collection, then the flooring is sent to our carpet recycling center in Waalwijk (Netherlands) for recycling.
- We are also taking back linoleum for recycling at our Narni site (Italy).
- Tarkett Sports Europe also have a ReStart® program available for Omnisports and Linosports ranges.

Firm routines and trainings on cross-border waste transports within the EU have been implemented to secure that all ReStart® transports are done according to local and European legislation. Work was also conducted on vinyl waste export permits from the UK to be able to send vinyl materials collected in the UK to our Tarkett EU facilities for recycling.

In 2024, a new financial setup of ReStart® was implemented in Europe to simplify cost tracking and incentivize more efficient solutions for logistics and sorting. New ReStart® big bags with 30% pre-consumer recycled material and a QR code to access instructions have moreover been rolled-out across EMEA countries, with the objective to have a standardized approach and easier communication on how ReStart® works throughout EMEA.

Tarkett multiplies ReStart® flooring take-back and recycling projects across Europe with a climate beneficial solution and a quality customer service

Tarkett successfully convinced more clients in 2024 to join the circular economy through its ReStart® flooring post-installation and post-use collection and recycling program. The onboarding of new customers was achieved through the continued pedagogy and effort from its teams across Europe to propose and deliver a simple solution. Existing collaborations were also continued and strengthened in 2024. A few examples include:

> The successful collaboration with IKEA continued: nine take-backs have been executed from IKEA stores in Sweden, Finland, Denmark, Hungary and Spain in 2024. Since the first take back experience of post-use material from IKEA Stockholm in 2020, more than 200 tons (corresponding to 70,000 sqm) have been collected in over 35 take backs from IKEA stores in 13 countries across Europe (avoiding a total of 700 tons of CO_2 emissions).

> In Germany, post-installation and post-use homogenous vinyl flooring removed from renovated modular containers are collected from modular builder Kleusberg and sent to Tarkett's facility in Ronneby (Sweden) for recycling (after sorting if need be). Over 160 tons were collected from Kleusberg in 2024.

> In Germany, we have completed two major take-backs of carpet tiles with EcoBase® backing for a total of over 30 tons.

> In Denmark, the renovation of office facilities in Copenhagen included the take-back for recycling of over 38 tons post-use carpet tiles.

> In the Netherlands, we are taking back 20,000 m² of post-use DESSO carpet tiles as part of the installation of new DESSO tiles at a local company's headquarters. The project started in the third quarter of 2024 and will be completed by mid-2026.

> During the renovation of CZ health insurance company offices in the Netherlands, circa 1,500 m² of end-of-life Desso Capella bitumen carpet tiles have been taken back for recycling.

> In Italy, we took back 45 tons of post-use and post-installation material as part of the installation of new vinyl flooring in 29 stores of a supermarket company throughout the country.

> In Italy, 15.5 tons linoleum offcuts were collected and recycled through ReStart® during the installation of 38,000 m² of Tarkett linoleum at the Milano Olympic Village.

In **North America**, the program has existed since the end of the nineties for collection and recycling of carpet tiles and was expanded to vinyl flooring in 2010. ReStart® collection and recycling has been and remains predominately post-use rather than post-installation. The challenge is to develop logistics solutions, notably finding the right logistical partners, to collect and recycle larger volumes of post-use products and the small quantities of post-installation flooring waste as well as re-introducing materials into existing products. In 2023, Tarkett North America started sending returned or discontinued LVT collected as part of the ReStart® program to Avery Automats, a company based in Dalton, Georgia (US), that is using this LVT in the manufacturing process of their automotive mats. This collaboration enables to recycle 100% of the collected LVT, no longer sending it to a waste-to-energy plant. In 2024, as part of the renovation of Loyola Marymount University (LMU) residence hall in California, over 6,200 m² of old carpet flooring (representing over 22 tons) were collected and recycled through the ReStart® program.

In **Russia**, a ReStart® pilot project was initiated by surveying installation and distribution channels for their interest in the collection for recycling of post-installation vinyl flooring scraps. One of our long-term distribution partners (who provides customers with additional services for cutting products, as a result of which it accumulates flooring offcuts) showed interest, and we started to receive the first dispatches in June 2023. Only post-installation resilient residential materials were collected in 2023, and we expanded the project to rigid-LVT products in 2024.

In **Brazil**, Tarkett takes back post-installation material for vinyl composite tiles, luxury vinyl tiles, as well as homogeneous and heterogeneous resilient flooring from clients close to our site at Jacareí, for recycling at our manufacturing facility and incorporation into the manufacture of a new national LVT base. The ReStart® project started with a pilot phase in 2018, with a modest 2.8 tons of recycled material and the participation of five resellers. Through concentrated efforts in communication and promotion of the program, we have been able to increase the engagement among new participants as well as the quality of the collected post-installation flooring offcuts. In 2024, with an active participation of 23 resellers and 5 installers, we collected more than 30 tons of post-installation flooring.

In **Australia**, Tarkett works with flooring contractors to collect vinyl off-cuts as part of its ReStart® take-back program, thus diverting them from landfill. The collected homogenous vinyl off-cuts and end of rolls go through a granulator which was commissioned in 2022. In 2024, a waste export license was obtained from the Australian Federal Government, enabling to ship the granulated material to our recycling facility in Ronneby (Sweden). To date, 30 tons of vinyl off-cuts and end of rolls have been granulated and exported to Ronneby for use in the production of new homogenous vinyl flooring. In 2024, we also started collecting post-use vinyl flooring, and in 2025 we intend to collect and export post-use Desso Ecobase carpet backing for closed loop recycling.

In 2023, Tarkett launched the ReStart® program in **Malaysia**, where we collect used carpets products that will be used as fuel for the cement industry, as an alternative to fossil energy.

In the coming years, we will continue to promote and develop our ReStart® program in a view to continually increase the quantities of post-installation and end-of-use flooring collected and effectively recycled each year.

Collaborating with others to build a circular economy

For deploying our ReStart® program, we work with specialized companies and organizations such as Veolia in France; Kuijs in the Netherlands; Belcyco in Belgium; Carpet Recycling UK; Verhoek in Germany; the AGPR (Association for the Recycling of PVC Floor-Coverings) in Germany, a recycling site for used vinyl flooring (in which Tarkett is one of the four founding shareholders); and Carpet America Recovery Effort (CARE) in the United States, a non-profit trade organization that fosters recycling of carpets and rugs, and of which Tarkett is a founding member.

In France, Tarkett is a founding member of Valobat, a not-for-profit eco-organization for the building sector. Valobat is one of the four organizations accredited by the French government for operating the new Extended Producer Responsibility regulation for building and construction products and materials. Its ambition is to contribute to the development of the circular economy with the collection and recycling of building materials in France, in line with the French 2020 law on tackling waste and developing a circular economy, which requires manufacturers of building products and materials to organize or delegate the management of end-of-life waste collection and recycling.

The ReStart® program has been complemented by a re-use offer, which allows our European customers to resell or purchase second-hand Tarkett carpet tiles that are still in good condition. In several countries in Europe, including France, the Nordics, Benelux and UK, Tarkett has indeed started offering a reuse option for carpet tiles. Carpet tiles that have been recovered through the ReStart® program can be offered for reuse depending on customer requests. This mainly concerns the office segment. The complete process includes storage, ordering, cleaning, and shipping of reused carpet tiles to new customers. In 2024, we were for example able to offer circa 1,200 m² of reuse carpet tiles for an office project in Uppsala, Sweden.

Main actions related to the design of circular products

Tarkett applies **Cradle to Cradle® (C2C) principles** for the design of its products, from material selection and product manufacturing, to installation, use, maintenance, end-of-use and product recovery. Tarkett's Human-Conscious Design® philosophy and eco-design methodology strives, right from the upstream phase of a design process, to integrate various aspects – economical, performance, respect for the health and the environment – throughout different stages of the product's life cycle[1]. All impacts on the environment are studied and assessed, and the approach requires the engagement of many functions within the company: research & development, marketing, procurement, production, and quality, among others.

Our **'New Product Development Process' (NPDP)** includes sustainability and circular economy criteria right from the initial design phase. This process encourages our teams to select "good" raw materials (i.e. positively defined according to C2C criteria), to evaluate the climate impact of the different raw materials, and to ensure how the product will be disassembled and recycled at end-of-use (i.e. eligible to post-installation and end-of-use collection as part of our ReStart® program, to be later recycled in one of Tarkett's recycling centers).We also use **life cycle analysis (LCA)**, one of the methodologies to assess the environmental impact of a product. Our internal method, which is aligned with ISO 14040, ISO 14044 or EN 15804 standards, identifies and compares the environmental impacts of a system throughout its lifecycle, from extraction of raw materials through its fabrication and processing up to its end-of-life or end-of-use (landfill, recycling…) including use phases, maintenance, and transportation.

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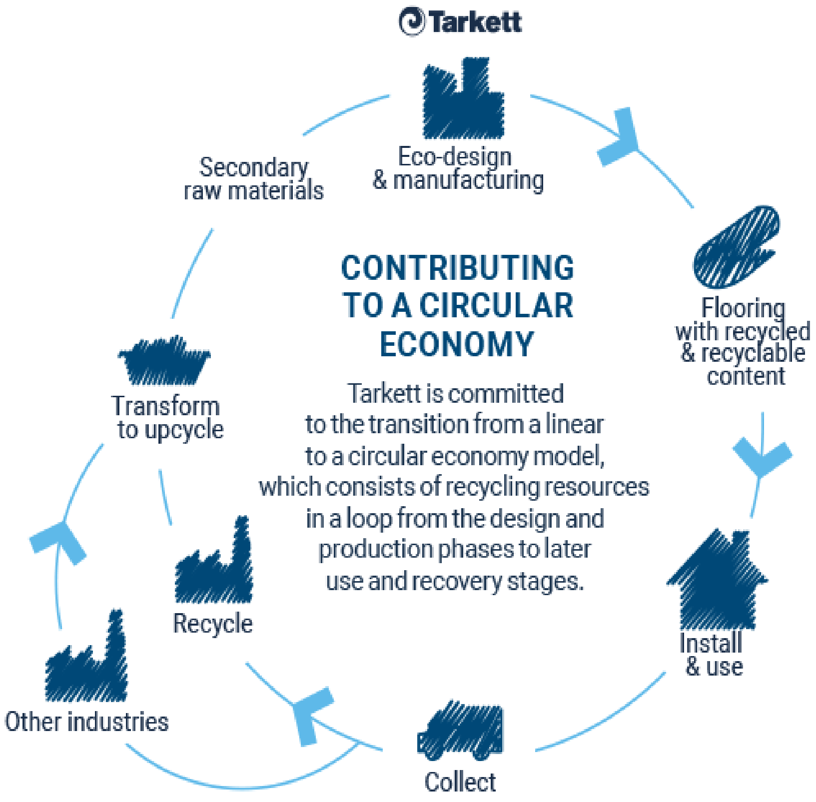
[1] *Standard NF X 30- 264 Environmental management – Assistance to the implementation of an eco-design approach, 2013.*



The above processes enable us to develop circular products with increased recycled content and which are themselves recyclable, to ensure that we can fully close the loop.

Another important feature of circular products is to integrate easy removal right from the design stage, ultimately allowing more efficient collection, sorting and recycling. Beyond the flooring product itself, one challenge is to design installation and removal methods, which facilitate the collection of flooring at end-of-use while allowing the separation of different layers and materials. For example, the modular vinyl ranges, such as iD Click Luxury Vinyl Tile ranges, have a unique click system which makes for a floating installation, without the need of adhesives enabling the flooring to be very quickly laid and easily removed. The 'Made in Europe' Essence / Elegance Rigid 55 vinyl collections launched in 2023 have similar smart click locking systems, allowing for quick installation, eliminating the need for glue, and thus also facilitating removal. In North America, Tarkett has the modular range of flooring, ProGen™, fitted with a fast lock mechanism. Quick-Fix carpet tiles (produced in partnership with Velcro®) and the Tape+ / Tape products offer solutions so that carpets can be installed, re-installed, and recycled easily, without damaging the flooring surface. In 2023, Tarkett launched its first linoleum with glue-free installation, the new Tarkett Lino Loose-Lay, with a loose-lay technology allowing for easy removal at end-of-use. For indoor sports Tarkett proposes Greenlay^{TM}, a loose-lay installation method for Omnisports surfaces: with only 2% of surfaces glued, the end-of-life recovery is facilitated enabling the surface to be easily removed, taken back through Tarkett's ReStart® program and recycled.

Another lever to develop low-carbon circular products is to reduce the quantity of raw materials in our products / the weight of our products. For flooring surfaces, the main focus in this regard is on luxury vinyl tiles which have a high weight compared to other product categories.

In the coming years, we will continue to apply our circular design principles to continually develop low-carbon circular products.

3.2.3.3 Targets related to resource use and circular economy (E5-3)

Tarkett is an international company that sells its products in over 100 countries and manufactures them in 35 factories in 21 different countries. Given the importance of standards in the construction industry, each country has its own construction practices. These practices strongly influence the processes for identifying and collecting flooring and sports surfaces for recycling. The level of maturity of our customers regarding the circular economy also varies widely. It depends on the demand from key players, regulations and on the supply that has developed.

We have therefore decided to define a single Group-level target related to the implementation of a circular economy, focusing on the share of recycled raw materials as described below. It is up to the local teams to consider the specific local characteristics of their ecosystem to activate the most relevant levers and, where necessary, set sub-objectives to achieve the Group objective. For example, the EMEA Division is prioritizing the recycling of post-consumer materials in line with changing European regulations. In Eastern Europe, the focus is on the open-loop principle, as it is virtually impossible to collect installation waste or end-of-life flooring in the residential sector.

We have consequently not defined additional Group-level targets on other material topics related to the circular economy (production waste, post-installation and end-of-use flooring and sports surface waste, circular products). However, it should be noted that actions implemented on these topics (e.g., to increase the internal recycling of post-manufacturing waste, to increase the collection and effective recycling of post-installation and post-use flooring and sports surface, and to develop more circular products) participate in reaching our recycled raw materials target, as all these topics are closely interrelated.

Raw materials

In line with our circular economy commitments as set out in the Code of Ethics, Tarkett has defined a voluntary target to triple the share of recycled raw materials[1] from 10% in 2018 to 30% by 2030. This target relates to both the prevention and recycling layers of the waste hierarchy.

The scope of the target includes all raw materials for the production of finished and semi-finished flooring and sports surface products, excluding: three entities acquired / which started operations in recent years (Thermagreen in Toronto, Canada; Grassman in Prestons, Australia; and Abu Dhabi, United Arab Emirates, representing together less than 2% of total raw materials procured) for which reporting is still being established; outsourced finished goods; process chemicals (except for carpet); and packaging. Any post-installation or post-use materials collected and effectively recycled by FieldTurf are not included, with the exception of recycled post-use artificial turf recycled at Abtsteinach (Germany).

In 2024, we used close to 157,000 tons of recycled materials as an alternative to virgin materials, which represents 19.4% of our raw materials used, compared to 18.5% in 2023, 17% in 2022, 15% in 2021, 13% in 2020, 12% in 2019 and 10% in 2018. While we have made good progress in the past six years to almost double the share of recycled raw materials from 10% in 2018 to 19.4% in 2024, we need to strengthen our efforts to be able to achieve our target of 30% recycled raw materials by 2030.

Production waste

While we strive to reduce the quantities of waste generated during the manufacturing of our products, and to minimize landfilling and maximize recycling for our production waste streams (as described in section 3.2.3.2), Tarkett currently does not have a specific Group-level target regarding production waste. The effectiveness of our policies and actions is however tracked through the production waste-related metrics disclosed in section 3.2.3.5. As mentioned previously, it should moreover be noted that the actions implemented to increase the internal recycling of post-manufacturing waste participate in reaching our recycled raw materials target.

Post-installation and end-of-use flooring and sports surface waste

While we strive to continually increase collection and effective recycling of post-installation and post-use flooring and sports surface (as described in section 3.2.3.2), Tarkett currently does not have a specific Group-level target in this regard (targets may be set-up locally at Division or country level). The effectiveness of our policies and actions is however tracked through the end-of-life waste-related metrics disclosed in section 3.2.3.5. As mentioned previously, it should moreover be noted that the actions implemented to increase the collection and effective recycling of post-installation and post-use flooring and sports surface participate in reaching our recycled raw materials target.

Circular products

While we strive to apply our circular design principles to continually develop low-carbon circular products (as described in section 3.2.3.2), Tarkett currently does not have a specific Group-level target in this regard. The effectiveness of our policies and actions is however tracked through the application of Cradle to Cradle® (C2C) principles and of our ‘New Product Development Process’ (NPDP) for the development of new products. As mentioned previously, it should moreover be noted that the actions implemented to develop more circular products participate in reaching our recycled raw materials target.

3.2.3.4 Resource inflows (raw materials E5-4)

Material resource inflows for Tarkett include raw materials for the manufacturing of finished and semi-finished flooring and sports surface products. Other materials such as packaging (which typically represents less than 2.5% of the product's weight), process chemicals (except for carpet), equipment and non-production related goods are not significant in comparison to raw materials.

Our main raw materials include PVC, plasticizers, fillers, wood, fibers / polyolefins, and latex / rubber.

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

The raw materials consumption for the manufacturing of finished and semi-finished flooring and sports surface products is presented in the below table.

Raw materials consumption	2024	2023
Total weight of raw materials used (tons)	808,502	830,839
Total weight of secondary (recycled) raw materials used (tons)	156,853	153,747
Percentage of secondary (recycled) raw materials used (%)	19.4%	18.5%
Total weight of biological (renewable) raw materials used (tons)	89,727	80,852
Percentage of biological (renewable) raw materials used (%)	11.1%	9.7%

The following definitions / methodologies / assumptions apply to the reported raw materials consumption data:

- The scope includes all raw materials for the production of finished and semi-finished flooring and sports surface products, excluding: three entities acquired / which started operations in recent years (Thermagreen in Toronto, Canada; Grassman in Prestons, Australia; and Abu Dhabi, United Arab Emirates, representing together less than 2% of total raw materials procured) for which reporting is still being established; outsourced finished goods; process chemicals (except for carpet); and packaging. Any post-installation or post-use materials collected and effectively recycled by FieldTurf are not included, with the exception of recycled post-use artificial turf recycled at Abtsteinach (Germany).

- Most raw material purchase data comes from Tarkett's global SAP data warehouse. The remaining (circa 10%) is reported separately by the plants not using SAP.

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

- Biological (renewable) materials are natural resources of which reserves can be replenished in the same or less time than the one needed for its consumption.

- Note: While the total share of biological (renewable) raw materials used is monitored and constitutes an important performance indicator for Tarkett, the percentage of biological materials that is sustainably sourced is not specifically reported at present, particularly as there is currently no clearly established definition of what constitutes a sustainable source. However, considering and reducing the impact of raw materials (particularly in terms of their potential impact on biomass used for food production) is an integral part of the new product development process and of the life-cycle analyses carried out on our products. For example, with regard to wood sourcing, we have established partnerships with suppliers of FSC® (Forest Stewardship Council®) and/or PEFC (Programme for the Endorsement of Forest Certification) certified wood, which enhances the sustainable management of forests; in EMEA, our Chain of Custody certification covers several production sites and sales entities. We have also developed internal procedures to ensure compliance with the European Union Timber Regulation.

The total consumption of raw materials has decreased by 3% between 2023 and 2024, in line with the slight reduction of overall production levels. Thanks to our actions as described in section 3.2.3.2, both the quantity of secondary (recycled) raw materials and the quantity of biological (renewable) raw materials have increased over the same period (by respectively 2% and 11%), thus leading to an increase in the share of these materials in 2024.

3.2.3.5 Resource outflows (products and waste E5-5)

Products

Our 'New Product Development Process' (NPDP) focuses on, among other things, the integration of recycled content and the effective recyclability of the product, as well as an evaluation according to the Cradle to Cradle® (C2C) principles (see section 3.2.3.2). This is a process that we are gradually implementing within our company for the design of our products.

The rate of recyclable content in products (as mandated by ESRS E5-5), which would be calculated as the weight of recyclable materials divided by the overall total weight of materials, is not a relevant metric for Tarkett, as it would not be representative of the effective recyclability of our products. Indeed, while close to 100% of the raw materials constituting our products are individually recyclable, the final products themselves may not be fully recyclable once the different raw materials are combined / glued together. We are therefore working on the development of a more relevant metric related to the effective recyclability of our products.

It should be noted that packaging, which typically represents less than 2.5% of the product's weight, is not considered significant compared to the product itself. Packaging typically consists of cardboard, paper foil, and plastics (PE/PP), which are all recyclable.

Production waste

The main type of waste generated at our manufacturing sites is post-manufacturing product's waste, which is reprocessed and recycled internally by 17 plants to avoid having to send the waste for external recycling, recovery or disposal.

At our parquet manufacturing facilities, sawdust waste is generated in significant quantities; it is recovered and used as a biomass fuel for heating.

Other types of waste generated at the plants typically include metal, paper, cardboard, electronic waste, used oils, etc. which are sorted and sent preferably for external recycling or recovery, with disposal to landfill being the last resort.

The total amount of waste generated at Tarkett manufacturing sites, broken down by type (hazardous / non-hazardous) and destination (recycling, incineration with / without energy recovery, landfill, other) is presented in the below table.

Waste generated	2024	2023
Total amount of waste generated (tons)	**54,811**	**58,754**
- Non-hazardous waste generated (tons)	45,962	47,403
- Hazardous waste generated (tons)	8,849	11,351
Total amount of waste diverted from disposal (tons)	**43,032**	**45,271**
- Non-hazardous waste diverted from disposal (tons)	39,776	38,913
- Non-hazardous waste – Recycling (tons)	31,642	30,196
- Non-hazardous waste – Other recovery operations (tons)	8,135	8,717
- Hazardous waste diverted from disposal (tons)	3,256	6,358
- Hazardous waste – Recycling (tons)	2,765	5,826
- Hazardous waste – Other recovery operations (tons)	491	532
Total amount of waste directed to disposal (tons)	**11,779**	**13,483**
- Non-hazardous waste directed to disposal (tons)	6,186	8,490
- Non-hazardous waste – Incineration (tons)	345	7
- Non-hazardous waste – Landfill (tons)	4,378	7,330
- Non-hazardous waste – Other disposal operations (tons)	1,462	1,153
- Hazardous waste directed to disposal (tons)	5,593	4,993
- Hazardous waste – Incineration (tons)	25	9
- Hazardous waste – Landfill (tons)	1,760	1,593
- Hazardous waste – Other disposal operations (tons)	3,808	3,391
Total amount of non-recycled waste (tons)	**20,404**	**22,732**
Percentage of non-recycled waste (%)	***37%***	***39%***

The following definitions / methodologies / assumptions apply to the reported waste data:

- Waste generated is defined as all waste removed from the manufacturing plants (e.g. industrial waste, office waste, waste from canteens…; excluding post-manufacturing product's waste reprocessed and recycled internally in the same plant or in another Tarkett plant; and excluding sawdust waste reused on site as biomass fuel) by a contracted service provider. Tarkett splits waste by type (hazardous and non-hazardous) and by destination (landfill, incineration with energy recovery, incineration without energy recovery, recycling, other treatment). Wastewater is excluded.
- Hazardous and non-hazardous wastes are defined by national legislation at the point of generation.
- Waste sent for external recycling includes carpet waste sent to the cement industry as a source of calcium carbonate or a replacement to fossil fuel.
- Other recovery operations refer to incineration with energy recovery.
- Incineration refers to incineration without energy recovery.
- Other disposal operations refer to waste sent for external other treatment (without knowledge of final destination).
- Non-recycled waste is the sum of all waste sent to landfill, incineration with energy recovery (other recovery operations), incineration without energy recovery (incineration), and other treatment (other disposal operations); it excludes waste sent for external recycling or / and sent to other Tarkett plants for internal recycling.

The reduction in the quantity of waste generated at Tarkett sites between 2023 and 2024 is mainly linked to significant declines at the Otradny and Florence West sites in relation to the lower levels of production.

Product's end-of-life waste

Our engagement and actions related to product end-of-life waste management are described in section 3.2.3.2.

From 2010 to 2024, Tarkett has collected 123,900 tons of flooring (post-installation and end-of-use flooring: vinyl, linoleum, carpet). In 2024, 5,000 tons of installation offcuts and used flooring were collected through the ReStart® program[1], which marks an encouraging increase over the average 3,300 tons collected annually over the past five years.

Good progress was made in Europe thanks to the continued engagement of our sales network encouraging customers to join our ReStart® collection and recycling program. Post-installation and post-use flooring was collected from numerous projects providing material to recycle at our unique carpet recycling center in the Netherlands, our vinyl recycling centers in Sweden and Luxembourg, and our linoleum recycling center in Italy. These four European recycling centers saw the quantity of ReStart® collected material increase by 18% in 2024 compared to 2023.

In North America, we experienced in 2024 a 40% increase in our ReStart® collections due to several strategic initiatives. Our extensive customer engagement played a crucial role, as did our improved logistics processes. Additionally, our focus on innovative recycling solutions, such as our partnership with Mycocycle, contributed to this growth.

As part of the Infill Take Back program, Tarkett Sports infill regeneration facilities in Oregon and Pennsylvania (US) have collected and recovered 11,707 tons of infill for reuse in new projects in 2024.

3.2.3.6 Anticipated financial effects from material circular risks and opportunities (E5-6)

Not disclosed for 2024, 1-year phased-in provision used as allowed by ESRS 1 Appendix C.

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[1] *End-of-use (post-consumer or post-use) flooring products that have been used and are removed for disposal (e.g. old products retrieved from the floor during a renovation project, potentially with remaining concrete and/or glue); and post-installation waste incurred during the installation of flooring products (e.g. not used pieces of clean flooring, reclaimed from installers during installation). Collected through Tarkett organized collection of end-of-use or post-installation waste (i.e. through ReStart® program) to be recycled and reintegrated into production whenever possible. In North America, the ReStart® collected flooring is tracked per shipment from the client site where it is recovered to Tarkett / partner recyclers. When it was not possible to weigh the quantity of recovered flooring an estimation was made based on the number of truck loads that were sent.*

3.2.4 Taxonomy Regulation

The EU taxonomy is a classification system, establishing a list of environmentally sustainable economic activities with the aim of helping the EU scale up sustainable investment and implement the European green deal. The EU taxonomy provides companies, investors, and policymakers with appropriate definitions for which economic activities can be considered environmentally sustainable. The first Delegated Acts, adopted in June 2021, set out a list of economic activities in the sectors that are considered most relevant for addressing climate change mitigation and climate change adaptation and thus having the potential to make a substantial contribution to the EU's environmental goals on climate. Examination of Tarkett's principal activities based on NACE codes (European Nomenclature of Economic Activities) found flooring and sports surface manufacturing not to be covered by these Climate Delegated Acts.

In 2023, Tarkett analyzed its eligibility for each of the newly defined environmental objectives, according to the requirements published in the Delegated Act on 27/06/2023 (EUR-Lex - C(2023)3851). The Group has not identified any eligible sales as its activities are not considered, in the Taxonomy's sense, to make a substantial contribution to these other environmental objectives. In addition, an action plan is in place to quantify the investments that may be eligible for taxonomic activities in the coming years. As a result, the various actions taken to reduce the carbon footprint of the Group's activities, products, services and production activity could not be qualified as eligible in the capital expenditure indicators.

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year N

Financial year N	Year 2024			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')(h)									
	Code	Turnover	Proportion of Turnover, year N	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.)turnover, year N-1	Category enabling activity	Category transitional activity
Text		Currency M€	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%														0%		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
Turnover of taxonomy eligible activities but not environmentally sustainable (not aligned with taxonomy)		0	0%														0%		
A. Turnover of Taxonomy eligible activities (A.1+A.2)		0	0%														0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		3332	100%														0%		
TOTAL		**3332**	**100%**														**0%**		

Proportion of Turnover/Total Turnover

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM : Climate Change Mitigation	0%	0%
CCA : Climate Change Adaptation	0%	0%
WTR : Water and Marine Resources	0%	0%
CE : Circular Economy	0%	0%
PPC : Pollution Prevention and Control	0%	0%
BIO : Biodiversity and ecosystems	0%	0%

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year N

Financial year N		Year 2024		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')(h)									
Economic Activities	Code	CapEx	Proportion of CapEx, year N	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of CapEx aligned with taxonomy (A.1.) or eligible (A.2.), year N-1	Category enabling activity	Category transitional activity
Text		Currency M€	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%														0%		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%														0%		
A. CapEx of Taxonomy eligible activities (A.1+A.2)		0	0%														0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		96[1]	100%														0%		
TOTAL		**96**	**100%**														**0%**		

Proportion of CapEx/Total CapEx

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM : Climate Change Mitigation	0%	0%
CCA : Climate Change Adaptation	0%	0%
WTR : Water and Marine Resources	0%	0%
CE : Circular Economy	0%	0%
PPC : Pollution Prevention and Control	0%	0%
BIO : Biodiversity and ecosystems	0%	0%

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[1] *This CapEx of 96 M€ refers to 2024 acquisitions of property, plant and equipment and intangible assets.*

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year N

Financial year N		Year 2024		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')(h)									
Economic Activities	Code	OpEx	Proportion of OpEx	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of OpEx aligned with taxonomy (A.1.) or eligible (A.2. year N-1	Category enabling activity	Category transitional activity
Text		Currency M€	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%														0%		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%														0%		
A. OpEx of Taxonomy eligible activities (A.1+A.2)		0	0%														0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		9.1[1]	100%														0%		
TOTAL		**9.1**	**100%**														**0%**		

Proportion of OpEx/Total OpEx

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM : Climate Change Mitigation	0%	0%
CCA : Climate Change Adaptation	0%	0%
WTR : Water and Marine Resources	0%	0%
CE : Circular Economy	0%	0%
PPC : Pollution Prevention and Control	0%	0%
BIO : Biodiversity and ecosystems	0%	0%

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[1] *This OpEx has been calculated based on the legal requirements to analyze 2024 non-direct costs relating to research and development, building renovation, short-term rental contracts, maintenance and repair, and any other direct expenditure connected with the day-to-day upkeep of property, plant and equipment by the company or by the third party to whom these activities are outsourced, which is necessary to keep these assets in good working order. The amount of 9.1 M€ has been calculated based on service contracts linked to outsourced OpEx to maintain assets (3.3M€) and short term leases (5.8M). No 2024 OpEx has been identified for non-direct R&D costs, building renovation and maintenance & repair.*

ANNEX III

Publication of the information referred to in Article 8, paragraphs 6 and 7 of Delegated Regulation (EU) 2021/2178: Activities relating to nuclear energy and fossil gas

	Activities relating to nuclear energy	
1.	The company carries out, finances or is exposed to research, development, demonstration and deployment of innovative installations for generating electricity from nuclear processes with minimal fuel-cycle waste.	NO
2.	The company is involved in, finances or is exposed to the construction and safe operation of new nuclear power or process heat production facilities, in particular for district heating or industrial processes such as hydrogen production, including their safety upgrades, using the best available technologies.	NO
3.	The company is involved in, finances or is exposed to the safe operation of existing nuclear power plants for the production of electricity or process heat, in particular for district heating or industrial processes such as hydrogen production, using nuclear energy, including their safety upgrades.	NO
	Activities relating to fossil gas	
4.	The company engages in, finances or is exposed to the construction or operation of facilities for the production of electricity from gaseous fossil fuels.	NO
5.	The company engages in, finances or is exposed to the construction, refurbishment and operation of combined heat/cooling and power generation plants using gaseous fossil fuels.	NO
6.	The company engages in, finances or is exposed to the construction, refurbishment and operation of heat generation facilities that produce heat/cooling from gaseous fossil fuels.	NO

3.3 Social information

3.3.1 Own workforce (ESRS S1)

3.3.1.1 Policies related to own workforce (S1-1)

Our **Code of Ethics** described in section 3.2.1.2 includes several policies related to our own workforce, addressing the following topics among others:

- **Respect for human rights**: combat child labor / forced labor / undeclared labor; provide decent working conditions; comply with the minimum wage provisions laid down by local laws; treat employees fairly and in accordance with local laws and policies.
- **Promoting social dialogue**: respect freedom of association; comply with the collective bargaining agreements in place; encourage open dialogue between employees and managers; set up internal opinion surveys and take their results into consideration.
- **Protecting health and safety**: monitor safety standards and results; identify, assess and report risks; ensure compliance with safety instructions; ensure that all employees always wear their protective equipment to work; carry out a rigorous analysis of the root causes after every accident.
- **Fostering diversity and inclusion**: recruit, hire, train and promote individuals in all types of positions, regardless of ethnicity, color, gender, religion, country of origin, ancestry, place of birth, age, marital status, sexual orientation, disability, veteran status or any other discriminating factor; promote equal treatment within the company, particularly between men and women; facilitate the integration of disabled employees into the work environment; promote diversity in employee profiles and career paths; combat all forms of harassment.

The above policies are implemented locally through procedures established at Division, country and/or site levels.

Through its Code of Ethics, Tarkett fully adheres to the Universal Declaration of Human Rights and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work.

3.3.1.2 Processes for engaging with own workforce (S1-2)

Tarkett organizes every two years, since 2008, a **company-wide employee feedback survey** providing an opportunity for all employees to share their experience and to participate in the continuous improvement of the workplace. The anonymous survey, overseen by an independent third-party, helps to reinforce employees' sense of belonging by giving them the opportunity to be heard through a formal structured engagement process. It also provides a rich insight for management on how employees feel and where to improve.

The last survey was conducted between April and June 2023 on a new online platform, Qualtrics. The participation rate reached a record high at 89% (compared to 81% in 2021 and 88% in 2018) with 9,618 employees responding to the survey, providing a reliable picture of current employee sentiment. The survey had 44 questions (including two open questions), organized around our Employee Engagement Index and six drivers: confidence in the future, collaboration, efficiency, positive working conditions, empowerment, learning and career development.

The average engagement level decreased by three points in 2023 (68% vs. 71% in 2021)[1], with a weakened confidence in the future (68% in 2023 vs. 79% in 2021) and a weakened responsiveness to changing market and customer needs (58% in 2023 vs. 69% in 2021). These trends could be partly explained by the current market and political situations faced in different parts of the world.

At a global level, employees show a positive and improving perception of Tarkett's culture (trusting relationships / people, team spirit). Robust results are also observed in the compliance and safety fields, which are considered as Tarkett's foundations and strengths.

While showing some improvements compared to 2021, we have identified challenges around three topics: organizational agility (collaboration outside the team, processes simplification, improved communication and empowerment); recognition (people appreciation, compensation); and learning and career development (+8 pts vs. 2021 - significant progress to be consolidated and confirmed). Our action plans thus focus on empowering our employees by better sharing information, providing more opportunities for learning and career development, and inspiring confidence in the future.

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[1] *Note that there were wording evolutions (new questions / reworded questions) and a calculation methodology change in 2023 compared to 2021, so that comparability of the average engagement level must be taken with caution.*

The results, which were detailed per Division, country and activity, were shared internally through a collaborative platform enabling managers to build action plans to act on the findings. It should be noted that strong differences were observed between populations (Divisions, countries, entities), reflecting contrasted business situations and contexts. This is why each Division and countries/entities within Divisions have been asked to develop targeted and customized action plans to be implemented at the local level. These local plans are reinforced by action plans determined at the Group and Division levels.

Follow-up shorter “pulse” surveys are conducted on a regular basis to monitor the progress made thanks to the effective implementation of the action plans. The last pulse survey was conducted in December 2024.

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

The **Tarkett Forum**, the Group's European works council, provides a platform for social dialogue in Europe. Several times per year, this council brings together trade union representatives of our main European sites to dialogue with Group Management, including the President of our EMEA & Latin America Division. This council strengthens cooperation and social dialogue and focusses on issues pertaining to the general functioning of the company and discusses HR issues common to different sites and countries in Europe.

In April 2024, Tarkett held a Board Forum meeting during which were discussed financial and safety results. HR KPIs were also presented, including the follow-up of the performance and talent review campaigns and the development programs for the Division. The participants were also provided with an update on ongoing strategic initiatives within the Division. In October 2024, another Board Forum meeting was held in Narni (Italy) with Tarkett's EMEA & Latin America President and HR Vice President. During the meeting, updates on key strategic projects were shared, with a focus on the new organization structure (BUs and Sales Areas) and a follow-up on the restructuring program in Clervaux (Luxembourg). Financial, safety and HR KPIs were also presented and discussed, along with the upcoming pulse survey to remind board members how much employees feedback is valued within the Division. The last annual Board Forum meeting was held in December 2024 and was the occasion to present updates on key social topics such as HR KPIs, the status of the restructuring program, Performance & Development Reviews, and the employee engagement survey. Financial results were shared along with Capex plans for 2025, and an industrial update was presented including achievements on safety and fire KPIs.

3.3.1.3 Processes to remediate negative impacts and channels for own workforce to raise concerns (S1-3)

A first professional whistleblowing system, the **Ethics Hotline**, was established in 2016 for our activities in North America (United States and Canada), and a second similar tool, the **Compliance Hotline**, was introduced for other countries in 2018. These systems, hosted by a third-party service provider and supported by a dedicated platform, enable Tarkett's employees (and any third party) to raise their concerns and/or report potential violations with our Code of Ethics they may witness within Tarkett (e.g. regarding discrimination, harassment, conflict of interest, health and safety, corruption, fraud…). It is easily accessible on the internet from the Group's corporate website, on the company intranet and by phone from 150 countries in 200 languages.

Alerts can be reported anonymously. The systems and processes in place guarantee the confidentiality of the cases and the protection of the rights of the whistleblowers.

In certain countries, deployment of the systems was subject to the approval of local works councils. These whistleblowing systems are presented and explained in all the compliance training modules, and a specific whistleblowing procedure for the alert systems is available on Tarkett's internet and intranet sites. Internal awareness of the systems is maintained through targeted communication, such as emails, newsletters, and digital posters.

Any concerns / alerts raised through the whistleblowing systems are subject to review and preliminary examination of their admissibility by the members of the Ethics Committee; if admissible, they are then subject to detailed investigation by members of the Ethics Committee and other relevant authorized persons (depending on the type and scope of the alert), based on what corrective actions are implemented as need be, and monitoring is conducted until satisfactory closure.

Another process to address the potential concerns / issues raised by the employees is through the biennial employee feedback survey described in section 3.3.1.2.

3.3.1.4 Actions / resources in relation to own workforce (S1-4)

Health and safety

The following actions, systems and resources are in place to develop a safety culture and ensure the protection of our worker's health and safety:

- **Tarkett's health and safety procedures** are implemented at our sites and notably include: health and safety risk assessments at each plant, anticipating risks related to changes in operations; provision and use of personal protective equipment (PPE) as appropriate; procedures for handling chemicals and hazardous substances; measures to limit noise and other factors of stress; systematic reporting and root cause analysis of incidents; regular inspections to ensure safety of equipment and application of safety procedures. Safety procedures are translated into local languages, with shop-floor safety signs, warnings and symbols used to further enhance comprehension and awareness by all. Training on health and safety risks, Tarkett rules and good practices are regularly provided to both Tarkett employees and to subcontractors working at Tarkett sites, with visitors also briefed on key safety rules and behaviors.
- **Group Safety Director (GSD)**: The GSD, reporting to the Chief Sustainability & Safety Officer, makes sure that safety standards are deployed in our plants and properly implemented. He supports local teams with dedicated training and audits where gaps can be identified and necessary improvements highlighted (including change of culture). The GSD can propose evolutions / improvements of safety standards that are then escalated to EMC members for approval. The GSD suggests safety strategy adjustments, for instance by focusing on low noise events and by monitoring new KPIs. The GSD also facilitates learning and knowledge sharing between safety experts of our plants.
- **Group health and safety standards**: In 2024, Tarkett continued to apply its overarching "Golden Triangle" approach to global safety standards: defining good standards, making them easy to follow and controlling them regularly to improve them. In 2024, the global safety team continued to roll out the third Group safety standard on safe maintenance intervention while starting the deployment of the fourth Group safety standard on cutting prevention (with the objective to ensure that cutting operations are made with safe tools and to prevent accidents connected with cuts due to sharp tools). The first two Group safety standards on loading bays and on interaction between pedestrians and vehicles are now fully deployed.
- **Health and safety action plan**: A strict action plan is implemented in each plant, notably concerning the assessment of risks specific to Tarkett production lines. In 2024, the focus of the action plan was the implementation of the Group safety standards. In parallel emphasis was made on the importance of applying the "lessons learned" preventative approach following all accidents, with Tarkett entities required to analyze the presence of the same risk in their plants and to plan adequate countermeasures. In 2024, a strong focus was also made on the detection and management of low noise events (near-misses, unsafe conditions and unsafe acts) to secure these risks preventively and to spread the safety culture within the whole Tarkett organization.
- **Health and safety training**: Continuous organizational learning is delivered at all levels, with training focused in previous years on the rights and duties of managers; the quality of the root cause analysis and countermeasures after any safety event; fire and ergonomic risk assessments; and the workplace 5S system[1]. A safety training course for newcomers made in virtual reality, developed by the Sedan plant (France) in 2023, was rolled-out within EMEA sites in 2024 (with most plants covered by the end of 2024, and the remaining to receive the deployment in 2025; for a budget of implementation of circa 100 k€ Opex for the whole EMEA Division), providing all newcomers with a standardized message on general safety rules based on real onsite examples. In TNA, EHS leadership training classes were delivered in 2024 to strengthen the commitment to safety and to contribute to the focus on leading indicators.
- **Health and safety culture**: To further strengthen the safety culture within the plants, management safety Gemba walks (workplace walkthrough to observe employees and ask about their tasks) were implemented within EMEA in 2024. By end 2024, circa 5,000 Gemba walks were made in our EMEA plants, leading to an increase of reporting of unsafe acts / conditions by circa 50%. In TNA, the Leading Indicator Focus initiative launched in 2023 and rolled out in 2024 led to an increase in the reporting of unsafe acts, unsafe conditions and positive points by circa 300%.
- **Health and safety incentives**: All managers in operations concerned by the annual performance and development dialogue (PDD) have safety criteria included in their bonus. This concerns managers, department managers and in some cases line managers.

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[1] *The 5S system (where the 5S stand for Sort, Set in order, Sweep & inspect, Standardize, and Sustain) is a system for organizing spaces so work can be performed efficiently, effectively, and safely, putting everything where it belongs and keeping the workplace clean, which makes it easier for people to do their jobs without wasting time or risking injury.*

- **Health and safety assessments**: Each plant conducts a self-assessment on safety management. Furthermore, safety experts from the Group and the Divisions regularly visit the plants to provide ongoing support and training, but also to observe how they are implementing Group safety standards and best practices. Most plants are visited each year depending on priorities, and where plants need more help. Some plants are also audited regularly as part of their ISO 45001 certification, and Tarkett's global insurers also conduct periodic audits which include safety aspects as a part of their focus on fire risks. The outcomes of all these safety assessments help determine which actions must be implemented at the plants in terms of health and safety.
- **Health and safety reporting and good practice sharing**: Each month a safety call is held, with latest global safety figures shared, previous month incidents discussed along with countermeasures, actions and good practices to work on. The call is aimed at safety managers and plant managers, but also open to warehouse managers and any people interested from the plants. In 2024, a focus was made on improving sharing of experience and on reapplication of good practice.
- **Health and safety incident investigation**: After each incident or accident, a rigorous assessment of causes ("root cause analysis") is carried out. Action plans are then developed and deployed. Safety alerts summarizing the incident's causes, its outcomes and the corrective actions implemented to prevent re-occurrence are systematically prepared and shared with all sites.
- **Safety Pledge**: The top 100 leaders of the Group signed a Safety Pledge in December 2018: "Safety is our #1 commitment. Every day. Everywhere". Each year Tarkett employees participating to our global Safety Day may sign a Safety pledge, thus renewing their commitment.
- **Global Safety Day**: An annual Global Safety Day is organized at all Tarkett plants, warehouses and offices worldwide each year following the first such day in December 2018. In 2024, the 7th Global Safety Day took place in the first week of November. The importance of safety, Tarkett's number one commitment, was highlighted in a video message from the CEO and the Presidents of the Divisions. The message was translated into 16 languages. The objective of the Global Safety Day is to strengthen safety culture, awareness of risks, abidance to safety procedures and rules, and to empower employees to identify and report risk areas for themselves and for their colleagues. The focus of the 2024 edition in plants was to further progress on the deployment of pedestrian ways in our warehouses and safe maintenance intervention standards in our plants. It was also the opportunity to continue to improve the deployment of 5S through workshops and to promote the reporting of low noise events (such as unsafe acts and unsafe conditions) by managers and operators. In offices, the focus was on the 5S system and on tripping hazards as well as on safe driving.

The total Capex for implementing safety projects in 2023-2024 amounted to circa 7.5 M€ per year, covering investments on machine compliance, racking compliance, nip points, fire protection, loading docks, interaction vehicles-pedestrians, lock-out/tag-out (LOTO), ergonomics…

The effectiveness of the above actions and initiatives is tracked through a mix of leading indicators (e.g., on safety inspections, unsafe acts / conditions, near-misses…) and lagging indicators (as disclosed in section 3.3.1.9), which are monitored monthly as part of the WCM (World Class Manufacturing) program. Safety results are monitored and analyzed during the Group's Executive Management Committee meetings, as well as Tarkett's Supervisory Board. They are also presented and discussed with senior executives as an introduction to each Quarterly Information Session. The safety topic is moreover evaluated by all employees during the biennial internal employee feedback survey and included in managers 360° feedback. In 2023, 85% of employees indicated that they are satisfied with efforts made to maintain safety/security.

By the end of 2024, 73% of the Group's manufacturing sites had obtained certification for the ISO 45001 standard on occupational health and safety management systems.

In 2025, the main safety projects / initiatives will cover: the increased reporting of low noise events; the continued implementation of Group safety standards; the launch of a 4-year plan on fire prevention within EMEA; the involvement of operators in Gemba walks; and a project on workplace risk visualization. The total safety budget (Opex and Capex) for the Group for 2025 is circa 7.2 M€.

Diversity and inclusion

Defined as “creating a diverse and inclusive environment where all perspectives are heard, respected, and valued”, diversity and inclusion (D&I) is one of the five pillars of Tarkett's Global Talent Management Guiding Principles.

The following actions and initiatives are implemented to create a more diverse and inclusive workplace at Tarkett:

- **Promoting women among our workforce**: Talent reviews are done ensuring a D&I mindset and including a specific focus on Female Talent Pool. In 2023, Tarkett joined the European Network for Women in Leadership (WIL Europe), a program giving women in several countries the opportunity to network, grow in their career and floorish their future: through this partnership, we sent six women from EMEA, Eastern Europe and Corporate teams to the Women Talent Pool program, a 1-year program with various learning contents including online courses, mentoring sessions and a global networking event. In 2024, Tarkett kept the momentum and renewed the partnership with WIL Europe, sending six more talented women from across all Divisions to join the 12-months program. As part of this program, Tarkett held an event in May 2024 at the Tarkett Atelier in Paris (France), with guest speakers sharing views on leadership and sustainable development.

- **Diversity awareness in EMEA**: Inspired by the pedagogy of the Climate Fresk, the Diversity Fresk is a collective intelligence workshop designed to raise awareness of the cognitive mechanisms at work in terms of discrimination, to discover approaches aimed at reducing them, and to debate their scope and limits, while acquiring a common vocabulary to engage in constructive dialogue and bring about a more inclusive and peaceful society. The Diversity Fresk was deployed in 2023 with several workshops organized in Paris La Défense, Auchel (France) and Clervaux (Luxembourg). Deployment continued in 2024 with three more workshops organized in Paris La Défense. In total, circa 70 Tarkett employees participated in these Diversity Fresk workshops in 2023 and 2024. In EMEA, inspiration sessions are moreover conducted 3 to 4 times a year for managers around leadership and D&I.

- **Age diversity**: In some locations, Tarkett has an aging workforce and so is locally focused on recruiting young candidates. In that respect, our Sedan plant (France) has developed partnerships with local universities to help increase the visibility and awareness of opportunities at Tarkett for internships and apprentices as the plant looks to increase the generational diversity with young employees. At our Waalwijk site (Netherlands), a 'World Inclusion Day' was organized in October 2024 with an inspiration session for all employees regarding different generations in the company

- **Equity, Diversity, and Inclusion (EDI) program in North America**: Tarkett North America (TNA) Division continued to develop its Equity, Diversity, and Inclusion (EDI) program in 2024. TNA has three Employee Resource Groups (ERGs). These groups are voluntary, employee-led groups which aim to foster a diverse, inclusive workplace by bringing together individuals based on common interests, backgrounds, or demographic factors such as gender, race, or ethnicity. The Equity, Pride, Inclusive, Celebrate (EPIC) ERG is a group that includes circa 40 people of color working across multiple Tarkett North America locations. The mission of EPIC is to provide an equitable work environment where employees of color can be supported and actively shape Tarkett's inclusive culture. Another ERG is Connect, a professional women's group with a mission to tackle gender gaps with the participation of now over 100 females across all TNA locations. Connect's purpose is to provide a trusting and safe community for women where they can be their authentic selves without fear of criticism or judgement. In 2023, TNA created a training course for managers entitled “Bring Your Best: A Leader's Role in Creating High-Performing Teams”. The course examines, among other topics, the importance of diversity, how to recognize biases, strategies to create an inclusive culture that drives high-performing teams, and how to access support by leveraging the three ERGs. Over 150 leaders have completed this training. To further increase the EDI culture within TNA teams, monthly diversity awareness emails are sent out to all TNA IT-enabled employees (circa 1,200 employees), and the TNA careers page includes EDI information for prospective candidates. In 2024, a review of diversity pay equity conducted by the compensation team identified several opportunities for diversity pay equity adjustments to be considered in the next TNA salary campaign in 2025.

- **EDI training in Eastern Europe and Asia Pacific (TEE & APAC)**: In 2024, 15 employees have been trained on inclusion in Serbia; and several employees followed an EDI training course in Australia - New Zealand.

The effectiveness of the above actions and initiatives is tracked through the monitoring of our target of 30% of managers and executives to be women by 2025 (see section 3.3.1.5) and through various diversity metrics (e.g. on gender or age, as disclosed in section 3.3.1.8).

In the 2023 employee feedback survey, 73% of employees indicated that everyone is treated fairly regardless of personal background or characteristics (a slight progression compared to 2021), and 77% indicated that they are comfortable voicing their opinions, even if they are different from others.

3.3.1.5 Targets related to own workforce (S1-5)

Health and safety

In line with our health and safety policy as set out in the Code of Ethics, Tarkett's goal, set-up in 2019, is to reduce the recordable work-related accidents frequency rate [FR1t][1] for our own employees[2] to 1.0 by 2025. This target, based on Tarkett safety performance and industry benchmarks, was proposed by Tarkett's Executive Management Committee (EMC) to the Supervisory Board.

The recordable work-related accidents frequency rate [FR1t] for all Tarkett employees improved to 2.78 with 59 recordables in 2024 (compared to 3.28 in 2023 and 3.36 in 2022), thanks to the efforts made as described in section 3.3.1.4.

We must continue to improve and will keep strengthening our safety culture through assessments, procedures, action plans and training to endeavor to achieve our 2025 target.

Diversity and inclusion

In 2020, in line with the Afep-Medef Code, Tarkett's Executive Management Committee (EMC), after consultation of Division's HR Senior Executives, proposed to the Supervisory Board a new target to increase the share of women among managers[3] and senior executives to 30% by 2025. The Nominations, Compensations and Governance Committee of the Supervisory Board approved the proposed objective which applies to a population of more than 1,600 managers, including Tarkett's executives.

Tarkett aims to achieve this objective by strengthening its action plan on gender diversity, which includes benchmarking, setting local objectives, developing the female talent pool, increasing our attractiveness to female candidates, and raising awareness amongst our teams.

In the general population of managers, the share of women at the end of 2024 remained stable at 29%, with 469 women among 1,639 managers (compared to 29% in 2023 and 27% in 2022), bringing us close to our 2025 target of 30%.

3.3.1.6 Characteristics of the undertaking's employees (S1-6)

Employee headcount data, per gender, country and type of contract, is disclosed in the below tables.

Gender	Number of employees (headcount)	
	As of 31/12/2024	As of 31/12/2023
Male (#)	8,182	8,383
Female (#)	3,260	3,320
Other (#)	N/A	N/A
Not reported (#)	0	0
Total employees (#)	11,443	11,703

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[1] *Number of Lost Time Accidents (LTA - unavailability greater than 24 hours) and Non-Lost Time Accidents (NLTA - ability to come back to work within 24 hours) per million worked hours*

[2] *All workers who are engaged by Tarkett and are on the Tarkett payroll, including interns / trainees and apprentices if on payroll*

[3] *A manager is an employee with at least one direct report at the date of reporting (e.g. 31.12), including blue collar workers (e.g. shift leaders, group leaders, extension supervisors and team managers are considered as managers). An employee who is considered a manager (e.g. manager in job title) but who does not have direct team management responsibility, or the managed team is composed only of contingent workers and/or interns is not considered a manager for the CSR reporting.*

The total number of employees (11,443 employees as headcount as of 31/12/2024) reported in the above table is consistent with the total number of employees (11,635 employees as average headcount over 2024) disclosed in section 4.1 'Key figures' of chapter 4 'Review of the financial position and results' of the URD.

Countries	**Number of employees (headcount)**	
	As of 31/12/2024	**As of 31/12/2023**
USA	3,542	3,525
Russia	1,468	1,461
Serbia	1,009	1,047
Sweden	612	618
Poland	583	631
France	551	572
Germany	488	486
Other countries	3,189	3,363

Headcount as of 31/12/2024	**Female**	**Male**	**Other**	**Not reported**	**Total**
Total number of employees (#)	3,260	8,182	N/A	0	11,443
Number of permanent employees (#)	3,083	7,516	N/A	0	10,599
Number of temporary employees (#)	173	265	N/A	0	439
Number of non-guaranteed hours employees (#)	4	401	N/A	0	405

The following definitions / methodologies / assumptions apply to the reported employee headcount data:

- Tarkett payroll employees include all workers who are engaged by Tarkett and are on the Tarkett payroll, including interns / trainees and apprentices if on payroll; but excluding non-active staff (employees on leave greater than 6 months for any of the following reasons: long periods of vacation, long-term illness or disability, parental leave, sabbatical leave, early retirement scheme, departure for military service, any other long period of absence).
- Employees are reported as headcount, i.e., the number of Tarkett payroll employees at the last day of the reporting period (where each employee on the payroll counts for 1, irrespective of date of joining the company or whether working full-time or part-time).
- 'Other' gender refers to persons who legally register themselves as having a third, often neutral, gender (in some Member States where it is possible to do so); this category is currently not applicable at Tarkett.
- 'Not reported' gender refers to employees who have not declared their gender in Workday (either due to involuntary omission or because they voluntarily do not want to report their gender as 'Male' or 'Female').

- Permanent employees refer to employees engaged by Tarkett for no specified duration (i.e. indefinite contract for an indeterminate period); exception is made for China where employees on two or more years fixed-term contract are considered as permanent.
- Temporary employees refer to employees on Tarkett payroll engaged for a specified limited duration (i.e. temporary / fixed-term contract).
- Non-guaranteed hours employees refer to employees engaged by Tarkett without a guarantee of a minimum or fixed number of working hours; they include Tarkett Sports seasonal and casual workers working on the installation of artificial turfs, for whom the workload is not fixed but depends on the number of installations / customer orders.

The total number of employees declined by 2% between 2023 and 2024, in relation to the reduced activity and restructuring plan in Europe.

Employee turnover data is disclosed in the below table.

Employee turnover	2024	2023[1]
Number of permanent employees who have left the company (#)	1,785	2,008
Permanent employee turnover rate (-)	16.5%	18.0%

The following definitions / methodologies / assumptions apply to the reported employee turnover data:

- Number of permanent employees who have left the company refers to the number of employees with permanent contracts removed from the payroll during the reporting period (who left voluntarily or due to dismissal, retirement, or death in service).
- Permanent employee turnover rate is calculated by dividing the total number of permanent employees who have left the company by the total number of permanent employees (headcount) at the beginning of the reporting period.

Employee turnover fell by 1.5 point between 2023 and 2024.

3.3.1.7 Characteristics of non-employees in own workforce (S1-7)

Characteristics of non-employees are disclosed in the below table.

Non-employees in own workforce	2024	2023
Total number of external workers (FTE)	724	618

The following definitions / methodologies / assumptions apply to the reported non-employee data:

- Non-employees refer to external workers, defined as any worker who does not have an employment contract with Tarkett / is not on Tarkett payroll (e.g. external workers on contract with a temporary staff employment or leasing agency hired to support regular operations, peak in activities…); not including subcontractors working for specific projects (e.g., SAP implementation).
- External workers are reported as full-time equivalent (FTE), which is used to measure the effective workforce during the reporting period as opposed to the headcount which is the number of employees present at the end of the reporting period. External worker's FTE is calculated by dividing the total number of worked hours by external workers by the number of average / regular hours for one full time worker.

The total number of external workers, which represents circa 6% of the total number of Tarkett employees, increased by 17% between 2023 and 2024. The use of external workers is linked to specific needs and activity peaks.

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[1] *The permanent employee turnover rate for 2023 has been recalculated on the basis of the total number of permanent employees (in headcount) at the beginning of the reporting period, whereas it was previously based on headcount at the end of the reporting period.*

3.3.1.8 Diversity metrics (S1-9)

Diversity metrics are disclosed in the below table.

Gender and age distribution among employees	2024	2023
Number of male employees in top management (#)	140	154
Number of female employees in top management (#)	45	51
Percentage of female employees in top management (%)	24%	25%
Number of employees under 30 years old (#)	1,516	1,662
Number of employees between 30 and 50 years old (#)	6,367	6,500
Number of employees over 50 years old (#)	3,560	3,541

The following definitions / methodologies / assumptions apply to the reported diversity metrics:

- Top management includes top senior executives (EMC to EMC-1, i.e. CEO, members of Executive Management Committee (EMC) and the senior executives reporting to the CEO / EMC), and directors (EMC-2) directly reporting to top senior executives.
- Age is the actual age at the end of the reporting period.

Diversity metrics remained generally stable between 2023 and 2024, with a slight decreased in the percentage of female employees in top management and a slightly ageing workforce.

3.3.1.9 Health and safety metrics (S1-14)

Health and safety metrics are disclosed in the below table.

Health and safety indicators	2024	2023
Percentage of employees covered by health and safety management systems (%)	80%	-
Total number of work-related fatalities[1] (#)	0	0
- *Tarkett employees (#)*	0	0
- *External workers (temporary workers) (#)*	0	0
- *Contractors working on Tarkett sites (#)*	0	0
Number of recordable work-related accidents (#)	61	76
- *Tarkett employees (#)*	59	69
- *External workers (temporary workers) (#)*	2	7

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[1] *As a result of work-related injuries and work-related ill health*

Health and safety indicators	2024	2023
Recordable work-related accidents frequency rate [FR1t] (-)	2.69	3.42
- *Tarkett employees (-)*	2.78	3.28
- *External workers (temporary workers) (-)*	1.39	5.93
Number of cases of recordable work-related ill health – Tarkett employees (#)	1	1
Number of days lost to work-related injuries and ill health – Tarkett employees (#)	770	2,024[1]

The following definitions / methodologies / assumptions apply to the reported health and safety metrics:

- Manufacturing plants and warehouses are considered as having a health and safety management system in place if they are certified to ISO 45001, or if they have the following in place regarding health and safety: a policy, a dedicated manager, a legal compliance check, a risk assessment, an action plan, analysis and countermeasures on all recordable incidents, and a process to report employees' proposal and remarks. Offices and sales networks are considered as having a health and safety management system in place if they are certified to ISO 45001, or if they have the following in place regarding health and safety: a policy, a legal compliance check, an action plan, analysis and countermeasures on all recordable incidents, and a process to report employees' proposal and remarks. The percentage of employees covered by health and safety management systems is calculated as the sum of employees working at sites having a health and safety management system in place, divided by the total number of Tarkett employees. This indicator was calculated for the first time in 2024.
- Work-related accidents are reported according to local legal requirements and to Tarkett internal definitions. They are monitored separately for Tarkett employees and for external workers (temporary workers); they do not include commuting accidents or accidents of visitors and contractors (only contractor's fatalities would be reported, would they occur).
- Recordable work-related accidents include both Lost Time Accidents (LTA - including fatalities) where the individuals are unavailable to attend work for a period greater than 24 hours; and Non-Lost Time Accidents (NLTA) where the individuals are able to come back to work within 24 hours even if moved to a job with 'light duties'.
- The recordable work-related accidents frequency rate, also called FR1t within Tarkett, is defined as the number of recordable work-related accidents (LTA and NLTA) per million worked hours; it is calculated as: (# LTA + # NLTA) / million worked hours, where the number of LTA includes fatal accidents.
- Worked hours are the hours worked by all employees / external workers during the reporting period; for certain categories of employees, worked hours may be tracked locally with a time and attendance system (e.g. check in / check out system); for other employees worked hours can be calculated as: scheduled hours + hours of recorded overtime worked – hours of absence.
- Work-related ill health refers to occupational illnesses (or diseases) defined as "any abnormal condition or disorder, other than one resulting from an occupational injury, caused by exposure to factors associated with employment".
- Number of days lost to work-related injuries and ill health refers to the number of calendar days lost following an employee workplace accident or occupational illness during the reporting period. Calendar days are counted from first full day of absence (i.e. the day after the accident) until the last day of absence (i.e. the day before returning to work). Days lost during the reporting period further to a workplace accident or occupational illness which occurred in previous reporting periods are included, as are days lost further to a relapse; but in these cases, no new workplace accident or occupational illness is accounted for. Days lost are still to be reported even if the employee is no longer considered active (due to absence greater than 6 months). Zero lost days are reported in the case of a fatal accident.

In 2024, three main drivers have contributed to making our activities safer and improve our safety performance (-21% on the FR1t for Tarkett employees and external workers compared to 2023): the strict application of the Group safety standards deployed from 2020 and covering our main risks (nip points, loading bays, interaction between pedestrians and vehicles, safe maintenance, safe cutting tools), the deployment of safety leadership trainings for managers in TNA and EMEA, and the strengthening of the monitoring and analysis of dangerous situations and risky behaviors.

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[1] *The number of days lost to work-related injuries and ill health for Tarkett employees has been recalculated in calendar days for 2023, whereas it was previously calculated in working days.*

3.4 Governance information (ESRS G1)

This chapter on governance information provides the required disclosures for material topics covered by ESRS G1 (including business conduct and corruption / bribery), as well as disclosures covering the two following material entity-specific matters: fair competition and international sanctions.

3.4.1 Business conduct policies (G1-1)

Business conduct policies and corporate culture

Our Code of Ethics described in section 3.2.1.2 addresses, among others, the following business conduct topics:

- **Fighting corruption**: Tarkett is committed to conducting all its activities lawfully, with integrity and transparency, and to developing and maintaining internal policies, procedures and controls that are specifically focused on the prevention and detection of corruption and influence peddling.
- **Maintaining healthy and fair competition**: Tarkett seeks to outperform its competitors in a spirit of fairness and honesty. Our competitive advantage is based on better performance and never on unethical or illegal practices.
- **Compliance with international sanctions programs**: Tarkett commits to comply with applicable international sanctions programs and all applicable regulations relating to the import and export of goods and services.

The Code of Ethics is supplemented by the following policies on the above topics:

- **Anti-corruption Code of Conduct**: Drafted and rolled-out in 2018 in replacement of the Anti-corruption Policy, it defines clear guidelines allowing our teams to identify and prevent inappropriate behavior in terms of corruption and influence peddling. This code lists prohibited practices (illegal payments, facilitation payments and political contributions), practices governed by strict rules (among others gifts and invitations, donations to charities, sponsorships, interest representation and/or lobbying action), and required practices to be followed internally (proper and exact accounting, declaration of conflict of interest) and with our business partners (e.g., anti-corruption contractual clauses, implementation of due diligence procedures, use of intermediaries). The Code was reviewed and updated in 2021 following the revision of our corruption risk mapping, and it is aligned with the requirements of the French anti-corruption law (“Loi Sapin 2”) and the recommendations of the Anticorruption French Agency (AFA). Every employee is fully informed that non-compliance with any one of the provisions listed in the Anti-corruption Code of Conduct may give rise to disciplinary sanctions, including dismissal. This code is acknowledged by all new employees during their onboarding process and thereafter on an annual basis. The Anti-corruption Code of Conduct is endorsed by the Chief Executive Officer and Chairman of the Management Board, is publicly available to all stakeholders on the Group's corporate website, and is translated into 17 languages on Tarkett's intranet for our employees.
- **Competition policy**: It underlines the essential principles and rules to be strictly respected in terms of relationships with competitors (horizontal agreements, exchange of information, membership and participation in trade associations), relationships with suppliers and customers, and good practices to avoid abuse of a dominant position. The competition policy is endorsed by the Chief Executive Officer and Chairman of the Management Board, is publicly available to all stakeholders on the Group's corporate website, and is translated into 17 languages on Tarkett’s intranet for our employees.
- **International Sanctions Policy**: Following the war in Ukraine, Tarkett reinforced in 2022 its International Sanctions program in implementing a new procedure and additional controls. The International Sanctions Policy, which applies to all Tarkett personnel and entities, refers in particular to the rules of the UN, the EU, the US or the UK. It defines internal procedures and controls (including country classification by risk level, analysis of proposed transaction, third party due diligence) to follow to mitigate the international sanctions risks. The process is based on checks completed by the Legal & Compliance Department before carrying out a transaction involving a country listed in the procedure, in order to legally assess the situation and make a decision accordingly. The policy is available to all employees on Tarkett’s intranet.

At Tarkett, the corporate culture on business conduct is established through the above policies; is developed / promoted through regular information (e.g. via group emails, on the compliance section of Tarkett's intranet) and trainings on business ethics, anti-corruption, and fair competition (see below); is evaluated through the controls conducted by the persons in charge of internal controls and the internal audit teams; and is validated by the absence, to the best of our knowledge, of confirmed cases of corruption, restrictive competition practices or non-compliance with international sanctions programs.

Whistleblowing systems and procedure for investigating incidents

The **whistleblowing systems**, as described in section 3.3.1.3, enable any internal or external stakeholder to report concerns or potential violations with our Code of Ethics and our business conduct policies, while ensuring the protection of the rights of the whistleblowers.

Any concerns / alerts raised through the whistleblowing systems are subject to review and preliminary examination of their admissibility by the members of the Ethics Committee; if admissible, they are then subject to detailed investigation by members of the Ethics Committee and/or other relevant authorized persons (depending on the type and scope of the alert), based on what corrective actions are implemented as need be, and monitoring is conducted until satisfactory closure.

Compliance training program

The **compliance training program**, redesigned in 2018 and regularly reviewed afterwards, focuses among others on business ethics, anti-corruption, and fair competition. The program consists of customized e-learning modules which are organized for targeted employees considered at risk by their function (over 5,500 employees enrolled). Functions assessed most at risk in respect of corruption / bribery include sales, marketing / business development, purchasing / supply chain, finance, internal audit and legal.

Anti-corruption training addresses in particular bribery, relations with intermediaries, gifts and invitations, charitable donations and the whistleblowing systems available to employees as well as third parties. Regarding fair competition, the program covers in particular horizontal (competitors) and vertical (suppliers and sub-contractors) restrictions of competition such as the exchange of information in the framework of professional trade organizations. A user-friendly tool with improved look and feel was deployed in 2021 with modules shortened but conducted more regularly. Overall participation rates improved thanks to an efficient follow-up strategy with controls to ensure that all at-risk employees were enrolled. In 2024, 99.4% of targeted employees completed training on anti-corruption and 99.0% on fair competition. In general, 99.2% of targeted employees completed a relevant e-learning on business ethics in 2024 (compared to 98.0% in 2023, 97.4% in 2022 and 97.6% in 2021).

3.4.2 Management of relationships with suppliers (G1-2)

The management of relationships with suppliers is described in section 3.2.2, through our Responsible Sourcing Program which includes a procurement CSR risk mapping, our Responsible Sourcing Code of Conduct for Tarkett Suppliers, the integration of social and environmental requirements in supplier's contracts, and supplier's evaluation and control through detailed CSR assessment of selected suppliers. The implementation of our Responsible Sourcing Program is supported by a responsible sourcing procedure and dedicated training towards our buyers and purchasing managers.

3.4.3 Prevention / detection of corruption and bribery (G1-3)

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

- A **corruption risk mapping** exercise was initiated in 2017, updated in 2019 and redesigned in 2020 / 2021. The risk identification and assessment process was based on interviews of 85 internal stakeholders covering the whole range of Tarkett activities and processes worldwide. The risk mapping is continually expanded and updated based on elements gathered through additional interviews and/or potential alerts or incidents and/or NGO reports we have been informed about. The granularity of the assessment is thus refined as these elements are collected by Tarkett. In 2020 and 2021, an important update of the corruption risk mapping was undertaken to identify and then assess risks in a more refined and relevant way, and to take into account the latest AFA requirements.
- The **Anti-corruption Code of Conduct**, as described in section 3.4.1, which is acknowledged by all new employees during their onboarding process and thereafter on an annual basis.
- The **whistleblowing systems** as described in section 3.3.1.3.
- The **assessment of our business partners**: Tarkett performed an assessment of some of its suppliers as part of our Responsible Sourcing Program, as well as anti-corruption due diligences on its intermediaries and some of its clients and suppliers. A mapping of third parties was developed in 2020 leading to the creation of a third-party due diligence program, which continued in 2024.
- An **Anti-corruption Accounting Control Procedure** relating in particular to gifts, invitations, business meals, donations, sponsorships and intermediary commissions was set up in 2020 and deployed throughout the Group. In 2024, we continued to deploy and apply our 3-level anticorruption accounting controls across the Group.
- An **Anti-corruption training program**, targeting all Tarkett employees considered at risk in terms of corruption by their function, covering anti-corruption practices in general, and reminding our teams of good practices in this regard, with a particular focus on use of intermediaries, gifts and invitations, and donations / sponsorships. In 2024, 99.4% of targeted employees completed training on anti-corruption. Anti-corruption workshops are also organized for specific audiences.
- The **Anti-corruption Committee** which was established in 2020 is composed of the CEO, CFO, Group General Counsel, Group Internal Audit Director, and the Chief Compliance Officer. The role of this committee is to define the Group strategy in the deployment of its Anti-corruption program.

In case of allegations or incidents of corruption and bribery, the investigation is conducted by authorized persons separate from the chain of management involved in the matter. Such cases, if any, are reported to the Management Board (directly or via the Anti-corruption Committee), while the Supervisory Board is regularly informed of the number and status of ongoing cases via the Audit, Risks and Compliance Committee.

3.4.4 Confirmed incidents of corruption (G1-4) and of other business conduct matters (competition, international sanctions)

There has been no conviction (and thus no fine) for violation of anti-corruption and anti-bribery laws involving Tarkett during the reporting period.

There has also been no conviction (and thus no fine) for violation of competition laws or of international sanctions programs involving Tarkett during the reporting period.

3.5 Statutory Auditor's Report on the Sustainability Statement

TARKETT

REPORT ON THE CERTIFICATION OF SUSTAINABILITY INFORMATION AND VERIFICATION OF THE DISCLOSURE REQUIREMENTS UNDER ARTICLE 8 OF REGULATION (EU) 2020/852 OF TARKETT, FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2024

Tarkett
Tour Initiale - 1 Terrasse Bellini - 92919 Paris La Défense

This is a translation into English of the statutory auditors' report on the certification of sustainability information and verification of the disclosure requirements under Article 8 of Regulation (EU) 2020/852 of the Company issued in French and it is provided solely for the convenience of English speaking users.

This report should be read in conjunction with, and construed in accordance with, French law and the H2A guidelines on "Limited assurance engagement - Certification of sustainability reporting and verification of disclosure requirements set out in Article 8 of Regulation (EU) 2020/852".

Report on the certification of sustainability information and verification of the disclosure requirements under Article 8 of Regulation (EU) 2020/852 of Tarkett, for the financial year ended December 31, 2024

To the annual general meeting,

This report is issued in our capacity as statutory auditors of Tarkett. It covers the sustainability information and the information required by Article 8 of Regulation (EU) 2020/852, relating to the year ended December 31, 2024 and included in section 3 of the group management report.

Pursuant to Article L. 233-28-4 of the French Commercial Code, Tarkett is required to include the above-mentioned information in a separate section of the group management report. This information has been prepared in the context of the first-time application of the aforementioned articles, a context characterized by uncertainties regarding the interpretation of the laws and regulations, the use of significant estimates, the absence of established practices and frameworks in particular for the double materiality assessment, and an evolving internal control system. It enables an understanding of the impact of the activity of the group on sustainability matters, as well as the way in which these matters influence the development of the business of the group, its performance and position. Sustainability matters include environmental, social and corporate governance matters.

Pursuant to Article L.821-54 paragraph II of the aforementioned Code, our responsibility is to carry out the procedures necessary to issue a conclusion, expressing limited assurance, on:

- compliance with the sustainability reporting standards adopted pursuant to Article 29 b of Directive (EU) 2013/34 of the European Parliament and of the Council of 14 December 2022 (hereinafter ESRS for *European Sustainability Reporting Standards*) of the process implemented by Tarkett to determine the information disclosed, and compliance with the requirement to consult the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labour Code;
- compliance of the sustainability information included in section 3 of the group management report with the requirements of Article L. 233-28-4 of the French Commercial Code, including ESRS; and
- compliance with the disclosure requirements set out in Article 8 of Regulation (EU) 2020/852.

This engagement is carried out in compliance with the ethical rules, including independence, and quality control rules prescribed by the French Commercial Code.

It is also governed by the H2A guidelines on "*Limited assurance engagement - Certification of sustainability reporting and verification of disclosure requirements set out in Article 8 of Regulation (EU) 2020/852*".

In the three separate sections of the report that follow, we present, for each of the sections of our engagement, the nature of the procedures that we carried out, the conclusions that we drew from these procedures and, in support of these conclusions, the elements to which we paid particular attention and the procedures that we carried out with regard to these elements. We draw your attention to the fact that we do not express a conclusion on any of these elements taken individually and that the procedures described should be considered in the overall context of the formation of the conclusions issued in respect of each of the three sections of our engagement.

Finally, where deemed necessary to draw your attention to one or more disclosures of sustainability information provided by Tarkett in the group management report, we have included an emphasis of matter paragraph.

Limits of our engagement

As the purpose of our engagement is to express limited assurance, the nature (choice of techniques), extent (scope) and timing of the procedures carried-out are less than those required to obtain reasonable assurance.

Furthermore, this engagement does not provide guarantees regarding the viability or the quality of the management of Tarkett, in particular it does not provide an assessment of the relevance of the choices made by Tarkett in terms of action plans, targets, policies, scenario analyses and transition plans, which would go beyond compliance with the ESRS disclosure requirements.

It does, however, allow us to express conclusions regarding the entity's process for determining the sustainability information to be disclosed, the sustainability information itself, and the information disclosed pursuant to Article 8 of Regulation (EU) 2020/852, as to the absence of identification or, on the contrary, the identification of errors, omissions or inconsistencies of such importance that they would be likely to influence the decisions that readers of the information subject to this engagement might make.

Any comparative information that would be included in the group management report is not covered by our engagement.

COMPLIANCE WITH THE ESRS OF THE PROCESS IMPLEMENTED BY TARKETT TO DETERMINE THE INFORMATION DISCLOSED, AND COMPLIANCE WITH THE REQUIREMENT TO CONSULT THE SOCIAL AND ECONOMIC COMMITTEE PROVIDED FOR IN THE SIXTH PARAGRAPH OF ARTICLE L. 2312-17 OF THE FRENCH LABOUR CODE

Nature of procedures carried out

Our procedures consisted in verifying that:

- the process defined and implemented by Tarkett has enabled, in accordance with the ESRS, to identify and assess its impacts, risks and opportunities related to sustainability matters, and to identify the material impacts, risks and opportunities, that lead to the publication of information disclosed in section 3 of the group management report, and
- the information provided on this process also complies with the ESRS.

We also checked the compliance with the requirement to consult the social and economic committee.

Conclusion of the procedures carried out

Based on the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies regarding the compliance of the process implemented by Tarkett with the ESRS.

Concerning the consultation of the social and economic committee provided for in the sixth paragraph of Article L. 2312-17 of the French Labour Code, we inform you that as of the date of this report, this consultation has not yet been held.

Elements that received particular attention

- Concerning the identification of stakeholders

Information on the identification of stakeholders is set out in section 3.1.9 *Interests and views of stakeholders (SBM-2)* of the group management report.

We spoke with the management and the individuals we deemed appropriate and reviewed the available documentation.

Our due diligence specifically involved assessing the consistency of the main stakeholders identified by the company with the nature of its activities and its geographic location, taking into account its business relationships and value chain.

- Concerning the identification of impacts, risks and opportunities

Information on the identification of impacts, risks and opportunities is provided in section 3.1.11 *Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)* of the group management report.

We obtained an understanding of the process implemented by the company regarding the identification of actual or potential impacts (negative or positive), risks, and opportunities ("IROs") related to the sustainability matters mentioned in paragraph AR 16 of the "Application Requirements" of the ESRS 1 standard. In particular, we assessed the approach adopted by the company to determine its impacts and dependencies, which may be sources of risks or opportunities.

We reviewed the mapping carried out by the company of the identified IROs, including a description of their distribution across its activities and value chain, as well as their time horizon (short, medium, or long term), and assessed the consistency of this mapping with our knowledge of the group and the risk analyses conducted by the company.

We also appreciated how the company considered the list of sustainability topics outlined by the ESRS 1 standard (AR 16) in its analysis.

- Concerning the assessment of impact materiality and financial materiality

Information on the assessment of impact materiality and financial materiality is provided in section 3.1.11 *Description of the process to identify and assess material impacts, risks and opportunities (IRO-1)* of the group management report.

We obtained an understanding, through discussions with management and inspection of the available documentation, of the process for evaluating impact materiality and financial materiality implemented by the company, and assessed its compliance with the criteria defined by ESRS 1.

In particular, we assessed the way the company established and applied the materiality criteria for information defined by the ESRS 1 standard, including those related to setting thresholds, for determining the material information disclosed under the indicators related to the identified material IROs in accordance with the relevant ESRS thematic standards.

COMPLIANCE OF THE SUSTAINABILITY INFORMATION INCLUDED IN SECTION 3 OF THE GROUP MANAGEMENT REPORT WITH THE REQUIREMENTS OF ARTICLE L. 233-28-4 OF THE FRENCH COMMERCIAL CODE, INCLUDING THE ESRS

Nature of procedures carried out

Our procedures consisted in verifying that, in accordance with legal and regulatory requirements, including the ESRS:

- the disclosures provided enable an understanding of the general basis for the preparation and governance of the sustainability information included in section 3 of the group management report, including the basis for determining the information relating to the value chain and the exemptions from disclosures used;
- the presentation of this information ensures its readability and understandability;
- the scope chosen by Tarkett for providing this information is appropriate; and
- on the basis of a selection, based on our analysis of the risks of non-compliance of the information provided and the expectations of users, that this information does not contain any material errors, omissions or inconsistencies, i.e. that are likely to influence the judgement or decisions of users of this information.

Conclusion of the procedures carried out

Based on the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies regarding the compliance of the sustainability information included in section 3 of the group management report, with the requirements of Article L. 233-28-4 of the French Commercial Code, including the ESRS.

Emphasis of matter

Without qualifying the conclusion expressed above, we draw your attention to the information regarding the context of the first year of application presented in the introduction of paragraph 3.1.1 *General basis for preparation of the sustainability statement (BP-1)* in the group management report, particularly regarding certain data points required by the ESRS that are not disclosed in the Sustainability Statement.

Elements that received particular attention

- Information provided in application of environmental standards (ESRS E1)

Information disclosed in relation to Climate change (ESRS E1) is mentioned in section 3.2.1 *Climate Change (ESRS E1)* of the group management report.

We set out below the elements that have been the subject of particular attention in relation to our assessment of the compliance of this information with the ESRS.

Our due diligence specifically involved:

- Based on interviews with management or relevant individuals, particularly the Sustainable Development Department, assessing whether the description of the policies, actions, and targets implemented by the group covers the following areas: climate change mitigation, energy, and climate change adaptation;

- Assessing the appropriateness of the information presented in the notes of the environmental section of the sustainability information included in the group management report and its overall consistency with our knowledge of the group.

Regarding the information published on the greenhouse gas (GHG) emissions inventory:

- We reviewed the internal control and risk management procedures implemented by the group to ensure the accuracy of the published information;
- We assessed the consistency of the scope considered for the GHG emissions inventory evaluation with the scope of the consolidated financial statements, the activities under operational control, and the upstream and downstream value chain;
- We reviewed the protocol used by the group to establish the GHG emissions inventory and assessed its application procedures on a selection of emission categories and sites, for scope 1 and scope 2;
- Regarding scope 3 emissions, we assessed the information collection process;
- We assessed the appropriateness of the emission factors used and the related conversion calculations, as well as the assumptions made for calculations and extrapolation, considering the inherent uncertainty in the state of scientific or economic knowledge and the quality of external data used;
- For physical data (such as energy consumption), we cross-checked, based on surveys, the underlying data used to prepare the greenhouse gas emissions inventory with the supporting documentation;
- Regarding the estimates that we deemed critical and which the group used to prepare its greenhouse gas emissions inventory, we reviewed the methodology for calculating the estimated data and the information sources on which these estimates are based, and we assessed whether the methods were applied consistently.

Regarding the checks under the climate mitigation transition plan, our work primarily consisted of assessing whether the information published under the transition plan complies with the ESRS E1 requirements, appropriately describes the key assumptions underlying this plan, noting that we are not required to express an opinion on the appropriateness or the level of ambition of the objectives in this transition plan.

COMPLIANCE WITH THE DISCLOSURE REQUIREMENTS SET OUT IN ARTICLE 8 OF REGULATION (EU) 2020/852

Nature of procedures carried out

Our procedures consisted in verifying the process implemented by Tarkett to determine the eligible and aligned nature of the activities of the entities included in the consolidation.

They also involved verifying the information reported pursuant to Article 8 of Regulation (EU) 2020/852, which involves checking:

- the compliance with the rules applicable to the presentation of this information to ensure that it is readable and understandable;
- on the basis of a selection, the absence of material errors, omissions or inconsistencies in the information provided, i.e. information likely to influence the judgement or decisions of users of this information.

Conclusion of the procedures carried out

Based on the procedures we have carried out, we have not identified any material errors, omissions or inconsistencies relating to compliance with the requirements of Article 8 of Regulation (EU) 2020/852.

Elements that received particular attention

We did not identify any elements that required special attention on our part.

Paris La Défense, February 27, 2025
KPMG Audit
Philippe Grandclerc Romain Mercier
Partner Partner

Paris La Défense, February 27, 2025
Forvis Mazars
Anne-Laure Rousselou
Partner

4

REVIEW OF THE FINANCIAL POSITION AND RESULTS

4.1 Key figures

The following information sets out the Group's financial position, results and consolidated financial statements for the year ended 31 December 2024, and the notes thereto, as set out in Sections 5.1 to 5.2.

The Group's consolidated financial statements have been prepared in accordance with IFRS as adopted by the European Union for the years presented. The consolidated financial statements for the financial year ended 31 December 2024 were audited by the Company's Statutory Auditors. The Statutory Auditors' Report on the Company's consolidated financial statements is included in Section 5.9 "Statutory Auditors' Report on the Consolidated Financial Statements".

The Group is one of the world's leaders in flooring and sports surfaces, with an extensive geographic footprint and one of the most comprehensive product ranges in the industry. The Group's activities are organised around four operational segments: three geographic regions for flooring (EMEA, North America and CIS, APAC & LATAM), and one worldwide segment for the sports surfaces business.

Tarkett Group's key figures

(in millions of euros)	31 December 2024	31 December 2023
Consolidated results		
Net revenue	**3,331.9**	**3,363.1**
Organic growth(1)	(0.4%)	4.5%
Adjusted EBITDA before IFRS 16(1)	**286.2**	**248.0**
% of net revenue	8.6%	7.4%
Adjusted EBITDA(1)	**329.3**	**287.8**
% of net revenue	9.9%	8.6%
Adjusted EBIT before IFRS 16(1)	**184.8**	**147.6**
% of net revenue	5.5%	4.4%
Adjusted EBIT(1)	**190.8**	**154.1**
% of net revenue	5.7%	4.6%
Result from operating activities (EBIT)	**36.2**	**125.1**
% of net revenue	1.1%	3.7%
Income for the period - Group Share	**(62.6)**	**20.4**
Income per share (in euros)	**(0.95)(3)**	**0.31**
Consolidated financial position		
Equity attributable to equity holders of the parent	820.9	864.7
Net debt before IFRS 16(2)	309.3	408.3
Net debt(2)	434.7	551.7
Balance sheet total	**2,484.9**	**2,483.3**
Consolidated cash flow		
Cash generated from operations	287.2	278.5
Investments	(125.4)	(94.9)
Free cash flow(1)	169.8	147.1
Market capitalisation as of 31 December	**701**	**611**
Average workforce	**11,635**	**11,838**

(1) *See Section 4.7.*

(2) *See Section 4.3.3 and Note 7 in Section 5.2.*

(3) *It will be proposed at the next General Meeting of Shareholders held in 2025 to adjudicate on the accounts for the 2024 financial year, to allocate the profits from the financial year ending 31 December 2024 to retained earnings and not to distribute dividends.*

Key figures

The tables below show the breakdown of the Group's main performance indicators by segment. Their change compared to the previous year is commented in Section 4.1.2:

2024	**Flooring**			**Sports surfaces**	**Central costs**	**Group**
(in millions of euros)	**EMEA**	**North America**	**CIS, APAC and Latin America**			
Net revenue	866.0	866.9	535.8	1,063.2	-	3,331.9
Gross profit	200.2	219.5	59.8	215.1	(44.6)	650.0
% of net revenue	23%	25%	11%	20%	-	20%
Adjusted EBITDA	75.3	81.3	67.3	134.3	(28.9)	329.3
% of net revenue	9%	9%	13%	13%	-	10%
Adjustments	(23.3)	(1.1)	(0.8)	(16.1)	(3.3)	(44.5)
EBITDA	52.1	80.2	66.5	118.2	(32.3)	284.7
% of net revenue	6%	9%	12%	11%	-	9%
Result from operating activities (EBIT)	(31.4)	5.8	(20.6)	85.9	(3.4)	36.2
% of net revenue	(4%)	1%	(4%)	8%	-	1%
Current investments	39.7	16.6	19.4	18.6	1.8	96.0

2023	**Flooring**			**Sports surfaces**	**Central costs**	**Group**
(in millions of euros)	**EMEA**	**North America**	**CIS, APAC and Latin America**			
Net revenue	850.2	889.2	598.5	1,025.2	-	3,363.1
Gross profit	204.5	211.7	124.8	191.4	(0.4)	731.9
% of net revenue	24%	24%	21%	19%	-	22%
Adjusted EBITDA	74.5	77.6	86.7	114.5	(65.6)	287.8
% of net revenue	9%	9%	14%	11%	-	9%
Adjustments	(9.1)	(0.2)	(4.2)	(2.5)	(11.8)	(27.8)
EBITDA	65.5	77.4	82.5	112.0	(77.5)	260.0
% of net revenue	8%	9%	14%	11%	-	8%
Result from operating activities (EBIT)	(20.8)	5.4	36.6	80.9	23.1	125.1
% of net revenue	(2%)	1%	106%	8%	-	4%
Current investments	34.7	16.3	16.3	23.2	2.5	92.9

4.1.1 Main indicators and sectoral presentation

4.1.1.1 Main indicators

Revenue

Consolidated net revenue includes revenue from the sale of the Group's products and services, excluding taxes, rebilling of transport and customs costs and deduction of rebates, discounts, refunds and intra-group sales. It is mainly dependent on the growth factors defined in Section 1.5.

The countries and regions in which the Group operates have different demand trends, mainly due to local economic conditions, which impact the level of renovation and construction. The choice of flooring in each market is influenced by local lifestyles, user tastes, climate and the condition of the existing flooring stock.

The Group estimates that, for the years analysed in this Section, the vast majority of revenue is generated by renovation projects. The construction of new housing and commercial buildings therefore represents a minority share of revenue.

The organic growth of the Group's revenue (see Section 4.7) (i.e. the positive and negative change in sales due to changes in the volumes of products sold and selling prices, excluding the effect of changes in the scope of consolidation and exchange rates) depends mainly on the following factors, which are detailed by segment in Section 1.5:

- competitive advantage;
- the growth potential and structure of each market in which the Group operates;
- the Group's product promotion strategy;
- the economic environment.

Cost of sales

The Group's cost of sales is mainly composed of variable costs, due to the high weight of raw material costs and, to a lesser extent, transport and logistics. The main components of cost of sales are as follows:

- raw materials used in the Group's manufacturing processes. The Group mainly uses PVC and plasticisers, the cost of which is partly linked to the price of crude oil. The raw materials used by the Group also include wood. In 2024, the Group's raw material expenditure consists mainly of PVC and plasticisers, wood, glass fibre, and packaging. For developments in recent trends in the price of raw materials used by the Group, see Section 1.6.2.1 "Raw materials and suppliers";
- production personnel costs, mainly employees of the product manufacturing plants. These expenses change in particular depending on the number of employees and the level of average compensation. To control its personnel costs, the Group uses temporary employees in certain plants to cope with peaks in demand due to the seasonality of some of its activities. Production personnel costs are stable;
- the cost of transporting products and logistics, which depends in particular on the price of fuel and the efficiency of the Group's operational activities (truck fill rate, location of production and distance from the sales site, etc.);
- other expenses, including energy costs (electricity, gas, etc.), maintenance costs associated with the Group's various plants and depreciation expenses for production and logistics assets.

In 2024, purchases of raw materials and related products represented 48% of the cost of sales, production personnel costs represented 16% and transport and logistics 9%.

For several years, as described in Section 1.6.2.2, the Group has implemented the World Class Manufacturing (WCM) programme. The Group estimates that this programme has enabled it to achieve savings amounting to more than 2% of the cost of sales each year.

Selling, distribution and administrative expenses

Selling and distribution expenses include in particular sales force compensation, advertising and marketing expenses and the cost of supplying samples to customers and consultants (architects, specialist shops, installation companies, etc.). The amount of selling and distribution expenses is partly related to the number of new product launches or new collections, which require specific sales efforts.

General and administrative expenses include, in particular, administrative personnel expenses at the central level and in the Group's divisions, whose management is based on a decentralised model. Expenses related to the management of IT systems and the depreciation of related investments are also included in administrative expenses.

Research and development costs

Innovation is one of the pillars of the Group's success, ensuring the quality of its products, compliance with regulatory standards and minimising the impact of the Group's activities on the environment. The Group maintains the excellence of its research and development division while controlling the level of expenses, which are limited compared to the Group's other operating expenses. These expenses include in particular the compensation of personnel dedicated to research and development as well as the amortisation of expenses related to patents. Research and development costs represented approximately 1% of the Group's consolidated net revenue in 2024.

SG&A

SG&A includes selling and distribution expenses as well as research and development costs as described above.

Adjusted EBITDA

To assess the performance of its businesses, the Group has adopted an "adjusted EBITDA" indicator (see Section 4.7), calculated by taking operating income before depreciation and amortisation and removing income and expenses considered exceptional or non-recurring, including:

- restructuring costs to improve the future profitability of the Group;
- significant gains and losses on disposals of assets;
- costs related to business combinations and legal restructuring, including legal fees, acquisition costs, and other post-acquisition adjustments;
- management fees charged by the Company's shareholders; and
- expenses related to share-based payments.

Management believes that adjusted EBITDA is a useful indicator because it measures the performance of the Group's ordinary activities, without taking into account the effect of expenses related to past cash outflows (depreciation and amortisation), or which by their non-recurring nature are not representative of the Group's earnings trends. EBITDA and adjusted EBITDA are not standardised accounting measures that meet a single generally accepted definition. They should not be considered as a substitute for operating profit, net income or cash flow, or as a measure of liquidity. Other issuers may calculate EBITDA and adjusted EBITDA differently from the Group's definition.

Financial result

The net financial result includes interest and incidental costs incurred on financings as well as their arrangement costs, interest receivable on investments, accretion expenses related to pension liabilities, foreign exchange gains and losses on monetary balances and financial instruments and gains and losses on hedging instruments that are recognised in the income statement.

Total income tax

Income tax in the Group's consolidated financial statements consists of the income taxes of the Group's entities plus withholding taxes on various intra-group flows, as well as changes in the net deferred tax positions in the Group balance sheet.

4.1.1.2 Segment reporting

The Group monitors and analyses performance by product type (flooring and sports surfaces) and by geographical area. The Group's four segments are as follows:

- EMEA, for which the market specifics are presented in Section 1.5.1.1;
- North America, the specifics of which are presented in Section 1.5.1.2;
- CIS, APAC and Latin America, the specifics of which are presented in Sections 1.5.1.3 and 1.5.1.4;
- Sports surfaces, the specifics of which are presented in Section 1.5.2.

4.1.1.3 Exchange rate variation

Fluctuations in the exchange rates of the various currencies have a direct impact on the Group's consolidated financial statements, resulting from the conversion into euros of the balance sheets and income statements of foreign subsidiaries located outside the euro zone, as well as on the income statements of subsidiaries that carry out transactions in foreign currency. The currencies to which this risk relates are mainly the US dollar (50.9% of consolidated net revenue in 2024), the Russian rouble (7.9%), the Swedish krona (5.1%), the pound sterling (2.3%) and the Canadian dollar (2.6%).

The Group strives to develop its production capacity in the geographical areas where it distributes its products. One of the purposes of this policy is to naturally hedge a significant portion of its gross profit and operating income against currency fluctuations, but by its nature it cannot hedge the entire risk. To manage the risk on the remaining flows (and in particular on the foreign exchange risk on recorded and future transactions, between their commitment and the conversion of their receipt), the Group uses foreign exchange derivatives to hedge certain currencies (see Section 5.2 - Note 7.6 "Financial risks and financial instruments").

The functional currency of the Group's entities in Serbia is the euro, and in the other CIS countries the local currency. In Russia, products are sold in rouble but the Group's policy is to reflect changes in the ruble/euro exchange rate in its selling prices. In the analyses presented below, the difference between the impact of the change in the rouble exchange rate and the increase in prices is considered by the Group as a currency effect. A large part of operating costs of Russian activities are in euros. On the other hand, personnel costs, logistics and transport costs and other production costs (energy, maintenance, etc.) are almost all in roubles.

4.1.1.4 Seasonality

The Group's activities are subject to seasonality, with a rise in sales generally occurring in the second and third quarters of the year, while working capital requirements are generally higher in the first two quarters of the year. Sales of sports surfaces are particularly variable depending on the season, with installation work being carried out mainly between May and October, with a peak in activity during the school holidays.

In addition, in some geographical areas, severe winter weather conditions may affect the progress of construction and therefore the installation of flooring. In the education sector, demand is generally higher during holiday periods.

In 2024, 57% of the Group's consolidated net revenue was recorded in the second and third quarters, compared with 43% in the first and fourth quarters.

4.1.1.5 Acquisitions

The Group may make acquisitions, generally of small or medium-sized companies with product ranges or activities in markets complementary to those of the Group.

For more information, see Section 4.2.1 "Principal investments made in 2024 and 2023".

4.1.1.6 Presentation of accounting and financial data

The following table provides a reconciliation of the Group's adjusted EBITDA to operating profit for the financial years 2023 and 2024:

Adjusted EBITDA *(in millions of euros)*	**Financial year ending 31 December**		
	2024	**2023**	**Variation**
Result from operating activities (EBIT)	**36.2**	**125.1**	**(246%)**
Depreciation and amortisation and other	248.5	134.9	
EBITDA	**284.7**	**260.0**	**9%**
Adjustments			
Restructuring expenses[1]	23.4	8.4	
Expenses relating to asset disposals and value loss	(9.4)	2.0	
Expenses related to acquisitions and business combinations	3.5	-	
Share-based compensation expenses	15.5	9.5	
Other	11.5	7.8	
Adjusted EBITDA	**329.3**	**287.8**	**13%**

[1] *Restructuring expenses in 2024 and 2023 arise from production optimisation and general expense saving initiatives.*

The exceptional items added back to calculate adjusted EBITDA for each year are detailed in the comparative analyses of results below.

Estimates and assumptions used in the preparation of the financial statements

The preparation of the consolidated financial statements compliant with IFRS requires Group Management to make a number of estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses. Group Management reviews the assumptions and estimates on an ongoing basis, based on its experience and other reasonable factors that form the basis for the valuation of these assets and liabilities. Actual results may differ significantly from these estimates.

These assumptions and estimate relate mainly to:

- impairment of goodwill;
- provisions for pensions and employee benefits;
- other provisions for litigation, guarantees and contingent liabilities;
- deferred tax assets, particularly those relating to tax loss carryforwards;
- the measurement of the fair value of the consideration transferred, non-controlling interests, assets acquired and liabilities assumed; and
- accounting treatment of financial instruments.

Management's estimates used in the preparation of the financial statements, including those related to the application of accounting policies and the consideration of areas of uncertainty, are described in more detail in Note 1.2 "Significant accounting policies" to the Group's consolidated financial statements included in Section 5.2.

Goodwill

Goodwill represents the excess of the cost of the business combination over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities at the date of acquisition, corresponding, for example, to the value given by the Group to the expected synergies and benefits. This allocation may involve assumptions relating to the determination of future cash flows (see Notes 5.1 and 5.2 to the Group's consolidated financial statements included in Section 5.2).

Goodwill is allocated to cash-generating units ("CGU") and its carrying amount is tested for impairment annually or whenever an indicator of impairment is identified. Impairment tests are performed to determine whether the net recoverable amount of the asset or CGU is less than the net carrying amount. If the net recoverable amount is less than the net carrying amount, a loss is recognised in the income statement to the extent of the loss and allocated in priority to the goodwill allocated to the CGU in question.

The recoverable amount of an asset or CGU is the higher of its market value less costs to sell or its value in use. The value in use is determined on the basis of forecasts of future cash flows from the CGU business based on certain assumptions and estimates by management. The market value is the price that could be obtained in normal competitive conditions between informed buyers, less selling costs.

The calculations on which the value in use estimate is based are subject to the discretion of the Group's Management. The cash flows used to calculate value in use are derived from budgets and business plans, which are themselves based on assumptions about revenue growth, adjusted EBITDA, working capital requirements and capital expenditure. If other assumptions or forecasts were used, the impairment tests would certainly produce different values in use.

Group Management performs these tests based on its best estimate of the future activity of the relevant CGU over the next four years, after taking into account discount rates. The post-tax discount rates vary according to the country risk premiums applied in each region: 10.8% for EMEA, 10.5% for North America, 10.9% for APAC, 12.1% for Latin America and 22.3% for CIS. The main assumptions for sales growth to 2028 (CAGR) are between 3% and 5%. The value in use calculation also includes the terminal value of the CGU, which uses a projection to infinity of normalised cash flows at annual growth rates generally varying from 2% to 4% depending on the geographical area.

For more information, see Note 5.3 "Impairment of assets" in Section 5.2.

4

Provisions for pensions and similar benefits

In accordance with the laws and practices of each country in which the Group operates, the Group participates in pension, health and disability plans and end-of-career benefits for eligible employees, former employees and their beneficiaries who meet the required conditions. As of 31 December 2024, the Group had such pension obligations in the United States, Canada, Germany, France, Italy, Sweden, Belgium, Serbia and Russia.

In accordance with IAS 19R, the valuation of these obligations is performed or updated semi-annually by independent actuaries. The recognition of actuarial values is based on forecasts of changes in salaries, medical costs, long-term interest rates, average seniority and life expectancy. The expected rate of return on invested funds is calculated for each plan, based on its composition and the projected return relative to comparable markets. The actuarial values and the rate of return are sensitive to changes in forecasts and estimates which are based on assumptions. As of 31 December 2024, the Group recognises 131.6 million euros in liabilities for employee benefits, of which 48.6 million euros is covered by funds invested in the various plans and the remaining 83.0 million euros relates to unfunded or partially funded plans for which provisions have been recognised in the accounts. The most significant liabilities exist in the United States, Germany, Sweden, Canada, the United Kingdom, Belgium and Russia. Entities with externally managed investments are sufficient to meet more than 50% of their liabilities in aggregate.

For more information on provisions for pensions and similar obligations, see Note 4.1 “Pension and similar obligations” in Section 5.2.

Provisions for litigation, guarantees and restructuring charges

In accordance with IAS 37 “Provisions, Liabilities and Contingent Assets”, provisions for litigation, guarantees or other contingent liabilities are recognised when, at the balance sheet date, there is a legal or constructive obligation as a result of a past event, which is likely to result in a cash outflow to third parties and the amount can be reliably estimated. The amount recognised as a provision is Group Management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. Where the time value of money has a material effect, future cash outflows are discounted. These provisions relate to environmental, legal, tax (excluding income taxes) and other risks.

The likelihood of a cash outflow is calculated at the discretion of Group Management and based on assumptions and estimates which in turn depend on the nature of the risk. For example, in order to determine the amounts of provisions for litigation, the management must assess the probability of an unfavourable judgement as well as the amount of possible damages. These elements are by nature uncertain. However, a provision for warranties is recognised at the time of sale of the related goods and the amount is based on historical data on warranty payments. An additional provision is recorded when an event occurs that may give rise to claims for amounts in excess of the “statistical” provisions. A provision for restructuring is recognised when Group management approves a detailed restructuring plan and the restructuring is publicly announced or implemented. The amounts of the provisions may be greater or less than the actual amount incurred to address the risks provided for. Provisions may also be reversed if necessary.

As of 31 December 2024, the Group retained 52.5 million euros in provisions for guarantees, restructuring, claims and litigation. For more information on the estimation and recognition of provisions or their impact on the Group's results, see Note 6.1 “Provisions” in Section 5.2.

Deferred tax assets

In accordance with IAS 12 “Income Taxes”, the Group recognises deferred tax assets and liabilities in its balance sheet. A deferred tax asset is recognised for all deductible temporary differences, unused tax losses or unused tax credits that can be carried forward, if it is probable that the Group will have future taxable profits against which the future tax savings can be utilised.

The deferred tax asset is recognised to the extent that it is probable that the Group will be able to utilise it in the future. Group Management's judgement is required to determine the amount of the net tax asset that can be recognised. Forecasts of net taxable profits are estimated on the basis of the budget and assumptions and models relating to market conditions. These assumptions and models may have a significant impact on the amounts of assets recognised in the Group's balance sheet.

The Group had a total of 159.5 million euros in deferred tax assets related to tax loss carry-forwards and unused tax credits, of which 147.9 million euros related to Luxembourg, and 4.2 million euros related to the United Kingdom.

For more information, see Note 8.2 “Deferred tax assets” in Section 5.2.

4.1.2 Comparison of annual results for the financial years ending 31 December 2024 and 31 December 2023

> The following analyses comment on the Group's results for the year ended 31 December 2024.

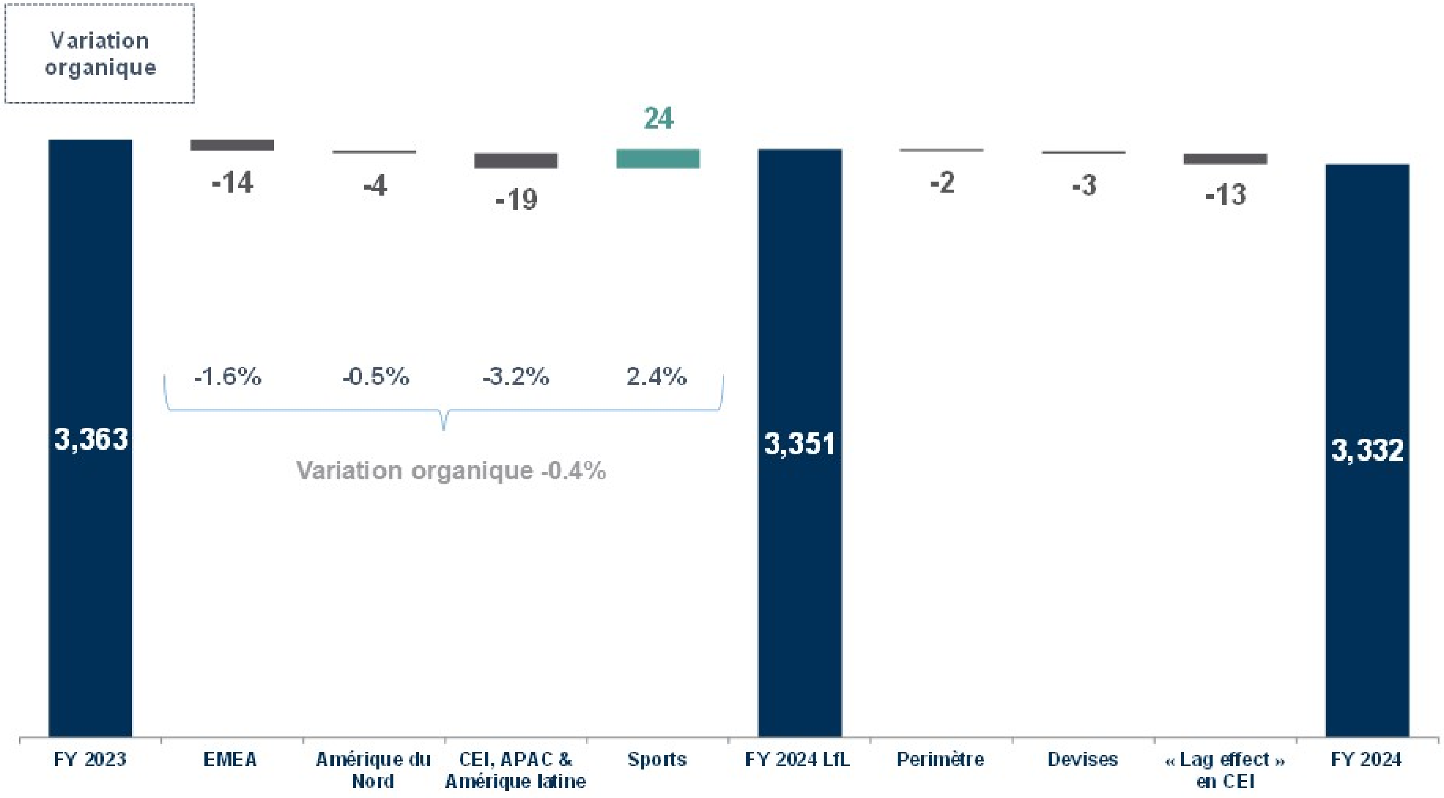
4.1.2.1 General presentation

The main aggregates of the income statement are presented in Section 4.1.1.

4.1.2.2 Net revenue

In 2024, **Group revenue** was reported at 3,332 million euros compared to 3,363 million euros in 2023, equivalent to a reduction of -0.9%.

> The Group posted **organic growth of -0.4**%, excluding foreign exchange differences of -16 million euros, including -13 million euros of lag effect between CIE currencies and sales price adjustments ("lag effect"). The effect of the sales price adjustments implemented across all segments is -0.3% on average in 2024, compared to the prior year.



EMEA

The EMEA segment reported revenue of 866 million euros, up +1.9% compared to 2023, including a favourable currency effect of +0.5% and a scope effect of +3.0% associated with the integration of activities in Ukraine, which were previously associated with the CIS. Organic sales decreased by -1.6% compared to 2023.

The challenging macroeconomic environment and high interest rates have hindered new build and renovation projects in the euro zone and Northern Europe. Within this context, the flooring market is on a downturn, particularly for the residential sector. To support the activity, downward selective price adjustments were applied.

North America

The North America segment achieved revenue of 867 million euros, reflecting a decrease of -2.5% compared to 2023. The foreign exchange effect with neutral (-0.1%) and the scope effect was negative (-1.9%) with the disposal of our flooring distribution activities in California. Organic sales slightly decreased by -0.5%.

Demand in the commercial segments (offices, healthcare, education) have proven to be resistant, reporting a slight growth in volumes, particularly thanks to carpet tiles and LVT. However, business volumes in the residential and hotel sectors are down in a market where demand has been penalised by inflation and high interest rates, leading to a major reduction in new build and renovation projects.

CIS, APAC and Latin America

Revenue in the **CIS, APAC and Latin America** segment amounted to 536 million euros, down by -10.5%, in relation to 2023. This reduction includes a -3.2% fall in organic sales (excluding sale price effects in CIS countries), a negative foreign exchange effect of -3.0% primarily due to the depreciation of the Russian ruble and the Brazilian real, as well as a scope effect of -4.3% associated with the transfer of business in Ukraine over to the EMEA segment.

Sports Surfaces

Revenue for the **Sport** segment progressed by +3.7% compared to 2023, including +2.4% organic growth to reach 1,063 million euros by the end of 2024. The demand for artificial turf pitches and athletic tracks in Northern America remains at a high level, but the market is moving at a more moderated rate.

4.1.2.3 Gross profit

Group gross profit decreased from 731.9 million euros in 2023 to 650.0 million euros in 2024, equivalent to a reduction of 81.9 million euros. It represents 20% of revenue in 2024, equivalent to a limited decrease of 2 points compared to 2023.

Despite increases in productivity over 2024, the company is penalised by CGU asset depreciations for the CIS zone, along with the residential business in the USA and the EMEA wood sector, for a total of 110.0 million euros.

4.1.2.4 Adjusted EBITDA

The adjusted EBITDA was raised to 329.3 million euros, equal to 9.9% of revenue, compared to 287.8 million euros in 2023, equal to 8.6% of revenue.

The combined effect of volumes and product mix on EBITDA was +4 million euros.

Selective adjustments of sale prices (-0.3% in comparison with 2023) lead to an effect of -8 million euros (excluding sale price variations in CIS, adjusted to compensate for foreign exchange effects).

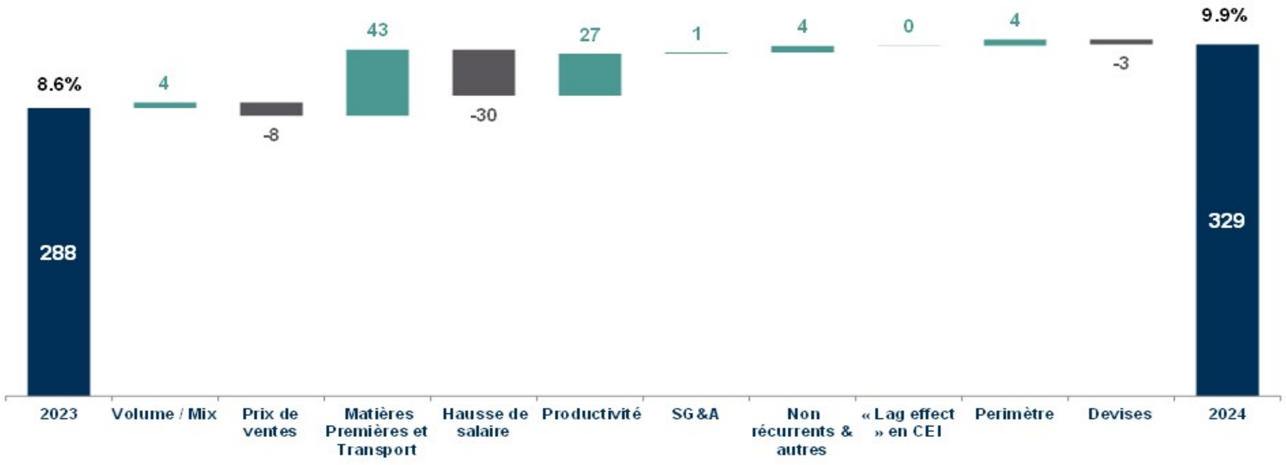
The costs of raw materials have significantly fallen, mainly across the first half-year, generating a positive effect of +43 million euros for the full year, but the payroll inflation remained significant (-30 million euros).

The inflation balance (net of the effect of sale prices and cost inflation (prices of purchases and payroll) is slightly positive (+5 million euros) over the year.

The EBITDA and the margin have benefited from the good industrial performance and productivity initiatives implemented by the Group, which enabled a significant reduction in production costs amounting to +27 million euros over the year.

SG&A savings generated by the saving plans implemented over the year for head office and EMEA support roles are compensating efforts to support growth in Sport and the launch of new flooring collections.

The scope effects across the Sport and North America divisions also have a net positive effect of +4 million euros.



The main drivers of the adjusted EBITDA margin evolution by segment are as follows:

- **EMEA**: The EMEA segment achieved an adjusted EBITDA margin of 8.7%, up 23 basis points on 2023. The fall in certain sale prices was more than offset by the decrease in raw material purchase prices in comparison with 2023. In addition, the improvement in industrial productivity and saving plans have had a positive impact on the margin for 2024.
- **North America**: The adjusted EBITDA margin is 9.4% in 2024 compared to 8.7% in 2023. It benefited from good commercial business volumes, a positive inflation balance, recovery measures for certain under-performing activities and a good level of industrial productivity.
- **CIS, APAC and Latin America**: The segment recorded an adjusted EBITDA margin of 12.6%, down 15 basis points compared to 2023. The fall in profitability can be primarily explained by reduced volumes and increased raw material costs in CIS.
- **Sports Surfaces**: The Sport business achieved an adjusted EBITDA margin of 12.6%, an increase of 19 basis points compared to last year. This improvement was driven by a positive inflation balance thanks to good selling prices and favourable raw material prices.
- **Unallocated central costs** amounted to 28.9 million euros in 2024, down -20.1% in relation to 2023, reflecting savings made thanks to the new organisation set up during 2024.

4.1.2.5 Result from operating activities (EBIT)

The Group's 2024 operating result amounts to 36.2 million euros, or 1.1% of revenue. The 2024 operating profit increased by 88.9 million euros compared to 2023. This reduction is due to CGU asset depreciations for the CIS zone, along with the residential business in the USA and the EMEA wood sector, for a total of 110.0 million euros.

4.1.2.6 Financial result

The financial result is -62.3 million euros in 2024 compared to -69.1 million euros in 2023.

4.1.2.7 Tax expense

The tax expense for the year 2024 amounted to -35.9 million euros, up from -35.4 million euros in 2023.

4.1.2.8 Net profit

The Group's net profit is -62.0 million euros in 2024 compared to 20.5 million euros in 2023.

The net result attributable to shareholders of the parent is consequently -62.6 million euros in 2024 compared to 20.4 million euros in 2023.

It will be proposed at the next General Meeting of Shareholders held in 2025 to adjudicate on the accounts for the 2024 financial year, to allocate the profits from the financial year ending 31 December 2024 to retained earnings and not to distribute dividends.

Pursuant to Article 223 quater of the French General Tax Code, it is stated that the total amount of expenses and charges referred to in Article 39-4 of the French General Tax Code amounted to 59,622 euros during the past financial year.

4.2 Investments

4.2.1 Main investments made in 2024 and 2023

The Group's net cash flow related to investment activities is -96.0 million euros in 2024 and -92.9 million euros in 2023.

Investments in fixed assets include expenditure on the acquisition and construction of new plants and the purchase of new equipment following the acquisition or creation of a company; they also include "ongoing capital expenditures", which consist of all other investments in fixed assets. They do not include the increase in assets due to the application of IFRS 16.

The level of investment in property, plant and equipment and intangible assets represents, as in 2023, just under 3% of revenue.

To illustrate the Group's commitment to its sustainable growth strategy and the continued optimisation of its business, the Group has planned for investment expenditure amounting to approximately 2.5% of revenue, in line with the historic average and which enables the achievement of sustainable growth and continued optimisation of its business.

The following table summaries the Group's main investments made during the financial years 2024 and 2023.

(in millions of euros)	For financial years ending 31 December	
	2024	**2023**
Acquisition of subsidiaries net of cash acquired	(50.6)	(3.2)
Acquisition of intangible assets and property, plant and equipment	(96.0)	(92.9)
Proceeds from disposals and dividends received	21.3	1.2
Impact of changes in scope	-	-
Net cash flow from investment activities	**(125.4)**	**(94.9)**

4.2.1.1 Main investments made in 2023

In addition to the acquisitions of subsidiaries described in Section 4.1.1.5 "Acquisitions", the main investments in 2023 include:

- **EMEA**: Increased production capacity for Luxury Vinyl Tiles (LVT) products in Poland and improved productivity of carpet factories;
- **North America**: continued productivity improvement actions;
- **CIS**: Maintaining production capacities for Luxury Vinyl Tiles (LVT) products in Russia and Brazil;
- **Sport:** As in 2022, reinforcement of production capacity for artificial turf underlay;
- **Group**: IT investments similar to 2022 as part of the continued modernisation of our IT tools, in particular the web platform and the dematerialisation of IT tools.

4.2.1.2 Main investments made in 2024

In addition to the acquisitions of subsidiaries described in Section 4.1.1.5 "Acquisitions", the main investments in 2024 include:

- **EMEA**: Increased production capacity for Luxury Vinyl Tiles (LVT) products, implementation of a digital printing solution in Poland, and improved productivity of carpet factories;
- **North America**: continued productivity improvement actions;
- **CIS**: Maintaining production capacities for Luxury Vinyl Tiles (LVT) products in Russia and Brazil;
- **Sport:** Reinforcement of equipment for installing athletic tracks and production capacity for artificial grass;
- **Group**: IT investments with the continued modernisation of our IT tools, in particular the web platform and the dematerialisation of IT tools.

4.2.2 Main investments in progress

The main investments underway in 2024 are a continuation of the projects carried out in the previous year, in particular the plans to step up production of Luxury Vinyl Tiles (LVT), the use of new printing technologies, and using the new thread extrusion factory. These initiatives aim to improve efficiency and reduce the Group's environmental impact for flooring and sports surfaces.

4.2.3 Main future investments

The Group is always on the lookout for investment opportunities with an attractive return profile, following a rigorous review of the level of return on investment. The Group's main investment objectives are the continuous improvement of competitiveness, the strengthening of operational excellence and the acquisition and modernisation of equipment to support expected growth. The Group's strategy is to invest internally in order to achieve these objectives.

The Group is aiming for an external growth strategy focused in three key aspects: geographical development, extension of its product range and industry consolidation. For more information, see Section 1.3 "Strategy".

4.3 Cash flow and equity

A description of the Company's share capital and financial structure is provided in Notes 7.3 "Net debt - loans and interest-bearing debt", 7.4.2 "Other financial liabilities", and 9.1 "Share capital", which are presented in Section 5.2 of this Document.

4.3.1 General presentation

The Group has set itself the goal of limiting current investments to an amount of around 2.5% of consolidated net sales by 2024. "Ongoing capital expenditures" are defined as investments in tangible and intangible assets, excluding plant construction and company acquisitions.

The Group's growth investments (mainly plant construction and company acquisitions) are financed by debt and by the mobilisation of the Group's own resources, as part of a policy aimed at a sound financial structure.

As at 31 December 2024, the Group's net debt before application of the IFRS 16 standard was 309.3 million euros, equivalent to a decrease of 99.0 million euros compared to the net debt of 408.3 million euros as at 31 December 2023. The ratio of net debt/adjusted EBITDA is 1.1x before application of the IFRS 16 standard and 1.3x after application of the standard, compared with 1.6x and 1.9x as at 31 December 2023.

As at 31 December 2024, cash and cash equivalents amounted to 352.4 million euros compared to 224.3 million euros as at 31 December 2023. Moreover, the amount available on credit facilities as at 31 December 2024 reached 431.9 million euros.

Given that the level of uncertainty remains high, the Group will continue to take action to preserve cash flow in 2025. Therefore, the Management Board will propose not to pay any dividend in 2025 for the financial year 2024.

4.3.2 Cash flow

(in millions of euros)	31 December 2024	31 December 2023
Cash flow from operating activities		
Profit for the period before income tax	(26.1)	55.9
Adjustments for:		
Depreciation and amortisation	247.5	133.4
(Gain)/Loss on disposals of fixed assets	(8.4)	1.3
Net finance costs	62.3	69.2
Change in provisions and other non-cash flow items	29.2	(0.3)
Share of profit of equity accounted investees (net of tax)	0.0	0.1
Operating cash flow before working capital changes	**304.3**	**259.5**
Changes in working capital requirement	63.8	117.9
Cash generated from operations	**368.1**	**377.5**
Other operational elements (taxes and finance costs)	**(80.8)**	**(98.9)**
Net cash from operational activities	**287.2**	**278.5**
Net cash flow from investment activities	**(125.4)**	**(94.9)**
Net cash flow from financing activities	**(28.3)**	**(154.3)**
Net change in cash flow items	**133.6**	**29.3**
Cash and cash equivalents, beginning of period	224.3	220.8
Effect of exchange rate fluctuations on cash held	(5.6)	(25.8)
Cash and cash equivalents, end of period	**352.4**	**224.3**

4.3.2.1 Cash flow from operating activities

In 2024, cash flow from operating activities before changes in working capital amounted to 304.3 million euros, an increase of 44.8 million euros compared to 2023. This variation can be explained by the increase in operating profit and a reduction in working capital requirements.

Working capital requirement was reported at 63.8 million euros at the end of December 2024, compared with 117.9 million euros at the end of December 2023, which is a 54.2 million euros decrease from the previous financial year. The Group has implemented major initiatives to reduce the volume of stocks which represent 77 days as of late December 2024, and 80 days as of late December 2023.

Efficiently manages late payments approved by the main suppliers, along with particular attention paid to credit management, have also contributed to decreasing the need for revolving funds. Receivables programmes represented a net financing of 178 million euros at the end of December 2024, slightly higher than at the end of December 2023 (161 million euros).

4.3.2.2 Cash flow from investment activities

The Group's net cash flow related to investment activities went from -94.9 million euros in 2023 to -125.4 million euros in 2024.

4.3.2.3 Cash flow from financing activities

The Group's net cash flow related to financing activities went from -154.3 million euros in 2023 to -28.3 million euros in 2024.

4.3.3 Financial debt

4.3.3.1 Overview of net financial debt

As of 31 December 2024, the Group's net financial debt amounted to 434.7 million euros (551.7 million euros in December 2023), i.e. 309.3 million euros before application of IFRS 16 (408.3 million euros in December 2023).

4.3.3.2 Cash and cash equivalents

As of 31 December 2024 and 31 December 2023, cash and cash equivalents amounted to 352.4 million euros and 224.3 million euros respectively. At 31 December 2024, the main cash concentrations were in North America (47.6 million euros), the Group holding company (136.3 million euros) and Russia (80.6 million euros). As at 31 December 2023, the main cash concentrations were in North America (23.2 million euros), the Group holding company (50.4 million euros) and Russia (62.7 million euros).

4.3.3.3 Gross financial debt

As at 31 December 2024, the Group's gross financial debt was mainly composed of a shareholder loan for a total amount of 582.9 million euros, a bond loan for a total of 31.5 million euros, two instalments of private investments under German law ("*Schuldschein*") for a total amount of 16 million euros, and several amortisable loans for a total of 24.6 million euros. The table below shows the breakdown of the Group's gross financial debt on the dates stated.

(in millions of euros)	31 December 2024		31 December 2023	
	Long-term	Short-term	Long-term	Short-term
Bank loans	12.2	13.5	24.8	16.7
Shareholder loan	582.9	-	520.4	-
Private placements	37.5	10.0	47.5	18.0
Other loans	-	-	-	-
Bank overdrafts	-	5.6	-	5.3
Interest-bearing loans and debt	**632.6**	**29.0**	**592.6**	**40.0**
Total interest bearing loans and debt	**661.7**		**632.6**	
Leases (IFRS 16)	95.9	29.5	111.8	31.6
Gross financial debt	**787.0**		**776.0**	

As of 31 December 2024, the Group's main financing capacity comes from the following loans:

- **Shareholder's loan**: this is one of the two loan agreements with a 2028-year maturity between Tarkett as borrower and Tarkett Participation as lender, of which 419 million euros and 69.5 million US dollars for the first, and 97 million euros for the second (see Section 4.3.4 "Terms and conditions of the main credit lines");
- **Revolving credit line**: This is a revolving credit line with a maturity of 6.5 years for a maximum amount of 350 million euros, which Tarkett accessed on 19 July 2021, in addition to the shareholder loan with Tarkett Participation (see Section 4.3.4 "Terms and conditions of the main credit lines"). This revolving credit line was not drawn down at 31 December 2024;
- **"*Schuldschein*"**: Private investments under German law, called "*Schuldschein*" represent as of the balance sheet date a total amount of 16 million euros, divided into four instalments (see Section 4.3.5 "Private investments");
- **Bond debt**: In June 2023, Tarkett took out an 8-year bond loan for 31.5 million euros under the "Relance Bonds" scheme (see Section 4.3.5 "Private investments");
- **Amortisable loans**: Four amortisable loans taken out in June 2022 and April 2023 respectively by Tarkett France, and in May 2023 and June 2023 by Tarkett GDL, representing a total outstanding amount of 24.6 million euros as at the end of the financial year;
- **Assignment of receivables agreements**: Tarkett has entered into non-recourse assignment of receivables lines for certain of its European, US and Asia-Pacific subsidiaries from 2019. These lines are deconsolidating and are drawn down to a net funded amount of 178.1 million euros or equivalent as of 31 December 2024.

A summary of the maturities of the interest-bearing loans as well as the interest rate conditions applicable as of 31 December 2024 is shown in the following table:

31 December 2024 *(in millions of euros)*	**Currency of draw-down**	**Interest rates**	**TOTAL**	**12 months or less until 31/12/2025**	**2 years until 31/12/2026**	**3 to 5 years until 31/12/2029**	**More than 5 years**
Bank loans							
Revolving credit lines Europe	EUR		-	-	-	-	-
Revolving credit lines Europe	USD		-	-	-	-	-
Other bank loans	EUR	3.47%	25.6	13.4	10.1	2.1	-
Other bank loans	RMB	5.22%	0.1	0.1	-	-	-
Subtotal bank loans			**25.7**	**13.5**	**10.1**	**2.1**	**-**
Private Placement Europe	EUR	4.89%	47.5	10.0	6.0	-	31.5
Shareholder loan	EUR	6.13%	516.0	-	-	516.0	-
Shareholder loan	USD	8.51%	66.9	-	-	66.9	-
Bank overdrafts			5.6	5.6	-	-	-
Interest-bearing loans and debt			**661.7**	**29.1**	**16.1**	**585.0**	**31.5**
Leases (IFRS 16)			**125.4**	**33.8**	**27.4**	**47.0**	**17.3**
Gross financial debt			**787.1**	**62.9**	**43.5**	**632.0**	**48.8**

4.3.4 Terms of principal credit lines

As of 31 December 2024, the Group's main financing reserve consists of a revolving credit facility entered into on 23 April 2021 by Tarkett Participation, which was accessed by Tarkett S.A. on 19 July 2021. This facility supplements the two shareholder loans concluded with Tarkett Participation on 20 July 2021 and 7 November 2024, respectively.

Shareholder loan

The purpose of this shareholder's loan concluded on 20 July 2021 was to refinance the Group's existing debt in the context of the transactions related to the simplified tender offer. The maturity and applicable margin are aligned with those of the 7-year term loan, repayable at maturity and secured on certain assets, known as "Term Loan B", concluded on 23 April 2021 by Tarkett Participation.

The shareholder loan concluded on 7 November 2024 aimed to fund the Group's acquisition programme, with a maturity date and interest conditions identical to those of the current shareholder loan.

The margin level applied depends on the leverage ratio and a margin adjustment mechanism ranging from -0.10% to +0.10% p.a. depending on the achievement of certain contractually defined Environmental, Social and Governance ("ESG") criteria.

Revolving credit line

This revolving credit line, with a maturity of 6.5 years, is intended to finance the Group's general and operational, development and investment needs up to a maximum amount of 350 million euros. The lenders of this credit line benefit from the same guarantees as the lenders of the "Term Loan B". Thus, Tarkett S.A. has entered into the Revolving Facility as a borrower, but also as a guarantor.

The level of margin applied depends on the same criteria as for the "Term Loan B".

Leverage ratio	Term Loan B - EUR margin (p.a)	Term Loan B - USD margin (p.a.)	Revolving Facility margin (p.a.)
≤ 2.5x	3.00%	3.25%	1.75%
2.5x ≤ 3.0x	3.25%	3.75%	2.00%
3.0x ≤ 3.5x	3.50%	4.00%	2.25%
> 3.5x	3.75%	4.25%	2.50%

As of 31 December 2024, the margins applied to these lines are 3.45%, 3.95% and 2.20% respectively, including a favourable ESG margin adjustment of -0.055%.

Pledges put in place

As security for the new financings put in place, the following assets have been pledged:

- all present and future shares of Tarkett SA held by Tarkett Participation;
- all present and future shares of the following subsidiaries, directly or indirectly held by Tarkett S.A.: Tarkett GDL S.A., Tarkett AB, Tarkett BV, Tarkett Holding GmbH, Tarkett Finance Inc., Tarkett USA Inc., FieldTurf Tarkett USA Holdings Inc., FieldTurf USA Inc., AO Tarkett and AO Tarkett Rus;
- certain financial receivables entered into between two of the above-named companies.

Contractual financial commitments

These lines of credit are subject to contractual financial covenants of a conditional nature, which would only be calculated in the event that the revolving credit line is drawn for more than 40% of its maximum amount at 30 June or 31 December of each year.

If this were the case, an adjusted "Net debt/EBITDA" ratio would be calculated on the basis of Tarkett Participation's consolidated financial statements and after application of IFRS 16, with Tarkett S.A. contributing in proportion to the percentage of its capital held by Tarkett Participation. The ratio calculated in this way should not exceed 5.8x.

Clauses related to a change of control

The new financing lines contain a change of control clause in case of loss of control of Tarkett Participation by the Deconinck family (defined as "Ms. Catherine la Bonnardière, née Deconinck, Mr. Bernard-André Deconinck, Mr. Didier Deconinck, Mr. Éric Deconinck and their children and spouses, acting individually or collectively") and/or the shareholder Wendel (and/or any controlled or affiliated company).

This clause allows for a renegotiation of the terms of the credit line, and in the event of a lack of agreement between the banks and the borrower, each lender would have the option of requesting the immediate repayment of its share of the amounts advanced. The term "control" in this clause is defined by the French Commercial Code and includes actions in concert, as defined by the same code.

4.3.5 Private placements

Private investments under German law, called "*Schuldschein*"

As at 31 December 2024, the "*Schuldschein*" private investments under German law were divided across two instalments at a fixed rate totalling 16 million euros, concluded during the issuance of 18 June 2019, and maturing in June 2025 for 10 million euros and in June 2026 for 6 million euros.

These *Schuldschein* contain contractual financial covenants to be met, including the financial ratio "Net debt/EBITDA" (or "leverage ratio"). This "leverage ratio" is measured at the end of each accounting period, before the application of IFRS 16, on the basis of an adjusted EBITDA, calculated at the perimeter of the consolidated accounts of Tarkett S.A.

Within this framework, net debt must not exceed three times (3.0x) the level of adjusted EBITDA as of 31 December of each year, with an additional tolerance of half a time (0.5x) in the case of significant acquisitions.

As at 31 December 2024 and 31 December 2023, the Group was in compliance with this commitment, achieving a leverage ratio before application of the IFRS 16 standard of 1.1x and 1.6x the adjusted EBITDA for the period respectively.

Bone loan

A bond loan for 31.5 million euros was taken out in June 2023 for a term of 8 years, as part of the "Relance Bonds" scheme.

This bond loan also contains contractual financial covenants to be met, including the financial ratio "Net debt/EBITDA" (or "leverage ratio"). This "leverage ratio" is measured at the end of each accounting period, after the application of IFRS 16, on the basis of an adjusted EBITDA, calculated at the perimeter of the consolidated accounts of Tarkett SA.

Within this framework, net debt must not exceed four times (4.0x) the level of adjusted EBITDA as of 31 December of each year, with an additional tolerance of half a time (0.5x) in the case of significant acquisitions.

As at 31 December 2024 and 31 December 2023, the Group was in compliance with this commitment, achieving a leverage ratio after application of the IFRS 16 standard, of 1.3x and 1.9x the adjusted EBITDA for the period, respectively.

4.3.6 Equity attributable to equity holders of the parent

Group equity was 820.9 million euros as of 31 December 2024 and 864.7 million euros as of 31 December 2023.

4.3.7 Off-balance sheet commitments

Lease commitments

Off-balance sheet commitments relating to leases are disclosed in Section 5.2 “Notes to the consolidated financial statements”.

Guarantees and off-balance sheet commitments

The following table shows the guarantees given by the Company as at 31 December 2024 (including those relating to debt already recognised in the balance sheet) as well as guarantees received from customers:

Group - off-balance sheet commitment *(in millions of euros)*	**As at 31 December 2024**	**As of 31 December 2023**
Federal insurance company	(72.2)	(67.9)
Ester Finance Technologies	(93.6)	(69.2)
Swedish pension body (*Pri-Pensionsgaranti*)	(22.4)	(23.1)
Joint and several guarantees on amortisable loans	(24.6)	(36.8)
Other	(23.8)	(22.5)
Tarkett parent company guarantees	**(236.6)**	**(219.4)**
Other commitments given to subsidiaries	(48.6)	(30.8)
Commitments given	**(285.2)**	**(250.2)**
Company or personal guarantees from customers or other debtors	4.2	7.7
Commitments received	**4.2**	**7.7**

The main commitments consist of:

- a General Indemnity Agreement for a maximum amount of USD 75 million in favour of Federal Insurance Company so that the company can issue work site guarantees in favour of FieldTurf Inc., fully used at the financial year close;
- a Joint and Several Guarantee for a maximum amount of USD 120 million in favour of Ester Finance Technologies for the assignment of receivables line set up with certain subsidiaries of Tarkett Finance Inc. in the United States, in order to secure future customer collections to be collected on its behalf, representing USD 97.3 million at the end of the financial year;
- a guarantee given to the Swedish pension insurance company Pri-Pensions to insure Tarkett AB’s employee benefit commitments in the amount of SEK 256.9 million;
- joint and several guarantees in favour of several banks in respect of the outstanding amortisable loans taken out in June 2022 and April 2023 respectively by Tarkett France, and in May 2023 and June 2023 by Tarkett GDL, representing a total outstanding amount of 24.6 million euros at the end of the financial year;
- rent guarantees in favour of two lessors of Tarkett USA Inc. representing a commitment of USD 7.9 million at the end of the financial year, and for which the corresponding rents are included in the lease liability valued in the consolidated balance sheet in application of IFRS 16 “Leases”;
- a guarantee to a supplier of the subsidiary Morton Extrusiontechnik GmbH for deliveries of raw materials up to a maximum amount of 7 million euros, 1.7 million euros which had been committed at the balance sheet date;
- guarantees given by the company Tarkett to the banks of certain subsidiaries, in particular Company’s Tarkett Limited (United Kingdom), Tarkett BV (Netherlands), Tarkett Asia Pacific (Shanghai) Management Co Ltd. (China), Morton Extrusiontechnik GmbH (Germany), FieldTurf Tarkett S.A.S. (France) and FieldTurf Poligras S.A. (Spain), to enable them to obtain overdraft facilities, bank loans or credit lines for a maximum total amount equivalent to 32.8 million euros, of which the equivalent of 14.4 million euros had been committed at the balance sheet date.

Furthermore, in the ordinary course of business, Tarkett and several of the Group's subsidiaries have given payment or construction guarantees to various suppliers, customers, government offices, lessors, and cash pooling or trade finance operators, either directly or through bank guarantees, for an amount equivalent to 48.6 million euros as of the closing date.

Other

- One of the Group's subsidiaries is a co-defendant in asbestos-related personal injury lawsuits in the United States. In addition to the provisions already made, the Group has funds totalling 4.7 million USD as of 31 December 2024 and insurance policies in place to cover these lawsuits and the occurrence of new asbestos-related litigation.

4.4 Major contracts

See Section 4.3.4 "Terms and conditions of the main credit lines".

4.5 Judicial, administrative or regulatory proceedings

The Group may become involved in legal, administrative or regulatory proceedings in the normal course of business. A provision is recorded by the Group when there is a sufficient probability that such litigation will result in costs to be borne by Tarkett or one of its subsidiaries.

The total amount of provisions for litigation to which the Group is exposed amounts to 19.6 million euros as of 31 December 2024.

As of the date of this Universal Registration Document, other than the proceedings described below, the Group is not aware of any governmental, legal or arbitration proceedings (including any proceedings of which the Group is aware, which are pending or which the Group is threatened with), which are likely to have or have had, during the last twelve months, a significant effect on the financial position or profitability of Tarkett or the Group.

France

Proceedings brought by a group of installers

By decision no. 17-D-20, Tarkett, as well as some of its competitors, were sentenced on 18 October 2017 by the French Competition Authority for having implemented anti-competitive practices on the French resilient flooring market.

Following this decision, in November 2018, a compensation claim was filed with the Commercial Court of Paris by a group of fitters against Tarkett. These proceedings claim repairs for alleged damages caused by practices sanctioned by the Competition Authority. In the context of these proceedings, Tarkett was condemned at the beginning of 2022 in the first instance, but appealed this judgement to the Paris Court of Appeal. The appeal proceedings are still pending as of 31 December 2024.

Proceedings brought by public and private health establishments

Before the expiry of the five-year limitation period that ran from this decision until 18 October 2022, summons and requests were filed with administrative and civil courts, in particular by public and private health establishments, to seek compensation for any damage they may have suffered. As at 31 December 2024, these procedures were still at a preliminary stage. No substantial decisions had been made yet.

The Group is contesting the merits of these claims, is studying all possible actions or remedies, and considers that it is not possible at this time to assess the possible consequences.

United States

Litigation relating to asbestos exposure

Domco Products Texas Inc. ("Domco"), a subsidiary of Tarkett acquired in 2001, is the subject of legal actions brought by third parties related to the production of asphalt and vinyl tiles containing asbestos manufactured between 1932 and 1982 by Domco's predecessor, Azrock Industries Inc. As at 31 December 2024, approximately 663 third-party plaintiffs had claims pending against Domco in several states in the United States. Of the 663 pending claims, 20 involve cases that associate the identification of Azrock products with a diagnosis of mesothelioma. Out of all the claims relating to asbestos against Domco over the past 20 years, three resulting in a verdict: Two in Domco's favour and one in Washington State, which resulted in Domco being ordered to pay 1.1 million USD (0.4 million USD after negotiations).

As of 31 December 2024, Domco has had claims against it dismissed in approximately 2,073 cases since 2015, and has reached 74 settlements in 2024 for a total of approximately 10.16 million USD. Since 2015, around 44 cases have been settled each year for an average annual amount of around 4.0 million USD. However, these figures have tended to increase since the Covid-19 pandemic. Domco's asbestos-related liabilities are partially covered through cost-sharing and buy-back agreements with insurance companies. Domco has also financed part of these various liabilities itself. For more information on how the Group is responding to the expenses related to these litigations, see Section 4.3.7 "Off-balance sheet commitments".

Customer litigation in New Jersey on the Duraspine product

In December 2016, two customers filed suit against FieldTurf in New Jersey federal courts regarding the quality of their sports fields made with the Duraspine product, alleging that they were misled about the durability of the fields. These proceedings have been initiated as multi-district litigation in the federal courts of New Jersey alongside fifteen other clients who have brought proceedings on similar grounds in the federal court of New Jersey. The court denied class certification on 18 August 2022. The plaintiffs did not appeal this decision, but instead filed a new motion seeking class certification on narrower claims to determine whether the Duraspine pitches all had a common defect and whether FieldTurf had knowingly omitted that defect from the marketing and sales presentations of those products. On 13 July 2023, the court granted the plaintiffs' motion to reargue these two issues. Mid 2024, a settlement deal was concluded with the plaintiffs and approved by the court, bringing the litigation to an end. As a result, an amount corresponding to the transactional agreement was provisioned for in the FieldTurf accounts with a view to a payment planned from January 2025.

4.6 Prospects

As part of its internal budgeting process and in order to plan its activities and investment programme, the Group sets certain future prospects and profit targets. These future prospects and ambitions of the Group, summarised below, are based on data, assumptions and estimates considered reasonable by the Group's management at the date of filing of this Universal Registration Document. These prospects and objectives are not forecasts or estimates of the Group's profits but result from its strategic orientations and action plan.

4.6.1 Developments in recent results

For commentary on the Group's results in 2023 and 2024 see Section 4.1.2 "Comparison of annual results for the financial years ending 31 December 2023 and 31 December 2024".

4.6.2 Medium term future prospects

4.6.2.1 Macroeconomic environment

The Group's growth will depend, in part, on the rate of growth of Gross Domestic Product ("GDP") in the main geographical regions in which it operates.

The Group uses as a benchmark the most recent GDP growth forecast published by the International Monetary Fund (the "IMF"), in this case January 2025.

For the main geographical areas where the Group operates, the January 2025 publication shows:

- in the United States, a growth rate of +2.7% in 2025;
- in the euro zone, growth of +1.0% in 2025;
- growth rates of +1.4% in 2025 for Russia and +2.2% in Brazil in 2025.

GDP growth forecasts[(1)]	2024	2025	2026
United States	+2.8%	+2.7%	+2.1%
Euro zone	+0.8%	+1.0%	+1.4%
Germany	-0.2%	+0.3%	+1.1%
France	+1.1%	+0.8%	+1.1%
United Kingdom	+0.9%	+1.6%	+1.5%
Russia	+3.8%	+1.4%	+1.2%
Brazil	+3.7%	+2.2%	+2.2%
China	+4.8%	+4.6%	+4.5%
World	+3.2%	+3.3%	+3.3%

(1) *Source: IMF - World Economic Outlook - January 2025*

4.6.2.2 Group outlook

The geopolitical and macroeconomic context remains uncertain and falling interest rates have not led to a recovery in new construction or renovation.

The European market remains sluggish in the major Eurozone countries (France, Germany, the Nordic countries), with no clear positive outlook for the medium term. The American market is considered to be structurally more dynamic, even if short-term demand remains uncertain in a volatile environment. The commercial activity has been more resilient. However, the residential market has not yet recovered, and the leading indicators show no signs of recovery in the short term.

In the CIS, the Russian market has slowed for some time, and the Group does not expect the situation to improve in the medium term.

Sport remains the most buoyant segment, driven by a market that continues to grow, albeit at a slower pace than in previous years. The Group intends to grow by reinforcing its geographical coverage in North America, and by continuing to innovate and bring complementary products to the existing portfolio. Priority is being given to integrating recently acquired companies, without excluding other targeted acquisitions.

As in 2024, the Group's objective is to continue to grow in a difficult macroeconomic environment and is aiming for an Adjusted EBITDA around €360 million in 2025, including the effect of acquisitions made in Sport.

4.7 Non-IFRS financial indicators

The Tarkett Group uses non-IFRS financial indicators:

- organic growth;
- adjusted EBITDA;
- operational cash flow;
- free cash flow (annual results only).

These indicators are calculated as follows:

4.7.1 Organic growth

- This indicator measures the change in revenue as compared with the same period in the prior year, outside of the exchange rate effect and changes in scope;
- The exchange rate effect is obtained by applying the prior year's exchange rate to sales for the current year and calculating the difference with sales for the current year. It also includes the effect of price adjustments in the CIS countries intended to offset the change in local currencies against the Euro;
- The effect of changes in scope is composed of:
  - current year sales by entities not included in the scope of consolidation in the same period of the prior year, until the anniversary of their consolidation;
  - the reduction in sales related to divested businesses not included in the current year's scope of consolidation but included in sales for the same period in the previous year until the anniversary date of the divestiture.
- The evolution of net sales for the year can be broken down as follows:

(in millions of euros)	2024	2023	Variation *(in %)*	Of which change	Of which scope effect	Of which organic growth
Group Total	**3,332**	**3,363**	**(0.9%)**	**(0.5%)**	**(0.1%)**	**(0.4%)**

4.7.2 Adjusted EBITDA

Result from operating activities before depreciation and amortisation restated for the following income and expenses:

- restructuring costs to improve future profitability of the Group,
- gains and losses on significant disposals of assets,
- provisions and reversals of provisions for impairment,
- costs related to business combinations and legal restructuring,
- expenses related to share-based payments,
- other one-off items, considered non-recurring by nature.

In the adjustments to EBIT, restructuring charges and other one-off liabilities, considered as non-recurring, have a monetary impact, unlike the depreciation of assets and the valuation of share-based compensation schemes (before unwinding), which have no monetary impact.

The adjustments from operating profit (EBIT) to adjusted EBITDA are broken down by nature as follows:

(in millions of euros)	2024 (A)	Adjustments[1] (B)					2024 adjusted (A+B)
		Restructuring	Result on disposal of assets / loss of value	Acquisitions and business combinations	Share-based compensation	Other	
Net revenue	**3,331.9**	**-**	**-**	**-**	**-**	**-**	**3,331.9**
Cost of sales	(2,681.9)	10.5	110.0	-	2.5	-	(2,558.8)
Gross profit	**650.0**	**10.5**	**110.0**	**-**	**2.5**	**-**	**773.1**
Selling and distribution expenses	(357.9)	3.0	0.5	-	2.7	-	(351.7)
Research and development costs	(35.4)	2.0	-	-	0.8	-	(32.6)
General and administrative expenses	(229.4)	7.9	(0.4)	3.5	9.4	11.1	(197.9)
Other operating income and expenses	9.0	-	(9.4)	-	-	0.3	(0.1)
Result from operating activities (EBIT)	**36.2**	**23.4**	**100.6**	**3.5**	**15.5**	**11.5**	**190.8**
Depreciation and amortisation	247.6	-	(110.0)	-	-	-	137.6
Other	1.0	-	-	-	-	-	1.0
EBITDA	**284.7**	**23.4**	**(9.4)**	**3.5**	**15.5**	**11.5**	**329.3**

[1] *Adjustments are reported as follows:*
- the cancellation of an expense is shown with a positive sign;
- the cancellation of an income is shown with a negative sign.

(in millions of euros)	**2023 (A)**	**Adjustments[1] (B)**					**2023 adjusted (A+B)**
		Restructuring	**Result on disposal of assets / loss of value**	**Acquisitions and business combinations**	**Share-based compensation**	**Other**	
Net revenue	**3,363.1**	**-**	**-**	**-**	**-**	**-**	**3,363.1**
Cost of sales	(2,631.2)	4.4	1.2	-	-	-	(2,625.6)
Gross profit	**731.9**	**4.4**	**1.2**	**-**	**-**	**-**	**737.5**
Selling and distribution expenses	(362.3)	2.3	0.5	-	-	-	(359.5)
Research and development costs	(30.1)	0.3	-	-	-		(29.8)
General and administrative expenses	(211.8)	1.5	-	-	9.5	6.5	(194.3)
Other operating income and expenses	(2.6)	-	1.5	-	-	1.3	0.2
Result from operating activities (EBIT)	**125.1**	**8.4**	**3.2**	**-**	**9.5**	**7.8**	**154.1**
Depreciation and amortisation	133.2	-	(1.2)	-	-	-	132.0
Other	1.7	-	-	-	-	-	1.7
EBITDA	**260.0**	**8.4**	**2.0**	**-**	**9.5**	**7.8**	**287.8**
[1] *Adjustments are reported as follows: - the cancellation of an expense is shown with a positive sign; - the cancellation of an income is shown with a negative sign.*	*260.2*	*13.3*	*(3.5)*	*2.4*	*2.9*	*2.6*	*277.9*

4.7.3 Free cash flow

Free cash flow is only presented for the annual results.

The calculation of free cash flow is based on the items presented in the consolidated cash flow statement and consists of the following items:

- operating cash flow before working capital changes,
- changes in working capital requirement,
- net interest received (paid),
- net taxes collected (paid),
- various operating items received (disbursed),
- proceeds (losses) on disposal of property, plant and equipment and
- the repayment of rental debts;

Free cash flow was broken down as follows:

(in millions of euros)	**2024**	**2023**
Cash flow from operations before working capital changes (A)	304.3	259.5
Repayment of rental debts (B)	(42.7)	(39.8)
Total (A+B)	**261.6**	**219.7**
Changes in working capital requirement	63.8	117.9
Net interest paid	(37.7)	(46.2)
Net income taxes paid	(39.0)	(45.0)
Miscellaneous operating items paid	(4.2)	(7.8)
Acquisition of intangible assets and property, plant and equipment	(96.0)	(92.9)
Proceeds from sale of property, plant and equipment	21.3	1.2
Free cash flow	169.8	147.1

5

FINANCIAL STATEMENTS

5.1 Consolidated Financial Statements as of December 31, 2024

Consolidated income statement

(in millions of euros)	Note	2024	2023
Net Revenue		**3,331.9**	**3,363.1**
Cost of sales		(2,681.9)	(2,631.2)
Gross profit (1)		**650.0**	**731.9**
Other operating income		24.1	13.5
Selling and distribution expenses		(357.9)	(362.3)
Research and development		(35.4)	(30.1)
General and administrative expenses		(229.4)	(211.8)
Other operating expenses		(15.2)	(16.1)
Result from operating activities	**(3)**	**36.2**	**125.1**
Financial income		9.7	7.2
Financial expenses		(72.0)	(76.4)
Financial income and expenses	**(7)**	**(62.3)**	**(69.2)**
Share of profit of equity accounted investees (net of income tax)		(0.0)	(0.1)
Profit before income tax		**(26.1)**	**55.8**
Total income tax	(8)	(35.9)	(35.4)
Profit from continuing operations		**(62.0)**	**20.5**
Net profit for the period		**(62.0)**	**20.5**
Attributable to:			
Owners of Tarkett		(62.6)	20.4
Non-controlling interests		0.6	0.1
Net profit for the period		**(62.0)**	**20.5**
Earnings per share:			
Basic earnings per share (in euros)	(9)	(0.95)	0.31
Diluted earnings per share (in euros)	(9)	(0.95)	0.31

(1) *These items include asset impairments; see Note 3.1 and Note 5.3.*

Consolidated statement of comprehensive income

(in millions of euros)	Note	2024	2023
Net profit for the period		**(62.0)**	**20.5**
Other comprehensive income (OCI)			
Foreign currency translation differences for foreign operations		21.5	(48.2)
Changes in fair value of cash flow hedge instruments	(7)	(14.3)	(19.5)
Income tax		5.1	(0.1)
OCI to be reclassified to profit and loss in subsequent periods		**12.3**	**(67.7)**
Defined benefit plan actuarial gain (losses)	(4)	3.1	(3.3)
Other items of comprehensive income		-	-
Income tax		(0.3)	0.7
OCI not to be reclassified to profit and loss in subsequent periods		**2.8**	**(2.5)**
Other comprehensive income, net of tax		**15.1**	**(70.3)**
Total comprehensive income for the period		**(46.8)**	**(49.9)**
Attributable to:			
Owners of Tarkett		(47.5)	(49.9)
Non-controlling interests		0.7	0.0
Total comprehensive income for the period		**(46.8)**	**(49.9)**

Consolidated statement of financial position

Assets

(in millions of euros)	Note	Dec. 31, 2024	Dec. 31, 2023
Goodwill	(5)	629.7	664.3
Intangible assets	(5)	51.8	50.7
Property, plant and equipment	(5)	538.3	557.8
Other financial assets	(7)	16.8	25.5
Deferred tax assets	(8)	97.9	92.8
Other intangible assets		0.0	0.0
Total non-current assets		**1,334.5**	**1,391.1**
Inventories	(3)	425.0	453.1
Trade receivables	(3)	225.1	262.9
Other receivables	(3)	147.9	151.9
Cash and cash equivalents	(7)	352.4	224.3
Total current assets		**1,150.4**	**1,092.2**
Total assets		**2,484.9**	**2,483.3**

Equity and liabilities

(in millions of euros)	Note	Dec. 31, 2024	Dec. 31, 2023
Share capital	(9)	327.8	327.8
Share premium and reserves		167.4	167.4
Retained earnings		385.6	347.2
Net profit for the period attributable to equity holders of the parents		(62.6)	20.4
Equity attributable to equity holders of the parent		**818.1**	**862.7**
Non-controlling interests		2.8	2.1
Total equity		**820.9**	**864.7**
Other non-current liabilities		23.3	16.0
Financial liabilities	(7)	728.5	704.5
Other financial liabilities	(7)	0.9	1.5
Deferred tax liabilities	(8)	4.3	0.6
Employee benefits	(4)	83.0	86.8
Provisions and other non-current liabilities	(6)	29.2	28.9
Total non-current liabilities		**869.2**	**838.2**
Trade payables	(3)	388.5	379.4
Other operating liabilities	(3)	287.8	289.9
Financial liabilities and bank overdrafts	(7)	58.4	71.4
Other financial liabilities	(7)	5.8	3.3
Provisions and other current liabilities	(6)	54.2	36.3
Total current liabilities		**794.7**	**780.3**
Total equity and liabilities		**2,484.9**	**2,483.3**

Consolidated statement of cash flows

(in millions of euros)	Note	2024	2023
Cash flows from operating activities			
Profit for the period before income tax		(26.1)	55.8
Adjustments for:			
Depreciation, amortisation and impairment		247.5	133.4
(Gain) loss on sale of fixed assets	(3)	(8.4)	1.3
Net finance costs	(7)	62.3	69.2
Change in provisions and other non-cash items		29.2	(0.3)
Share of profit of equity accounted investees (net of tax)		0.0	0.1
Operating cash flow before working capital changes		**304.3**	**259.5**
(Increase) / Decrease in trade receivables		61.6	(1.7)
(Increase) / Decrease in other receivables		(6.8)	(4.1)
(Increase) / Decrease in inventories		20.8	65.6
Increase / (Decrease) in trade payables		(14.1)	49.7
Increase / (Decrease) in other payables		2.2	8.4
Changes in working capital		**63.8**	**117.9**
Net interest paid		(37.7)	(46.2)
Net income taxes paid		(39.0)	(45.0)
Other operating items		(4.2)	(7.8)
Net cash flows from operating activities		**287.2**	**278.5**
Cash flows from investing activities			
Acquisition of subsidiaries net of cash acquired	(2)	(50.6)	(3.2)
Acquisitions of intangible assets and property, plant and equipment	(5)	(96.0)	(92.9)
Proceeds from sale of property, plant and equipment	(5)	21.3	1.2
Effect of changes in the scope of consolidation		(0.0)	0.0
Net cash flows from investing activities		**(125.4)**	**(94.9)**
Cash flows from financing activities			
Capital increase		-	-
Acquisition of NCI without a change in control		-	-
Proceeds from loans and borrowings		130.7	55.6
Repayment of loans and borrowings		(116.3)	(170.2)
Repayment of lease liabilities		(42.7)	(39.8)
Acquisitions/disposals of treasury shares		(0.0)	(0.0)
Dividends	(9)	(0.0)	(0.0)
Net cash flows from financing activities		**(28.3)**	**(154.3)**
Net increase / (decrease) in cash and cash equivalents		**133.6**	**29.3**
Cash and cash equivalents, beginning of period		224.3	220.8
Effect of exchange rate fluctuations on cash held		(5.6)	(25.8)
Cash and cash equivalents, end of period	**(7)**	**352.4**	**224.3**

Consolidated statement of changes in equity

(in millions of euros)	Share Capital	Share premium and reserves	Translation reserves	Reserves	Equity attributable to equity holders of the parent	Non-controlling interests	Total equity
As of January 1, 2023	**327.8**	**167.4**	**(12.0)**	**428.4**	**911.6**	**1.4**	**913.0**
Capital increase	-	-	-	-	-	-	-
Share premium	-	-	-	-	-	-	-
Net profit for the period	-	-	-	20.4	20.4	0.1	20.5
Other comprehensive income, net of tax	-	-	(48.2)	(22.1)	(70.3)	(0.1)	(70.3)
Total comprehensive income for the period	**-**	**-**	**(48.2)**	**(1.7)**	**(49.8)**	**0.0**	**(49.9)**
Dividends	-	-	-	-	-	-	-
Own shares (acquired) / sold	-	-	-	(3.1)	(3.1)	-	(3.1)
Share-based payments	-	-	-	4.3	4.3	-	4.3
Acquisition of NCI without a change in control	-	-	-	0.0	0.0	0.6	0.6
Other	-	-	-	(0.2)	(0.2)	-	(0.2)
Total transactions with shareholders	**-**	**-**	**-**	**1.0**	**1.0**	**0.6**	**1.6**
As of December 31, 2023	**327.8**	**167.4**	**(60.1)**	**427.7**	**862.7**	**2.0**	**864.7**
As of January 1, 2024	**327.8**	**167.4**	**(60.1)**	**427.7**	**862.7**	**2.0**	**864.7**
Capital increase	-	-	-	-	-	-	-
Share premium	-	-	-	-	-	-	-
Net profit for the period	-	-	-	(62.6)	(62.6)	0.6	(62.0)
Other comprehensive income, net of tax	-	-	21.4	(6.3)	15.0	0.1	15.1
Total comprehensive income for the period	**-**	**-**	**21.4**	**(68.9)**	**(47.5)**	**0.7**	**(46.8)**
Dividends	-	-	-	-	-	-	-
Own shares (acquired) / sold	-	-	-	-	-	-	-
Share-based payments	-	-	-	2.8	2.8	-	2.8
Acquisition of NCI without a change in control	-	-	-	0.0	0.0	-	0.0
Other (1)	-	-	-	0.1	0.1	-	0.1
Total transactions with shareholders	**-**	**-**	**-**	**3.0**	**3.0**	**-**	**3.0**
As of December 31, 2024	**327.8**	**167.4**	**(38.8)**	**361.8**	**818.1**	**2.8**	**820.9**

(1) *Corresponds to the hyperflation effect for 0.1 m€*

5.2 Notes to the consolidated financial statements

Note 1 > Basis of preparation

1.1 General information

Tarkett's Consolidated Financial Statements as of and for the year ended December 31, 2023, include the Company and its subsidiaries (the "Group"), as well as its interests in associates and joint ventures.

The Group is a leading global flooring company, providing a large range of flooring and sports surface solutions to business and residential end-users.

The Group completed its initial public offering on November 21, 2013, and is listed on Compartment B (Compartment A until January 31, 2020 and Compartment B since February 1, 2020) of Euronext Paris, ISIN code: FR0004188670 - Ticker Symbol: TKTT.

The Group's registered office is located at 1 Terrasse Bellini - Tour Initiale - 92919 Paris La Défense, France.

The Group's Consolidated Financial Statements as of and for the year ended December 31, 2023, were finalized by the Management Board on February 17, 2025, and reviewed by the Supervisory Board on February 20, 2025. They will be submitted for approval at the general meeting convened to decide in 2025 on the accounts for the 2024 financial year..

The Group's Consolidated Financial Statements are presented in millions of euros, to one decimal place. The sum of the rounded amounts may differ, albeit to an insignificant extent, from the reported total and subtotals in the tables.

1.2 Significant accounting principles

1.2.1 Statement of compliance and applicable standard

The Group's consolidated financial statements as of and for the year ended December 31, 2023 have been prepared in accordance with IFRS (*International Financial Reporting Standards*) as adopted by the European Union as of such date, which are available at https://ec.europa.eu/info/index_en. These standards have been applied consistently for the fiscal years presented.

a) Amendments, new standards, or revisions to existing standards and interpretations applied during the period

The following published standards have been applied by the Group for the fiscal year:

- **Amendment to IAS 1** - Classification of liabilities as current or non-current (including amendments dated 31 October 2022);
- **Amendments to IFRS 16** - Lease liability in a sale and leaseback;
- **Amendments to IAS 7 and IFRS 7** - Supplier Finance Arrangements.

b) Early adoption of new standards or interpretations during the period

- **Amendments to IAS 21** - No interchangeability;
- **Amendments to IFRS 9 and IFRS 7** – Classification and measurement of financial instruments ;
- **IFRS 18** – Presentation and disclosures in the financial statements ;
- **IFRS 19** – Information to be provided by subsidiaries without public disclosure obligation.

c) New standards and interpretations not adopted

None.

1.2.2 Accounting estimates and judgments

The preparation of the Group's consolidated financial statements requires it to make a number of estimates and assumptions that have an effect on the amounts recorded on its balance sheet and income statement.

These estimates and assumptions relate primarily to the following notes:

	Note
Measurement of the fair value of the consideration transferred, NCI and assets acquired and liabilities assumed	2
Provisions for employee benefits	4.1
Impairment testing of assets	5.3
Determination of other provisions (warranties and disputes)	6
Assessment of restricted cash and cash equivalents	7.3
Accounting treatment of Financial Instruments	7.6
Valuation of deferred tax assets	8.2

Management reviews these estimates and assumptions on an ongoing basis, by reference to past experience and information deemed significant given the current environment. Actual results may differ significantly from these estimates.

The Group's consolidated financial statements have been prepared according to the principle of historical costs, with the exception of the following assets and liabilities which are recorded at their fair value: derivative instruments, investments held for transaction purposes, financial assets available for sale, pension plan assets and other elements when necessary. The carrying amount of assets and liabilities subject to fair value hedging has been adjusted in line with the changes in fair value attributable to the hedged risks.

1.3 Significant developments

> **Geopolitical conflict**

The consequences of the war in Ukraine on business in Russia and Ukraine are significant.

In Russia, market conditions continued to deteriorate in 2024 against a backdrop of tightening international sanctions.

Against this backdrop, the Group has revised its medium-term business forecasts downwards, leading to a write-down of the value of the CIS CGU's assets by (95.5) million euros (see note 5.3). To date, sales in Russia represent around 8% of total sales. Russia's fixed assets now represent 4.7% of the Group's total fixed assets, compared with 9.8% previously.

In Ukraine, business recovery remains constrained and sales are expected to decline in 2024. Ukraine accounts for just under 0.7% of the Group's total sales. The production site in the west of the country is still in operation.

> **Asset disposals**

Diamond W, a distributor of flooring products in the US states of California, Arizona and Nevada, sold part of its assets and liabilities in July 2024 for 18.6 million euros.

1.4 Accounting for climate risk

The Tarkett group has committed to a new environmental strategy for 2030. The objectives are as follows:

- To reduce its greenhouse gas (GHG) emissions across its value chain (Scope 1, Scope 2 and Scope 3) by 30% by 2030 compared to 2019. This target is in line with the Paris Agreement to limit the global temperature increase to below 2°C. It was validated by the independent Science Based Target Initiative (SBTi) in December 2022 in the following terms: reduce total GHG emissions from Scope 1 and Scope 2 by 50% compared to 2019 and reduce GHG emissions from its value chain (Scope 3) linked to the production of raw materials and the end-of-life processing of its products by 27.5% compared to 2019;
- triple the proportion of recycled raw materials from 10% (in 2018) to 30% (in 2030).

The Finance Department interacts regularly with the Sustainable Development Department to ensure that the commitments made by the Group are consistent with those reflected in the financial statements. The Group is exposed to physical and transitional risks (regulatory, legal, market, etc.) related to climate change, such as the increasing frequency of severe weather events, the demand for new products with a very low environmental footprint, the introduction of a carbon tax, and the withdrawal from fossil fuels and plastics. The potential consequences of these risks are reviewed and updated every year and mitigation actions are decided and implemented proactively. Physical risks are mostly covered by property and casualty insurance policies and those related to expected regulatory changes have also been reviewed to the best of our knowledge. Tarkett considers that the evaluation of climatic risks is correctly taken into account and in coherence with its commitments in this matter. The integration of these elements did not have a significant impact on the Group's financial statements. In addition, Tarkett has received a "Leadership A" rating from the CDP (Climate Change 2024) and a Platinum score from the CSR assessment platform Ecovadis.

Note 2 > Changes in the scope of consolidation

2.1 Consolidation methods

2.1.1 Full consolidation

A subsidiary is an entity controlled by the Group. The Group controls an entity when it is exposed to, or has the right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the Consolidated Financial Statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Losses applicable to non-controlling interests in a subsidiary are allocated to the non-controlling interests, even if doing so causes the non-controlling interests to have a deficit balance.

2.1.2 Equity method accounting for joint ventures and associates

A joint venture, for purposes of IFRS 11, is an arrangement in which the Group has joint control, whereby the Group has right to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. The Group's interests in joint ventures are accounted for using the equity method.

They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity accounted investees, until the date on which significant influence or joint control ceases.

The accounting policies described hereafter have been applied to all the periods presented in the consolidated financial statements and have been uniformly applied by all Group entities acquired prior to December 31, 2024 (see Note 2.4).

2.2 Business combinations

Business combinations are accounted for using the acquisition method on the acquisition date - i.e. when control is transferred to the Group.

The Group measures *goodwill* at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; minus
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.
- when the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

Transactions costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured and settlement is accounted for within equity. However, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Acquisition of Non-Controlling Interests (NCI) without a change in control

For each business combination, the Group elects to measure any non-controlling interests in the acquiree either:

- at fair value; or
- at their proportionate share of the acquiree's identifiable net assets, which are generally at fair value.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners. Adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary. No adjustments are made to *goodwill* and no gain or loss is recognised in profit or loss.

Share put options granted by the Group

If the Group undertakes to acquire non-controlling shareholders, the latter have the option to transfer their shares to the Group at a fixed term and for a given price, which may be settled in cash. The Group consolidates the entity as though the non-controlling interests had already been acquired. This position leads to recognizing a liability, recorded in "other liabilities," for the present value of the estimated exercise price of the put option, with any subsequent valuation changes being recorded in shareholders' equity.

As of December 31, 2024, all buyback options have been exercised.

2.3 Foreign currency translation

The functional currency of Tarkett and its subsidiaries located in the euro zone is the euro. Group entities operate on an autonomous basis and therefore the functional currency of entities operating outside the euro zone is generally their local currency.

The Group presents its financial statements in euros.

Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Group entities at the foreign exchange rate as of the date of the transaction. Foreign exchange rate differences arising on these transactions are recognised either in the operating profit for operational transactions or in the financial result for financing transactions.

Certain transactions are covered by derivative instrument contracts: the accounting treatment of these transactions is described in note 7.6.

Non-monetary items are not revalued at the balance sheet date and are translated using the historical exchange rates, while monetary items are translated using the foreign exchange rates in effect on the balance sheet date.

Financial statements of foreign operations

On the balance sheet date, assets and liabilities of foreign operations are translated at the closing rate, and income and expenses are translated at the average exchange rate for the period.

Foreign currency differences are recognised in other comprehensive income (OCI) and presented in the translation reserve in equity.

Net investments in foreign operations

When a long-term loan in foreign currency is granted to a subsidiary, it may be deemed a net investment in a foreign company. Foreign exchange gains and losses relating to these long-term loans are then recognised in translation reserves in other comprehensive income.

2.4 Changes in the scope of consolidation

The Tarkett Group's scope of consolidation is as follows (see Note 13, which contains a list of consolidated companies):

Number of companies	Dec. 31, 2023	Mergers	Acquisitions and creations	Liquidations	Dec. 31, 2024
Fully consolidated companies	78	-	4	-	82
Equity-accounted consolidated companies	4	-	-	-	4
Total	**82**	**-**	**4**	**-**	**86**

2.4.1 Transactions completed in 2024

The year's main transactions are as follows:

a) Acquisitions and creations

Tarkett Japan, a 100% subsidiary of Tarkett GDL, was founded in June 2024.

100% acquisition in July 2024 of Classic Turf & Tracks by FieldTurf Tarkett USA Holdings Inc. The company is based in Connecticut and specialises in the construction of post-tensioning concrete substructures for athletic tracks and tennis/basketball/pickleball courts.

100% acquisition in November 2024 of Benchmark contracting by FieldTurf Tarkett USA Holdings Inc.

100% acquisition in December 2024 of Precision Construction and Contracting by FieldTurf Tarkett USA Holdings Inc.

The contracts for the acquisition of Classic Turf & Tracks, Benchmark Contracting and Precision Construction and Contracting include earn-out clauses based on attendance and performance criteria.

b) Mergers

None.

c) Liquidations

None.

2.4.2 Transactions completed in 2023

The year's main transactions are as follows:

a) Acquisitions and creations

Creation in November 2022 of M-WALL Holding, 51% owned by Tarkett GDL and 49% by a minority shareholder. This entity proceeded with the joint purchase of all shares in M-Projectservice BV and M-WALL BV in November 2022. These three entities, presented as unconsolidated securities in the Group's financial statements as of 31 December 2022, were included in the scope of consolidation as of 1 January 2023 according to the full consolidation method. The entry of these three entities into the scope of consolidation led the group to recognise goodwill of €1.2 million in the first half of 2023.

b) Mergers

None.

c) Liquidations

Desso Sports Systems AS was liquidated in January 2023.

2.5 Joint ventures

The Group holds interests in the following companies:

- AllSports Constructions & Maintenance, a Scottish company.
- FED Inc., based in the United States.
- Laminate Park GmbH & Co KG, a German company jointly held with the Sonae Arauco Group.
- Virtual Reality Empathy Platform Ltd, a British company.

Note 3 > Operating Data

3.1 Components of the income statement

3.1.1 Net revenue

As from January 1, 2018, IFRS 15, “Revenue from Contracts with Customers,” replaces IAS 11, “Construction Contracts,” and related interpretations.

The standard includes new rules for recording revenue and segmenting contracts into performance obligations.

In accordance with the standard, revenue from the sale of goods is recognised in profit or loss when the control inherent to service obligations has been transferred to the buyer, payment is likely, the associated costs and potential return of the merchandise can be reliably assessed, the Group is no longer involved in managing the merchandise, and the revenue from the merchandise can be reliably assessed. Revenue is recognised net of returns, rebates, commercial discounts, and bulk discounts.

The Group recognizes revenue using the five-step model set forth in the standard as a function of its two business sectors.

Flooring:

The contracts that the Group enters into relate to the supply of identifiable and distinct products constituting the principal performance obligation. No significant long-term contracts were identified. The Group acts in its own name and not as an intermediary. The general terms and conditions of sale provide for payment in under one year, and the Group does not offer variable financing that would necessitate segmented recording pursuant to IFRS 15. Tarkett does not sell extended warranties on its products; therefore, its warranty is not considered as a separate service and is recorded in accordance with IAS 37, “Provisions, contingent liabilities and contingent assets.”

For this business sector, in general, revenue is recorded at the time of delivery of the performance obligation. Taking into consideration the nature of the products and the general terms and conditions of sale, sales are usually recorded on the date on which the products leave the Group’s warehouses, or upon delivery if Tarkett is responsible for transport.

Sports Surfaces:

The sports surfaces activity is composed of sales of products directly to distributors and the sale of installation contracts (including provision of the sports surfaces). The direct sale of products to distributors follows the same Group rules for recording revenue as those described for the flooring activity. With respect to installation contracts, the Group does not perform installations without also providing the sports surfaces; it therefore considers the supply of the products and the installation to be part of the same performance obligation. The general terms and conditions of sale do not offer variable financing or specific components of financing. Tarkett does not sell extended warranties on its installations; therefore, its warranty is not considered a separate service and is recorded in accordance with IAS 37, “Provisions, contingent liabilities and contingent assets.”

In this business segment, revenue from services rendered or from construction contracts is recognised in profit or loss in proportion to the stage of completion of the transaction at the balance sheet date. Revenue is recorded as the performance obligation are completed. The stage of completion is assessed by reference to surveys of work performed. The use of the percentage-of-completion method requires satisfaction of one of the three prior conditions provided for in IFRS 15 paragraph 35.

Pursuant to that paragraph of the standard, the Group recognizes revenue over time to the extent that it complies with two of the three following conditions referred to in the standard:

- the asset created by the Tarkett Group’s performance does not have an alternative use to that provided for in the contract;
- the Group has an enforceable right to payment for performance completed to date.

Net sales comprise revenue from the sale of goods and services net of price reductions and taxes, and after elimination of intragroup sales.

3.1.2 Operating result

a) Grants

Grants relating to assets are deducted from the carrying amount of the property, plant and equipment that they financed. The grants are thus recognised as income over the lives of the assets by way of a reduced depreciation charge.

Grants are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received. Other grants are recognised as income on a systematic basis over the periods necessary to match them with the related costs which they are intended to compensate.

b) Expenses

Cost of sales

Cost of sales comprises the cost of manufactured products, the acquisition cost of purchased goods which have been sold, and the supply chain, logistic and freight costs.

Selling and distribution expenses

Selling and distribution expenses comprise the expenses of the marketing department and the sales force, as well as advertising expenses, distribution expenses, sales commissions and bad debts.

Research and development

Research and development costs are recognised as expenses when incurred, unless the criteria are met for them to be capitalised, as per Note 5.2.1.

General and administrative expenses

General and administrative expenses comprise the remuneration and overhead expenses associated with management and administrative personnel with the exception of amounts charged to other cost centres.

c) Other operating income and expenses

This category includes all operating income and expenses that cannot be directly attributed to business functions, including operating expense related to retirement commitments and costs with respect to certain disputes.

3.1.3 Adjusted EBITDA

Adjusted EBITDA is a key indicator for the Group, because it enables it to measure the performance of its current operations.

It is defined using the result from operating activities before depreciation and amortisation and restating income and expenses as follows:

- restructuring costs to improve the future profitability of the Group;
- gains or losses on disposals of significant assets;
- impairment and reversal of impairment based on Group impairment testing only;
- costs related to business combinations and legal reorganisations, including legal fees, transactions costs, advisory fees and other adjustments;
- expenses related to share-based payments due to their non-cash nature; and
- other one-off expenses considered exceptional by their nature.

(in millions of euros)	Dec. 31, 2024	Of which adjustments: Restructuring	Gains/Losses on asset sales/ impairment [1]	Business Combinations	Share-based payments	Other	Dec. 31, 2024 adjusted
Net revenue	**3,331.9**	**-**	**-**	**-**	**-**	**-**	**3,331.9**
Cost of sales	(2,681.9)	10.5	110.0	-	2.5	-	(2,558.8)
Gross profit	**650.0**	**10.5**	**110.0**	**-**	**2.5**	**-**	**773.1**
Selling and distribution expenses	(357.9)	3.0	0.5	-	2.7	-	(351.7)
Research and development	(35.4)	2.0	-	-	0.8	-	(32.6)
General and administrative expenses	(229.4)	7.9	(0.4)	3.5	9.4	11.1	(197.9)
Other operating income and expenses	9.0	-	(9.4)	-	-	0.3	(0.1)
Result from operating activities (EBIT)	**36.2**	**23.4**	**100.6**	**3.5**	**15.5**	**11.5**	**190.8**
Depreciation and amortisation	247.6	-	(110.0)	-	-	-	137.6
Other	1.0	-	-	-	-	-	1.0
EBITDA	**284.7**	**23.4**	**(9.4)**	**3.5**	**15.5**	**11.5**	**329.3**

[1] *These items include asset impairments, see Note 5.3.*

(in millions of euros)	Dec. 31, 2023	Of which adjustments Restructuring	Gains/Losses on asset sales/ impairment	Business Combinations	Share-based payments	Other	Dec. 31, 2023 adjusted
Net revenue	**3,363.1**	**-**	**-**	**-**	**-**	**-**	**3,363.1**
Cost of sales	(2,631.2)	4.4	1.2	-	-	-	(2,625.6)
Gross profit	**731.9**	**4.4**	**1.2**	**-**	**-**	**-**	**737.5**
Selling and distribution expenses	(362.3)	2.3	0.5	-	-	-	(359.5)
Research and development	(30.1)	0.3	-	-	-	-	(29.8)
General and administrative expenses	(211.8)	1.5	-	0.0	9.5	6.5	(194.3)
Other operating income and expenses	(2.6)	-	1.5	-	-	1.3	0.2
Result from operating activities (EBIT)	**125.1**	**8.4**	**3.2**	**0.0**	**9.5**	**7.8**	**154.1**
Depreciation and amortisation	133.2	-	(1.2)	-	-	-	132.0
Other	1.7	-	-	-	-	-	1.7
EBITDA	**260.0**	**8.4**	**2.0**	**0.0**	**9.5**	**7.8**	**287.8**

3.2 Segment information

In accordance with IFRS 8, “Operating Segments,” the Group's activities have been segmented based on the organization of its internal management structure and of its products.

As in 2023, the Group is organized in four segments:

- Europe, Middle East and Africa (“**EMEA**”);
- North America;
- Commonwealth of Independent States (“**CIS**”), Asia Pacific (“**APAC**”) and Latin America; and
- Sports surfaces.

Certain expenses are not allocated, including the expenses of headquarters and of the R&D Group.

Reminder on the organization of the CIS and Asia Pacific (APAC)/Latin America divisions

Reporting reviewed by the chief operating decision maker is organized by division, of which there are currently six: EMEA, North America, CIS, APAC, Latin America, and Sports Surfaces.

The CIS and APAC/Latin America Divisions have been combined to form the “CIS, APAC and Latin America” segment, for the following reasons:

- The markets of the divisions had similar economic characteristics (similar growth trends in the relevant markets).
- The products sold, manufacturing methods, types of clients, and distribution modes of the zones are similar.

In addition, the relatively small contribution of revenue and operating income from Asia-Pacific/Latin America (less than 10% of the Group's net revenue and adjusted EBITDA) highlighted that there was no need to present the division in a separate segment.

By operating segment

IT costs have been reallocated by division from 2024 for better readability of the indicators. The segment information for 2023 is presented pro forma with a re-allocation of expenses of €14.8 million between central costs and the other divisions.

The Ukraine business joined the EMEA division in January 2024 (CIS until 2023).

Dec. 31, 2024	**Flooring**			**Sports Surfaces**	**Central**	**Group**
(in millions of euros)	**EMEA**	**North America**	**CIS, APAC and Latin America**			
Net revenue	**866.0**	**866.9**	**535.8**	**1,063.2**	**-**	**3,331.9**
Gross profit	**200.2**	**219.5**	**59.8**	**215.1**	**(44.6)**	**650.0**
% of net revenue	23.1%	25.3%	11.2%	20.2%		19.5%
Adjusted EBITDA	**75.3**	**81.3**	**67.3**	**134.3**	**(28.9)**	**329.3**
% of net revenue	8.7%	9.4%	12.6%	12.6%		9.9%
Of which adjustments	**(23.3)**	**(1.1)**	**(0.8)**	**(16.1)**	**(3.3)**	**(44.5)**
EBITDA	**52.1**	**80.2**	**66.5**	**118.2**	**(32.3)**	**284.7**
% of net revenue	6.0%	9.3%	12.4%	11.1%		8.5%
Result from operating activities (EBIT)	**(31.4)**	**5.8**	**(20.6)**	**85.9**	**(3.4)**	**36.2**
% of net revenue	-3.6%	0.7%	-3.8%	8.1%		1.1%
Ongoing capital expenditures	**39.7**	**16.6**	**19.4**	**18.6**	**1.8**	**96.0**

Dec. 31, 2023	**Flooring**			**Sports Surfaces**	**Central**	**Group**
(in millions of euros)	**EMEA**	**North America**	**CIS, APAC and Latin America**			
Net revenue	**850.2**	**889.2**	**598.5**	**1,025.2**	**-**	**3,363.1**
Gross profit	**204.5**	**211.7**	**124.8**	**191.4**	**(0.4)**	**731.9**
% of net revenue	24.1%	23.8%	20.8%	18.7%		21.8%
Adjusted EBITDA	**61.4**	**71.0**	**79.1**	**112.5**	**(36.2)**	**287.8**
% of net revenue	7.2%	8.0%	13.2%	11.0%		8.6%
Of which adjustments	**(9.1)**	**(0.2)**	**(4.2)**	**(2.5)**	**(11.8)**	**(27.8)**
EBITDA	**52.3**	**70.8**	**74.9**	**110.0**	**(48.0)**	**260.0**
% of net revenue	6.2%	8.0%	12.5%	10.7%		7.7%
Result from operating activities (EBIT)	**(34.0)**	**(1.3)**	**29.0**	**78.9**	**52.5**	**125.1**
% of net revenue	-4.0%	-0.1%	4.8%	7.7%		3.7%
Ongoing capital expenditures	**34.7**	**16.3**	**16.3**	**23.2**	**2.5**	**92.9**

Information on activity in France and in other significant countries

The Group's activity in France represented 10% of the Group's revenue in 2024, as in 2023.

Non-current assets in France, excluding the non-affected *goodwill* arising out of the merger between Tarkett and Sommer in the early 2000's, also represent less than 10% of the Group's total non-current assets in 2024 and in 2023.

Tarkett considers the threshold of 25% of revenues to be significant. Only the United States is above that threshold, with 51% of the Group's consolidated revenue in 2024 (51% in 2023).

The United States represents 48% of the Group's total non-current assets as of December 31, 2024 (47% as of December 31, 2023).

No single customer represents more than 10% of the Group's revenues. In 2024, the largest customer represented 2% of consolidated revenues (3% in 2023).

By product category

	Dec. 31, 2024		Dec. 31, 2023	
(in millions of euros)	**Revenue**	**%**	**Revenue**	**%**
Vinyl & Linoleum	1,337.4	40.1%	1,419.2	42.2%
Commercial carpet	522.4	15.7%	504.5	15.0%
Parquet & Laminate	132.9	4.0%	134.5	4.0%
Rubber & Accessories	276.0	8.3%	279.1	8.3%
Sport	1,063.2	31.9%	1,025.2	30.5%
Total	**3,331.9**	**100%**	**3,363.1**	**100%**

3.3 Other operating income and expenses

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023
Gains on disposal of fixed assets	8.4	-
Other operating income	15.7	13.5
Other operating income	**24.2**	**13.5**
Losses on disposal of fixed assets	-	(1.3)
Other operating expenses	(15.2)	(14.8)
Other operating expenses	**(15.2)**	**(16.1)**
Total other operating income and expenses	**9.0**	**(2.6)**

3.4 Changes in working capital requirement

3.4.1 Inventories

Inventories are stated on a FIFO (first in, first out) basis, at the lower of manufacturing/acquisition costs and net realisable value. Manufacturing costs of self-produced inventories comprise all costs that are directly attributable and a systematic allocation of production overhead and depreciation of production facilities based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023
Raw materials and supplies	137.9	151.4
Work in progress	74.6	68.6
Finished goods	246.6	277.8
Samples	2.0	2.2
Displays	0.1	-
Consumables and spare parts	34.9	33.6
Total gross Value	**496.2**	**533.6**
Provision for inventory depreciation	(71.2)	(80.5)
Total net inventory	**425.0**	**453.1**

Detail of the provision for inventory depreciation

(in millions of euros)	Dec. 31, 2023	Allowance	Decrease	Foreign exchange gain & loss	Other	Dec. 31, 2024
Raw materials and supplies	(20.1)	(7.9)	9.0	(0.3)	0.0	(19.2)
Work in progress	(13.4)	(2.9)	6.9	(0.2)	0.0	(9.6)
Finished goods	(37.6)	(8.8)	12.7	(0.6)	1.6	(32.7)
Samples	(0.4)	(0.1)	0.1	0.0	0.3	(0.0)
Consumables and spare parts	(9.0)	(2.0)	1.3	0.1	(0.0)	(9.6)
Total provision for inventory depreciation	**(80.5)**	**(21.7)**	**30.0**	**(1.0)**	**2.0**	**(71.2)**

The rate of inventory provisions is applied in a similar way for the different periods.

The cost of raw materials amounted to €1,234 million in 2024 (compared to €1,357 million in 2023).

3.4.2 Trade receivables

Trade receivables are stated at their invoiced nominal value converted at the closing rate, less any allowance for doubtful accounts.

The Group conducts a review of each of its customer receivables individually, taking into account the probability of default by the counterparty as well as the extent to which the receivables were hedged, and uses the simplified method provided for by IFRS 9 to provision the expected losses over the remaining maturity of the receivables.

Assignment of trade receivables

Certain of the Tarkett Group's subsidiaries have transferred trade receivables to specialised credit institutions without recourse, transferring nearly all of the risks and benefits attached to the transferred receivables.

Receivables transferred and having payment dates later than December 31, 2024, totalled €209.3 million and are no longer recorded on the Group's balance sheet. Receivables transferred as of December 31, 2023, totalled €179.2 million.

Provision for doubtful receivables

Where trade receivables are not covered by credit insurance, provisions to cover the risk of failing to collect trade receivables either in full or in part are recorded using the expected loss method (see Note 7.1).

Doubtful receivables are identified and provisioned as follows:

- a statistical provision, based on the age of the outstanding receivables, is defined as follows:

Receivables, trade overdue *(percentage of gross amount)*	**Impairment excluding Sport Division**	**Impairment for Sport Division**
From 61 to 180 days	25%	0%
From 181 to 270 days	50%	0%
From 271 to 360 days	75%	0%
From 361 to 540 days	100%	40%
From 541 to 720 days	100%	75%
More than 720 days	100%	100%

- an additional provision on a case-by-case basis based on an application of professional judgement

(in millions of euros)	**Dec. 31, 2024**	**Dec. 31, 2023**
Trade receivables	246.9	291.6
Total gross value	**246.9**	**291.6**
Provisions for doubtful receivables	(21.8)	(28.6)
Total net receivables	**225.1**	**262.9**

The change in the provision for doubtful receivables amounts to €6.8 million and is mainly explained as follows:

- €(4.6) million of allowance;
- €11.6 million of reversals;
- €(0.2) million of foreign exchange effects.

Breakdown of unimpaired overdue receivables

(in millions of euros)	**Dec. 31, 2024**	**Dec. 31, 2023**
Receivables, trade overdue 0-180 days	51.0	57.8
Receivables, trade overdue 181-270 days	0.2	0.4
Receivables, trade overdue 271-360 days	0.3	0.4
Receivables, trade overdue > 360 days	0.4	0.9
Receivables, bankruptcy procedure/legal cases	0.7	0.4
Total unimpaired overdue Receivables	**52.7**	**59.8**

3.4.3 Other receivables

(in millions of euros)	**Dec. 31, 2024**	**Dec. 31, 2023**
Other receivables non-current	**0.0**	**0.0**
Prepaid expenses current	23.4	28.7
Income tax receivable current	40.4	39.2
VAT and other taxes	27.4	25.7
Other accounts receivable and other assets current	56.8	58.4
Other receivables current	**147.9**	**151.9**

3.4.4 Trade payables

Payables due more than a year in the future are discounted to net present value. Payables due more than a year in the future, including €9.9 million in deferred income are discounted to net present value.

(in millions of euros)	**Dec. 31, 2024**	**Dec. 31, 2023**
Trade payables	388.5	379.4
Trade notes payable	0.0	0.0
Trade payables	**388.5**	**379.4**

3.4.5 Other liabilities

(in millions of euros)	**Dec. 31, 2024**	**Dec. 31, 2023**
Liabilities related to employees	128.6	119.5
Current tax	36.5	43.5
VAT and other taxes	26.9	21.4
Sales rebates	35.2	36.1
Other liabilities	60.7	69.5
Other current liabilities	**287.8**	**289.9**

3.5 Free cash-flow

This indicator corresponds to the liquidity generated by operating activities after deduction of investments made, excluding acquisitions of subsidiaries and other changes in the scope of consolidation.

Free cash-flow is defined based on the items presented in the consolidated cash flow statement, and consists of the following items:

- operating cash flow before working capital changes;
- changes in working capital requirement
- net interest paid;
- net income taxes paid;
- miscellaneous operational items paid;
- acquisitions of intangible assets and property, plant and equipment;
- proceeds from sales of property, plant and equipment;
- repayment of lease liabilities.

Free cash-flow

(in millions of euros)	**2024**	**2023**
Operating cash flow before working capital changes (A)	304.3	259.5
Repayment of principal (lease payments) (B)	(42.7)	(39.8)
Total (A+B)	**261.6**	**219.7**
Changes in working capital requirement (1)	63.8	117.9
Net interest paid	(37.7)	(46.2)
Net income taxes paid	(39.0)	(45.0)
Miscellaneous operating items paid	(4.2)	(7.8)
Acquisitions of intangible assets and property, plant and equipment	(96.0)	(92.9)
Proceeds from sale of property, plant and equipment (2)	21.3	1.2
Free cash flow	**169.8**	**147.1**

(1) *including changes in receivables assigned in connection with the non-recourse assignment of receivables program, which total €17.4 million in 2024. For 2023, this amount was €(4.9) million.*

(2) *The disposal of the assets of the Californian distribution subsidiary Diamond W generated a proceed of €20.4 million . The Group considers this transaction as a business disposal and does not include it in its calculation of the "Free Cash Flow" performance indicator, which therefore stands at €149.4 million.*

Note 4 > Employee benefits

4.1 Retirement benefits

Within the Tarkett Group, various systems for providing for retirement benefits depending on the legal, economic and tax environment of each country exist. In accordance with the laws and uses applied in each country, the Group participates in pension, welfare, health and retirement benefit plans whose benefits are dependent on various factors such as length of service, salary and the contributions paid to institutions.

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

These contributions, based on services rendered by employees, are recognised as an expense in profit or loss as incurred.

Defined benefit plans

Defined benefit plans are post-employment benefit plans under which guarantee future benefits for employees, constituting a future obligation for the Group. The actuarial risk and investment risks are borne by the company. The defined benefit liability is calculated using the projected unit credit method and is discounted to its present value from which the amount of past service cost for the period may also be deduced.

The detailed actuarial calculation requires the use of actuarial hypotheses for demographic variables (mortality, employee turnover) and economic variables (future increases in salaries and medical costs, discount rate).

When defined benefit plans are totally or partially funded by contributions paid to a separate fund or insurance company, those entities' assets are measured at their fair value.

Their amount is then deducted from the obligation to define net liability disclosed in the Group's balance sheet.

The Group's obligation in respect of such arrangements is calculated by independent actuaries, in accordance with revised IAS 19, "Employee Benefits".

Description of plans

As of 31 December 2024, the Group's largest retirement benefit plans are in the United States, Germany, Sweden, Belgium, Canada, France, the United Kingdom, and Russia. These eight countries account for nearly 96.0% of total commitments under the defined benefit plans.

In the United States, Canada, and the United Kingdom, Group pension schemes have been closed to new participants and to the accrual of rights for several years. These plans are pre-financed in accordance with local legislation. In addition, the Group operates medical and life insurance reimbursement schemes for certain employees in the United States. These plans are not covered by financing assets and are now closed.

In Sweden, defined benefit retirement plans are mandatory for employees born prior to 1979 under the applicable collective bargaining agreement. Employees born after that date participate in the mandatory defined contribution plan.

In Germany, the Group offers a pension plan, service awards and early retirement.

In addition, the Group offers end-of-career benefits provided for by legislation or collective agreements applicable in certain countries such as Russia, France and Italy.

The weighted average duration of the obligation is 11.5 years.

Material Events

- France: a social plan has been announced at Tarkett SA targeting 12 employees. This event generated a “curtailment gain” in 2024 expenses of €0.17 million.
- United States: a "buy-out" has been made to an insurer for certain pension plan beneficiaries. A payment of €25.15 million, which was offset by an asset transfer of €25.15 million, was made to the insurer. A loss of €0.35 million is recognised as an expense for the difference between the IAS19 commitment and the insurer's terms and conditions.
- Mexico: recognition of a positive past service cost of €0.01 million following a social plan targeting 49 employees and the correction of the reference salaries for the calculation of seniority bonuses and rights granted by the collective agreement.

Assumptions

The actuarial values recorded are based on long-term interest rates, forecast future salary increases and inflation rates. The main assumptions are presented below:

	Dec. 31, 2024		Dec. 31, 2023	
	Pensions	Other benefit obligations	Pensions	Other benefit obligations
Discount rate	4.50%		4.26%	
Including:				
United States	5.58%	5.20%	4.90%	5.00%
Germany (1)	3.40%		3.20%	
Sweden	3.39%		3.28%	
France	3.60%		3.50%	
United Kingdom	5.50%		4.50%	
Canada	4.80%		4.60%	
Belgium (1)	3.40%		3.21%	
Russia	14.63%		12.56%	
Salary increases	3.31%		3.08%	
Inflation	2.21%		2.24%	

(1) *The rate shown corresponds to the rate applied to more than 98% of the commitment in 2024 and 2023.*

The discount rates are determined with reference to the rates of return on first-grade bonds. They are based on external indices which are commonly used as a reference:

- United States: iBoxx $ Corporate AA 15+;
- Euro zone: iBoxx € Corporate AA 10+;
- Sweden: bonds of Swedish companies;
- United Kingdom: iBoxx £ Corporate AA 15+;
- Canada: Canadian AA “Mercer Yield Curve Canada” bonds;
- Russia: Russian government bonds.

Amounts recognised in the statement of financial position	**Dec. 31, 2024**			**Dec. 31, 2023**		
(in millions of euros)	**Pensions**	**Other benefit obligations**	**Total**	**Pensions**	**Other benefit obligations**	**Total**
Defined Benefit Obligations	130.6	1.0	131.6	160.8	1.0	161.8
Fair value on plan assets	(48.6)	-	(48.6)	(75.0)	-	(75.0)
Net liability booked in the statement of financial position	**82.0**	**1.0**	**83.0**	**85.8**	**1.0**	**86.8**

Pension obligations	**Dec. 31, 2024**			**Dec. 31, 2023**		
(in millions of euros)	**Defined benefit obligations**	**Fair value of plan assets**	**Net liabilities recorded in the balance sheet**	**Defined benefit obligations**	**Fair value of plan assets**	**Net liabilities recorded in the balance sheet**
As of January 1	**160.8**	**(75.0)**	**85.8**	**166.2**	**(81.7)**	**84.5**
Current service cost	1.9	-	1.9	1.7	-	1.7
Past service cost	(0.2)	-	(0.2)	0.2	-	0.2
(Gain)/loss on new retirement plans	0.4	-	0.4	0.0	-	0.0
Financial cost (effect of discount)	6.4	(3.2)	3.2	7.4	(3.9)	3.5
Update to other post-employment commitments	0.1	-	0.1	-	-	-
Administrative expenses and taxes (expenses paid)	(0.2)	1.2	0.9	(0.2)	1.7	1.5
Expense (income) for the period	**8.3**	**(2.0)**	**6.3**	**9.1**	**(2.2)**	**6.9**
Benefit payments from employer	**(4.9)**	**-**	**(4.9)**	**(5.0)**	**-**	**(5.0)**
Benefits paid by insurers on the basis of the plan	**(6.6)**	**6.6**	**-**	**(6.1)**	**6.1**	**-**
Plan participants' contributions	**0.2**	**(0.2)**	**-**	**0.1**	**(0.1)**	**-**
Employer contributions	**-**	**(2.5)**	**(2.5)**	**-**	**(2.9)**	**(2.9)**
Changes in demographic assumptions	0.1	-	0.1	(0.3)	-	(0.3)
Changes in financial assumptions	(4.0)	-	(4.0)	3.2	-	3.2
Effect of experience adjustments	0.7	-	0.8	0.4	-	0.4
(Return) on plan assets (excluding interest income)	-	0.1	0.1	-	0.4	0.4
Total pension cost/(income) recognised in the OCI	**(3.2)**	**0.1**	**(3.1)**	**3.2**	**0.4**	**3.6**
Transfer (1)	-	1.6	1.6	-	0.3	0.3
Transfers of obligations to insurers	(25.2)	25.2	-	(3.8)	3.8	-
Changes in scope	**-**	**(0.0)**	**(0.0)**	**-**	**-**	**-**
Foreign exchange differences	**1.2**	**(2.4)**	**(1.1)**	**(3.1)**	**1.4**	**(1.7)**
As of December 31	**130.6**	**(48.6)**	**82.0**	**160.8**	**(75.0)**	**85.8**

(1) *Amount corresponding to the financing surplus recorded by Tarkett Ltd, which has been classified under other financial assets.*

Other benefit obligations	Dec. 31, 2024			Dec. 31, 2023		
(in millions of euros)	Defined benefit obligations	Fair value of plan assets	Net liabilities recorded in the balance sheet	Defined benefit obligations	Fair value of plan assets	Net liabilities recorded in the balance sheet
As of January 1	**1.0**	**-**	**1.0**	**1.2**	**-**	**1.2**
Current service cost	-	-	-	-	-	-
Past service cost	-	-	-	-	-	-
(Gain)/loss on new retirement plans	-	-	-	-	-	-
Financial cost (effect of discount)	0.0	-	0.0	0.1	-	0.1
Update to other post- employment commitments	-	-	-	-	-	-
Administrative expenses and taxes (expenses paid)	-	-	-	-	-	-
Expense (income) for the period	**0.0**	**-**	**0.0**	**0.1**	**-**	**0.1**
Benefit payments from plan	**-**	**-**	**-**	**-**	**-**	**-**
Benefit payments from employer	**(0.1)**	**-**	**(0.1)**	**(0.1)**	**-**	**(0.1)**
Plan participants' contributions	**-**	**-**	**-**	**-**	**-**	**-**
Employer contributions	**-**	**-**	**-**	**-**	**-**	**-**
Changes in demographic assumptions	-	-	-	0.0	-	0.0
Changes in financial assumptions	(0.0)	-	(0.0)	0.0	-	0.0
Effect of experience adjustments	(0.1)	-	(0.1)	(0.0)	-	(0.0)
(Return) on plan assets (excluding interest income)	-	-	-	-	-	-
Total pension cost/(income) recognised in the OCI	**(0.1)**	**-**	**(0.1)**	**(0.0)**	**-**	**(0.0)**
Changes in scope	**-**	**-**	**-**	**-**	**-**	**-**
Foreign exchange differences	**0.1**	**-**	**0.1**	**(0.0)**	**-**	**(0.0)**
As of December 31	**1.0**	**-**	**1.0**	**1.0**	**-**	**1.0**

Allocation of plan assets by type of investment

	Dec. 31, 2024	Dec. 31, 2023
Shares	15.2%	15.7%
Bonds	56.5%	65.6%
Insurance contracts	24.8%	17.2%
Cash & cash equivalent (liquidity)	0.0%	0.1%
Real Estate	1.2%	0.7%
Other	2.3%	0.6%

Sensitivity to discount rate assumptions

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023
Increase of 50 points		
Increase (Decrease) in defined benefit obligations	(6.8)	(8.5)
Decrease of 50 points		
Increase (Decrease) in defined benefit obligations	7.5	9.4

Sensitivity to inflation rate assumptions

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023
Increase of 50 points		
Increase (Decrease) in defined benefit obligations	4.9	6.7
Decrease of 50 points		
Increase (Decrease) in defined benefit obligations	(4.5)	(5.7)

Benefits to be paid in the next five years

Benefits to be paid in the next five years under retirement and similar plans are estimated as follows:

	Dec. 31, 2024	Dec. 31, 2023
2024	-	11.5
2025	8.8	10.5
2026	8.9	11.0
2027	8.5	10.9
2028	8.7	11.0
2029	10.2	-
TOTAL	**45.2**	**54.9**

4.2 Personnel costs and compensation of senior management

Personnel costs and headcount

(in millions of euros)	**Dec. 31, 2024**	**Dec. 31, 2023**
Wages and salaries	(815.7)	(808.8)
Pension costs	(2.1)	(1.9)
Total Personnel costs	**(817.8)**	**(810.8)**
Employees (average number)	11,635	11,838

Key management personnel compensation

The key management personnel includes the members of the Executive Management Committee and the members of the Supervisory Board.

Key management personnel received the following compensation:

(in millions of euros)	**Dec. 31, 2024**	**Dec. 31, 2023**
Short-term employee benefits	11.8	8.2
Retirement benefits	0.3	-
Other long-term benefits	-	-
Lump-sum retirement payments	1.2	0.0
Share-based payments	0.5	2.5
Total	**13.8**	**10.7**

Compensation of the Group's key management personnel includes salaries, attendance fees and non-cash benefits.

4.3 Share based payment transactions

The Group regularly implements share grant plans and other long-term benefits.

> Cash grants (IAS 19)

A new plan with Group criteria was put in place in 2024, which is granted in cash. The allocation of 2022, 2023 and 2024 Group plans is subject to a continued employment condition and three performance conditions (value creation and two CSR criteria).

Three new plans with criteria related to operational divisions were introduced in 2024, which are granted in cash and governed by a continued employment condition and a performance condition (value creation).

Under IAS 19, the Group spreads the cost of the plans over the period of allocation in consideration of a liability so that the amount ultimately recorded corresponds to the amount to be paid to the beneficiaries.

Members of the Management Board are not eligible for participation in these plans.

Group's Plans	**LTIP 2022**	**LTIP 2023**	**LTIP 2024**
Grant date	November 4, 2022	October 20, 2023	September 2, 2024
End of vesting period	July 31, 2025	June 30, 2026	June 30, 2027
Cash amount at grant date *(in millions of euros)*	3.4	3.9	6.6
Form of settlement	Cash settled	Cash settled	Cash settled
2024 expenses *(in millions of euros)*	(2.5)	(3.3)	(0.9)
2023 expenses *(in millions of euros)*	(1.9)	(0.3)	-
2022 expenses *(in millions of euros)*	(0.2)	-	-

Division's Plans	**Plan 2024-1**	**Plan 2024-2**	**Plan 2024-3**
Grant date	August 1, 2024	April 30, 204	January 2, 2024
End of vesting period	December 31, 2027	December 31, 2025	December 31, 2027
Cash amount at grant date *(in millions of euros)*	9.0	24.3	2.3
Form of settlement	Cash settled	Cash settled	Cash settled
2024 expenses *(in millions of euros)*	(1.2)	(4.7)	(1.1)

Note 5 > Intangible assets and property, plant and equipment

5.1 Goodwill

For the measurement of goodwill, Tarkett applies IFRS 3 Revised (see Note 2.2), except for acquisitions accounted for before December 31, 2009, for which IFRS 3 (2004) was applied.

Negative goodwill is immediately recognised in profit.

Goodwill is allocated to cash-generating units and is not amortized, but is subject to impairment testing (see the accounting method described in Note 5.3) annually and whenever an event occurs that could result in an impairment.

Goodwill is assessed at cost, minus cumulative impairments.

As far as associates are concerned, the carrying amount of goodwill is included in the carrying amount of the interest in the associate.

Changes in goodwill

(in millions of euros)	**Dec. 31, 2024**	**Dec. 31, 2023**
Opening carrying amount	664.3	679.2
Goodwill on acquisitions during the period	30.4	1.2
Adjustment to initial purchase price allocation	-	-
Foreign exchange gain & loss	29.2	(15.7)
Impairment	(95.5)	(0.7)
Other	1.3	0.3
Closing carrying amount	**629.7**	**664.3**

The change in the period can be explained mainly by the acquisitions of Classic Turf, Benchmark contracting and Precision construction & contracting, which led to the recognition of goodwill of €23.5 million, €3.8 million and €3.1 million respectively (see note 2.4) and the impact of currency effects on goodwill in U.S. dollars. Impairments of €95.5 million relate to the goodwill of the CIS CGU (see note 5.3).

5.1.1 Allocation of goodwill between the various CGUs

In 2024, the CGUs are identical to 2023. Only Ukraine was reclassified from CIS CGU to EMEA CGU.

Tests were performed on each CGU individually before the mergers or combinations.

Allocation of goodwill between the various CGUs is as follows:

	Dec. 31, 2024		Dec. 31, 2023	
(in millions of euros)	Gross value	Net value	Gross value	Net value
Resilient and miscellaneous	73.8	73.2	73.3	72.7
Carpet	33.5	33.5	33.5	33.5
Wood	-	-	-	-
EMEA	**107.3**	**106.7**	**106.8**	**106.2**
Commercial and hospitality	406.3	389.3	382.2	365.1
Residential	-	-	-	-
North America	**406.3**	**389.3**	**382.2**	**365.1**
CIS	96.5	(0.0)	96.5	95.5
APAC	0.0	0.0	(0.0)	(0.0)
Latin America	0.0	0.0	0.0	0.0
CIS, APAC and Latin America	**96.5**	**(0.0)**	**96.5**	**95.5**
Athletic tracks	43.0	36.6	41.0	34.6
Synthetic grass & other	98.1	97.2	63.7	62.9
Sports Surfaces	**141.1**	**133.8**	**104.7**	**97.5**
Total goodwill	**751.2**	**629.7**	**690.3**	**664.3**

5.2 Intangible assets and property, plant and equipment

5.2.1 Intangible assets

Research and development

According to IAS 38, research and development costs are recognised as expenses when incurred, unless the criteria are met for them to be capitalised.

Patents

Patents obtained by the Group are stated at cost less accumulated amortisation and impairment losses.

Capitalised costs for internally generated patents principally relate to the costs of legal counsel. Patents capitalised are amortized on a straight-line basis over the shorter of the length of the patent or estimated length of use.

Software licenses

Software licenses are stated at cost less accumulated amortisation and impairment losses.

IFRS IC Decision concerning the costs of configuring and customising software used in Software as a Service (SaaS) mode

An SaaS agreement gives the lessee access to software features hosted by the SaaS supplier through an Internet connection and for a specified term.

This type of agreement generally offers only a right of access to the software for the term of the agreement, and does not grant the lessee control over the software or the right to direct use of the software. As a result, these agreements are not considered intangible assets but rather services.

Configuration and customisation costs may be incurred during the implementation phase, prior to the software's entry into service, and the IFRS IC decision specified the accounting treatment of such costs.

Amortisation

Amortisation of intangible assets is recorded on a straight-line basis from the date of their availability:

- patents and trademarks: the shorter of the length of the patent or its length of use;
- development costs: 3 - $6^{2/3}$ years;
- computer software: 3-5 years.

5.2.2 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Acquisition cost

Acquisition cost includes purchase cost or production cost plus the other costs incurred for bringing the items to their operating location and condition. The cost of a self-constructed asset includes the costs of raw materials and direct labor, the initially estimated cost of any obligation for dismantling, removing and restoring the site on which the asset is located, and an appropriate allocation for directly attributable production overhead.

When an item of property, plant and equipment includes material components with different useful lives, each major component is accounted for separately.

Subsequent costs

Costs relating to replacements and improvements are capitalised and recorded as a separate asset if it is probable that the Group will derive economic advantages from the item, while general repairs, day to day servicing and maintenance are charged to expenses as incurred.

Depreciation

Depending on the economic use of the asset, straight-line depreciation is recorded over the following periods:

- Buildings: 20-30 years;
- Equipment and machinery: $6^{2/3}$ - 10 years;
- Printing cylinders: 2 years;
- Other equipment and furnishings: 3-5 years.

IFRS 16: Leases

The Group classifies a contract as a lease within the meaning of IFRS 16 if it gives the lessee the right to control the use of a given asset.

Measured by value, the Group's lease agreements primarily concern real property (offices, plants, and warehouses). In number, they principally concern cars and forklifts.

Among the key assumptions, the discount rate is determined for each asset based on the incremental borrowing rate on the effective date of the contract and corresponds to the interest rate that each entity of the Group would pay to borrow the amount necessary to acquire a similar asset, for a duration and in an economic environment similar to those of the lease, as well as the Group's external financing conditions.

The initial term of the lease corresponds to the period during which it cannot be terminated, plus, where applicable, renewal or termination options that the Group is reasonably certain it will exercise.

With respect to the depreciation of non-removable leasehold improvements, the Group decided to use the shorter of the following periods:

- the useful life of the leasehold improvement, as defined in "IAS 16 - Property, Plant and Equipment"; and

- the lease term of the related leased asset, in light of the legal limit on the use of the asset imposed by the lease agreement.

Improvements associated with leased real property are recorded outside the scope of application of IFRS 16.

> Types of lease agreements

- **Goods and real property**

The Group restates all leased land and buildings, whatever the term of the lease. Land and buildings leased for less than 12 months are thus also restated under IFRS 16 due to their material nature. This method is applied in the same manner throughout the Group for these two categories of assets.

The Group's principal commercial lease is the lease of premises for the Group's registered office, which was renewed in the second half of 2020 for a nine-year term that, under the contractual terms, is the most reasonably certain duration.

- **Materials and equipment" lease agreements**

These agreements primarily include company cars and forklifts used in the Group's plants and warehouses. All company cars with lease terms of greater than 12 months are treated in accordance with IFRS 16.

- **Non-capitalised lease agreements**
  - Short-term leases

Short-term leases have terms of one year or less. The Group's short-term leases consist primarily of short-term car leases.

- Low-value leases

Low value leases are those for which the value of the asset, if new, would be less than or equal to €5,000 or $5,000. The Group's low value leases consist primarily of leases of small machines and office equipment.

Lease agreements recorded in right to use are depreciated over the terms of the lease in accordance with the method described above.

The net values of intangible and tangible assets can be broken down as follows:

(in millions of euros)	**Dec. 31, 2024**	**Dec. 31, 2023**
Research and development	2.6	2.7
Patents	6.5	6.9
Trademarks	11.2	13.8
Software licenses	4.7	6.6
Other intangible assets	23.2	17.5
Advance payments and fixed assets in progress	3.5	3.3
Intangible assets	**51.8**	**50.7**
Goods and real property	218.0	248.3
of which right to use goods and real property	*87.0*	*106.7*
Technical equipment and machinery	239.6	241.2
of which right to use technical equipment and machinery	*23.9*	*26.0*
Advance payments and fixed assets in progress	80.6	68.3
Property, plant and equipment	**538.3**	**557.8**

The variations in gross value, depreciation and amortisation break down as follows:

Acquisition costs *(in millions of euros)*	**Dec. 31, 2023**	**Acquisition**	**Disposal**	**Change in scope**	**Transfer**	**Foreign Exchange differences**	**Dec. 31, 2024**
Research and development	22.5	0.2	(0.0)	-	0.6	0.0	23.4
Patents	145.7	-	(0.1)	-	-	8.8	154.4
Trademarks	58.4	-	-	-	-	1.7	60.1
Software licenses	192.9	0.7	(0.9)	0.0	2.2	4.3	199.3
Other intangible assets	86.6	0.2	(0.4)	8.3	(0.1)	5.0	99.6
Advance payments and fixed assets in progress	3.3	2.2	(0.0)	-	(1.9)	(0.1)	3.5
Intangible assets	**509.4**	**3.3**	**(1.4)**	**8.4**	**0.8**	**19.8**	**540.3**
Goods and real property	702.4	19.5	(25.7)	0.6	6.9	(1.0)	702.7
of which right to use goods and real property	*167.0*	*18.3*	*(23.1)*	*0.4*	*(2.0)*	*3.8*	*164.3*
Technical equipment and machinery	1,614.4	26.8	(39.7)	12.0	57.3	3.1	1,673.8
of which right to use technical equipment and machinery	*51.5*	*14.4*	*(12.5)*	*0.2*	*1.9*	*0.4*	*55.9*
Advance payments and fixed assets in progress	68.3	77.9	(0.4)	0.3	(64.9)	(0.6)	80.6
Property, plant and equipment	**2,385.1**	**124.1**	**(65.8)**	**12.9**	**(0.7)**	**1.5**	**2,457.1**

Cumulative depreciation, amortisation, and impairment *(in millions of euros)*	**Dec. 31, 2022**	**Acquisition**	**Disposal**	**Change in scope**	**Transfer**	**Foreign Exchange differences**	**Dec. 31, 2024**
Research and development	(19.8)	(1.1)	0.0	-	0.3	(0.1)	(20.7)
Patents	(138.8)	(0.8)	0.1	-	-	(8.4)	(147.9)
Trademarks	(44.7)	(2.9)	-	-	(0.3)	(1.0)	(48.8)
Software licenses	(186.4)	(4.8)	0.8	(0.0)	(0.0)	(4.3)	(194.7)
Other intangible assets	(69.1)	(3.7)	0.4	-	0.1	(4.0)	(76.4)
Intangible assets	**(458.8)**	**(13.3)**	**1.4**	**(0.0)**	**0.1**	**(17.8)**	**(488.5)**
Goods and real property	(454.1)	(45.9)	11.9	(0.4)	0.9	3.0	(484.7)
of which right to use goods and real property	*(60.2)*	*(24.9)*	*8.8*	*(0.3)*	*0.9*	*(1.6)*	*(77.3)*
Technical equipment and machinery	(1,373.2)	(93.2)	36.3	(1.3)	(1.4)	(1.4)	(1,434.2)
of which right to use technical equipment and machinery	*(25.6)*	*(12.2)*	*6.9*	*(0.1)*	*(0.7)*	*(0.2)*	*(32.0)*
Property, plant and equipment	**(1,827.3)**	**(139.1)**	**48.3**	**(1.8)**	**(0.5)**	**1.6**	**(1,918.8)**

5.3 Impairment

5.3.1 Non-financial assets

Annual impairment testing

Goodwill and other intangible assets with indefinite useful lives are systematically tested for impairment once a year.

The carrying amounts of the Group's assets, other than financial and deferred tax assets and liabilities, are reviewed to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

The recoverable amount of assets is the greater of their fair value less costs of disposal and value in use.

Value in use is calculated by discounting estimated future cash flows for each cash-generating unit, excluding borrowing costs and tax.

Cash generating units

In carrying out impairment testing, assets are tested at the level of cash-generating units ("CGU") that reflect the segment organization of the Group and its products. For this purpose, goodwill was allocated over the cash-generating units.

Impairment process

The Group analyses future cash flows over a period of three years based on the most recent forecasts, corresponding to the best estimate of a full business cycle. The forecasts have been established taking into account variations affecting selling prices, volumes and raw material costs. Beyond four years, the Group determines a standard year calculated by extending the fourth year on the assumption of a stable revenue and margin, a need for working capital and investments determined on normative renewal based on historical observations. This standard year is then projected to infinity according to the Gordon Shapiro method.

Future cash flows are discounted to present value at a weighted average cost of capital (WACC) discount rate that reflects current market assessments of the time value of money and the risks specific to each financing means.

The discount rate is an after-tax rate applied to after-tax cash flows. The following assumptions were used for 2024 :

	Discount rate after tax	Perpetual growth rate
EMEA	10.81%	3.00%
North America	10.51%	3.00%
CIS	22.32%	3.00%
APAC	10.89%	3.00%
Latin America	12.16%	3.00%
Sports Surfaces	10.51%	3.00%

Operating assumptions

For each CGU, operational assumptions that were considered key by the Group are as follows:

- evolution of the markets in which these CGU are involved on the basis of internal estimates, supported if possible by external forecasts on the concerned segments or products;
- evolution of the Group in its various markets;
- general hypothesis of stability of inflation balance (purchase prices stable, or if changes are considered, full offset by changes in selling prices to balance the impact on value);
- continual implementation of productivity plans for factories working on these CGU to Improve profitability; and
- EBITDA, resulting from the combination of factors listed above.

Sensitivity analysis

The sensitivity analysis was carried out on three assumptions:

- the discount rate (WACC);
- the perpetual growth rate; and
- EBITDA.

Variations by 50 basis points in the discount rate and the growth rate are reasonably potential variations for the Group. The Group operates in a large number of countries, with a balance between three main regions (EMEA, North America and CIS/APAC/Latin America). We believe that the economic developments in these regions may offset each other, as has been shown in the past.

In 2024, the combination of an increase in the discount rate by 50 basis points and a decrease in the growth rate by 50 basis points would lead to the recognition of an additional impairment of (€39.0) million on the "Commercial" CGU and of (€3.5) million on the "Residential" CGU of the North America reporting segment, to the recognition of an additional impairment loss of (€4.4) million on the CIS CGU and an additional impairment loss of (€6.8) million on the "Wood" CGU of the EMEA zone.

In addition, a decrease in EBITDA by 100 basis points would lead to the recognition of an additional impairment of (€45.5) million euros on the "Commercial" CGU and of (€11.3) million on the "Residential" CGU of the North America reporting segment, to the recognition of an additional impairment of (€6.4) million on the CIS CGU and to the recognition of an additional impairment of (€10.0) million on the "Wood" CGU of the EMEA zone.

Impairment losses

An impairment loss is recognised whenever the carrying amount of a cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

Impairment losses recognised in respect of cash-generating units are allocated first to the impairment of *goodwill* and then to other assets.

An impairment loss recorded in respect of *goodwill* cannot be reversed. An impairment recorded for another asset will be reversed if there is a change in the assumptions used to determine the recoverable value.

Impairment

In 2024, impairments recognised are broken down as follows. As a reminder, no impairment loss was recorded in 2023.

(in millions of euros)	**Dec. 31, 2024**	**Dec. 31, 2023**
North America	(4.0)	-
CIS	(95.5)	-
EMEA	(11.5)	-
Total	**(111.0)**	**-**

The depreciation of (€4.0) million on the North America zone relates to the "Residential" CGU.

The assets of the CIS CGU have been written down by (95.5) million euros, which represents all the goodwill of this CGU. This write-down has been recorded in view of the downward revision of medium-term forecasts for Russia, linked to the deterioration in market conditions observed in 2024 against a backdrop of tighter international sanctions (see Note 5.1).

The depreciation of (€11.5) million in EMEA corresponds to the "Wood" CGU, the market of which significantly slowed in 2024 and the medium-term forecasts were revised downwards.

5.3.2 Non-derivative financial assets

A financial asset not carried at fair value through profit or loss is assessed at each balance sheet date to determine whether there is objective evidence that it is impaired.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate.

5.4 Lease commitments

Lease commitments concern contracts that were not restated following the application of IFRS 16, namely, primarily:

- contracts considered to be of low value pursuant to paragraph 5 of IFRS 16;
- service agreements that do not meet the definition of a lease within the meaning of IFRS 16.

Minimum lease payments under operating leases are recorded as expenses on a straight-line basis over the term of the lease.

Future minimum rental commitments under operating leases with initial or remaining non-cancellable terms in excess of one year, are summarized below:

(in millions of euros)	**Dec. 31, 2024**	**Dec. 31, 2023**
Less than 1 year	0.5	0.5
1 to 5 years	0.3	0.4
More than 5 years	-	-
Total future minimum lease payments	**0.7**	**0.8**

5.5 Impact of exemptions to IFRS 16

The Group applies the exemptions provided for under IFRS 16, Leases, keeping rental operating charges where the lease term as of the effective date is less than or equal to 12 months (excluding rented building and land) and rental charges where the value of the underlying asset is less than €5,000 or $5,000.

Such rental charges totalled €(4.5) million and €(0.8) million, respectively, as of December 31, 2024.

(in millions of euros)	**< or equal to 5 K€ / K$**	**< or equal to 12 months**	**Service Agreements**	**Other**	**Total**
Cost of sales	(0.7)	(3.9)	(1.7)	(1.0)	(7.3)
Selling and distribution expenses	(0.1)	(0.4)	(0.8)	0.0	(1.2)
Research and development expenses	-	0.0	(0.0)	(0.0)	(0.0)
General and administrative expenses	(0.1)	(0.2)	(0.7)	(0.1)	(1.1)
Other operating expenses	-	-	-	-	-
Impact on operating profit	**(0.8)**	**(4.5)**	**(3.3)**	**(1.1)**	**(9.7)**

Note 6 > Provisions

6.1 Provisions

Provisions come primarily from legal and tax risks, litigation and other risks.

A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Provisions are reversed when they are no longer required.

A provision for warranties is recognised when the underlying products are sold. The provision is based on historical warranty data. In the event of risks relating to specific products, an additional provision may be recorded.

A provision for restructuring is recorded when the Group has approved a detailed and formal restructuring plan, and the restructuring has been either implemented or publicly announced. Future operating losses are not provisioned.

Change of provisions

(in millions of euros)	Dec. 31, 2023	Allowance	Decrease	Change in scope	Transfer	Foreign exchange gain & loss	Dec. 31, 2024
Product warranty provision	2.9	3.4	(0.0)	0.0	0.0	0.1	6.5
Restructuring provisions	-	-	-	-	-	0.0	-
Claims & litigation provisions	2.3	0.7	(1.4)	-	0.0	(0.1)	1.6
Other provisions	0.3	(0.9)	(0.0)	-	0.9	-	0.3
Provision for additional tax assessments	0.2	0.3	(0.1)	-	0.1	0.0	0.4
Financial provisions (1)	23.2	1.5	(5.6)	-	0.1	1.3	20.5
Total Provisions – long-term	**28.9**	**5.0**	**(7.2)**	**0.0**	**1.1**	**1.4**	**29.2**
Product warranty provision	16.6	6.1	(9.0)	-	2.2	0.9	16.9
Restructuring provisions	1.7	9.8	(3.6)	-	-	0.1	7.9
Claims & litigation provisions	16.6	17.6	(12.6)	-	(2.6)	0.6	19.6
Other provisions	1.4	9.3	(1.2)	-	-	0.3	9.8
Total Provisions – short-term	**36.3**	**42.7**	**(26.4)**	**-**	**(0.4)**	**1.9**	**54.2**
Total Provisions	**65.2**	**47.7**	**(33.5)**	**0.0**	**0.8**	**3.3**	**83.4**

(1) *Variations in provisions for financial liabilities relate to the provision for asbestos litigation recorded by Domco Products Texas Inc.*

(in millions of euros)	Dec. 31, 2022	Allowance	Decrease	Change in scope	Transfer	Foreign exchange gain & loss	Dec. 31, 2023
Product warranty provision	3.6	0.1	(0.7)	-	(0.1)	0.0	2.9
Restructuring provisions	0.4	-	(0.4)	-	(0.0)	(0.0)	0.0
Claims & litigation provisions	1.3	1.8	(0.7)	-	(0.0)	(0.0)	2.3
Other provisions	0.6	0.0	(0.3)	-	-	-	0.3
Provision for additional tax assessments	0.1	0.1	(0.0)	-	-	(0.0)	0.2
Financial provisions (1)	28.2	(1.5)	(2.7)	-	-	(0.9)	23.2
Total Provisions – long-term	**34.2**	**0.5**	**(4.9)**	**-**	**(0.1)**	**(0.9)**	**28.9**
Product warranty provision	12.8	4.7	(2.1)	-	1.7	(0.5)	16.6
Restructuring provisions	2.5	1.9	(2.6)	-	(0.1)	(0.1)	1.7
Claims & litigation provisions	14.7	15.8	(12.2)	-	(1.3)	(0.3)	16.6
Other provisions	3.1	0.5	(2.2)	-	-	(0.0)	1.4
Total Provisions – short-term	**33.1**	**22.9**	**(19.2)**	**-**	**0.4**	**(0.9)**	**36.3**
Total Provisions	**67.4**	**23.5**	**(24.1)**	**-**	**0.2**	**(1.7)**	**65.2**

(1) *Variations in provisions for financial liabilities relate to the provision for asbestos litigation recorded by Domco Products Texas Inc.*

6.2 Contingent liabilities

In 2024, there were no significant changes relating to the guarantees granted by Tarkett to third parties.

Proceeding initiated by a trade association for installers

By decision No. 17-D-20, Tarkett, as well as some of its competitors, were convicted on 18 October 2017 by the Competition Authority for implementing anti-competitive practices on the French resilient flooring market.

As a result of this decision, in November 2018, a claim for damages was brought before the Paris Commercial Court by an installers association against Tarkett. The purpose of this action is to seek compensation for alleged injury due to practices sanctioned by the Competition Authority. As part of this proceeding, Tarkett was convicted in early 2022 at first instance but appealed this judgement before the Paris Court of Appeal. The appeal proceeding is still ongoing as at 31 December 2024.

Proceeding initiated by public and private health institutions

Before the expiry of the five-year period of limitation which ran from this decision to 18 October 2022, summonses and applications were filed with civil and administrative courts, in particular by public and private health institutions, seeking compensation for potential damages. As at 31 December 2024, most of these procedures are still at a preliminary stage, as no substantive decision has yet been taken.

The Group contests the merits of these claims, is examining all possibilities for potential action or appeal, and considers that it is not currently feasible to assess the possible consequences.

Asbestos dispute

In the United States, the Group has been a defendant in lawsuits by third parties relating to personal injury from asbestos. The expected costs of current and future cases are covered by the Group's insurance, warranties granted by third parties and provisions that management, based on the advice and information from its legal counsel, considers to be sufficient.

Artificial turf dispute – Duraspine fibre

Within the framework of the collective appeals concerning complaints relating to defects in artificial turf pitches installed between 2005 and 2012 in the states of California, Florida, New Jersey, New York and Pennsylvania, an agreement was reached on 2 July 2024 and validated by a federal court in New Jersey. FieldTurf USA (subsidiary of Tarkett SA) has committed to pay claimants' legal costs in the amount of $8.5 million (provision recorded in the consolidated accounts for the year ended 31 December 2024). In addition, the claims were submitted by the complainants within the 3-month period set out in the agreement of July 2024 and a provision was recognised in this regard for $1.0 million..

Note 7 > Financing and Financial Instruments

7.1 Significant accounting principles

Non-derivative financial assets

Financial assets are initially recognised at their fair value plus any applicable transaction costs except for financial assets at fair value through profit or loss for which transactions costs are recognised in profit or loss as incurred.

Under IFRS 9, all financial assets for which the cash flows do not represent solely payment of principal and interest (SPPI) must be recorded at fair value through profit and loss. However, IFRS 9 introduces an option that may be irrevocably elected at the time of initial recognition, investment by investment, permitting equity investments to be recorded at fair value through other comprehensive income, without later being moved to profit and loss, even in the event of a disposal. Only the dividends are recognised in profit or loss.

Financial assets for which the cash flows do represent solely payment of principal and interest (SPPI) are recognised at amortized cost using the effective interest rate method.

For non-current assets valued at amortized cost, impairment is assessed individually, taking into account the risk profile of the counterparty and the warranties obtained. At the time of the initial recording of such non-current financial assets, impairment is systematically recorded in the amount of the credit losses expected to result from events that may occur in the next twelve months. In the event of a significant deterioration in the counterparty's credit quality, the initial impairment is supplemented to cover all of the expected losses over the remaining maturity of the receivable.

For commercial receivables, the Group conducts a review of each of its customer receivables individually, taking into account the probability of default by the counterparty as well as the extent to which the receivables were hedged, and uses the simplified method provided for by IFRS 9 to provision the expected losses over the remaining maturity of the receivables.

Non-derivative financial liabilities

Financial liabilities comprise financial debt and trade and other operating payables. They are accounted for at amortized cost using the effective interest rate method.

Derivative instruments

Derivative instruments are entered in the balance sheet at their fair value, regardless of whether it is positive or negative. The profit or loss stemming from the fair value re-evaluation is recognised immediately in profit and loss.

However, derivative instruments that qualify for hedge accounting are classified either as fair value hedges (FVH) (when their purpose is to hedge an existing asset or liability's exposure to the risk of changes in its fair value) or cash flow hedges (CFH) (when their purpose is to hedge the exposure to changes in the cash flows associated with highly probable future transactions).

Derivative instruments that are part of a hedge are documented on the basis of intrinsic value for exchange rate and interest rate options, and on the basis of the spot price component for forward contracts.

Changes in fair value relating to the effective portion of derivative exchange rate and interest rate instruments qualified as fair value of hedges (FVH) are recognised as part of financial income or expense. The value of the hedged items is adjusted to their fair value and the changes in fair value attributable to the hedged risk(s) are equally recognised as part of income or expense.

Changes in fair value relating to the effective portion of derivative exchange instruments and interest rate instruments qualified as cash flow hedges (CFH) are recorded in the comprehensive equity income. The result of these hedges is recognised in the income statement symmetrically to the hedged risk.

The time value of exchange rate and interest rate options is recorded as a cost of hedging. Changes in time value recorded over the life of the option are recorded as a counterpart to other comprehensive income. The initial option premium is either (i) moved into profit or loss when the hedged transaction impacts profit or loss, where the hedged item is related to a transaction; or (ii) amortized in profit or loss over the duration of the hedge, where the hedged item is related to a period of time.

Changes in value of the swap point for forward contracts classified as hedges are recorded in profit and loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, term deposits, monetary UCITs, and other monetary investments with initial maturities not exceeding three months and subject to an insignificant risk of changes in value.

7.2 Financial income and expenses

Net financial income and expenses include, in particular, interest payable on borrowings accounted for at amortized cost using the effective interest method, and the effects of the related hedges.

Other financial income and expenses include the income and expenses associated with loans and receivables accounted for at amortized cost, the gains recognised in respect of investment of cash and cash equivalents, financial charges relating to the discounting of post-employment expenses, exchange rate gains and losses, impairment losses relating to financial assets, and dividends, which are recorded in net income when the right to payment vests.

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023
Interest income on loan assets & cash equivalents	7.9	4.9
Other financial income	1.8	2.3
Total financial income	**9.7**	**7.2**
Interest expenses on loans and overdrafts	(29.2)	(34.7)
Financial expenses to leases	(8.2)	(6.6)
Commission expenses on financial liabilities	(16.4)	(14.5)
Cost of loans and debt renegotiation	(4.2)	(4.4)
Financial expenses on provisions for pensions	(4.2)	(5.0)
Foreign exchange differences	(6.6)	(5.7)
Impairment of financial assets	(0.0)	-
Premiums and term points on derivatives	(4.8)	(7.3)
Other financial expenses	1.7	1.8
Total financial expenses	**(72.0)**	**(76.4)**
Financial income and expenses	**(62.3)**	**(69.2)**

7.3 Net debt – interest-bearing loans and borrowings

7.3.1 Net Debt

Net debt is defined by adding together interest-bearing loans and debt and deducting cash and cash equivalents. Interest-bearing loans and borrowings refer to any obligation for the repayment of funds received or raised that are subject to repayment terms and interest charges. They also include liabilities on finance leases IFRS 16.

	Dec. 31, 2024		Dec. 31, 2023	
(in millions of euros)	**Long-term**	**Short-term**	**Long-term**	**Short-term**
Bank loans	12.2	16.7	24.8	16.7
Shareholder loan	582.9	-	520.4	-
Private placements	37.5	10.0	47.5	18.0
Other loans	-	-	-	-
Bank overdrafts	-	5.6	-	5.3
Interest bearing loans and borrowings	**632.6**	**29.0**	**592.6**	**40.0**
Total interest bearing loans and borrowings	**661.7**		**632.6**	
Cash and cash equivalents	(352.4)		(224.3)	
Net debt before application of IFRS 16	**309.3**		**408.3**	
Leases	95.9	29.5	111.8	31.6
Net debt	**434.7**		**551.7**	

In order to finance the Group's acquisition programme, Tarkett has entered into an additional shareholder loan of a maximum amount of €100 million, with a maturity date and interest terms identical to those of the existing shareholder loan.

On 31 December 2024, Tarkett had used its non-recourse receivables assignment lines for a net financed amount of €178.1 million or equivalent.

Cash and cash equivalents amounted to €352.4 million as of 31 December 2024.

On 31 December 2024, interest-bearing loans and borrowings consisted essentially of:

- The two shareholder loans of Tarkett Participation entered into in July 2021 and November 2024, used as at 31 December 2024 amounting to €419 million and $69.5 million for the first, and €97 million for the second;
- Tarkett's bond loan of €31.5 million maturing in June 2031;
- Four amortisable loans totalling €24.6 million at 31 December 2024 and maturing between June 2026 and May 2027;
- Three "Schuldschein" tranches amounting to €16 million entered into in June 2019, which will reach maturity in June 2025 for €10 million and in June 2026 for €6 million.

The revolving line of credit is not used as at 31 December 2024.

7.3.2 Details of loans and borrowings

Dec. 31, 2024 *(in millions of euros)*	Currency of draw-down	Interest rate	Total	12 months or less until 12/31/2025	2 years until 12/31/2026	3 to 5 years until 12/31/2029	More than 5 years
Bank loans							
Other bank loans	EUR	3.47%	25.6	13.4	10.1	2.1	-
Other bank loans	RMB	5.22%	0.1	0.1	-	-	-
Subtotal Bank loans			**25.7**	**13.5**	**10.1**	**2.1**	**-**
Private placements Europe	EUR	4.89%	47.5	10.0	6.0	-	31.5
Shareholder loan	EUR	6.13%	516.0	-	-	516.0	-
Shareholder loan	USD	8.51%	66.9	-	-	66.9	-
Bank overdrafts			5.6	5.6	-	-	-
Interest bearing loans and borrowings			**661.7**	**29.1**	**16.1**	**585.0**	**31.5**
Leases			125.4	33.8	27.4	47.0	17.3
Gross debt			**787.1**	**62.9**	**43.5**	**632.0**	**48.8**

Dec. 31, 2023 *(in millions of euros)*	Currency of draw-down	Interest rate	Total	12 months or less until 12/31/2024	2 years until 12/31/2025	3 to 5 years until 12/31/2028	More than 5 years
Bank loans							
Other bank loans	EUR	4.36%	41.0	16.1	12.7	12.1	-
Other bank loans	RMB	5.22%	0.4	0.4	-	-	-
Subtotal Bank loans			**41.4**	**16.6**	**12.7**	**12.1**	**-**
Private placements Europe	EUR	3.90%	65.5	18.0	10.0	6.0	31.5
Shareholder loan	EUR	7.58%	455.2	-	-	455.2	-
Shareholder loan	USD	9.80%	65.2	-	-	65.2	-
Bank overdrafts			5.3	5.3	-	-	-
Interest bearing loans and borrowings			**632.6**	**39.9**	**22.7**	**538.5**	**31.5**
Leases			143.4	31.6	29.9	57.4	24.5
Gross debt			**776.0**	**71.5**	**52.6**	**595.9**	**56.0**

7.3.3 Financial ratio covenants

The “Schuldschein” tranches and the bond loan mentioned above contain contractual commitments (covenants) to be respected by the borrowing companies, among which is the “Net debt/adjusted EBITDA” financial ratio, which must not exceed:

- 3.0 at 31 December of each year for “Schuldschein” tranches, calculated before the application of IFRS 16, with an additional tolerance of 0.5 in the event of significant acquisition;
- 4.0 at 31 December each year for the bond, calculated after application of IFRS 16, with an additional tolerance of 0.5 in the case of significant acquisition.

The Group is in compliance with all of its banking commitments as of December 31, 2024, including the ratio covenant "Net Debt / Adjusted EBITDA", as detailed below.

Net debt / Adjusted EBITDA before application of IFRS 16 *(in millions of euros)*	**Dec. 31, 2024**	**Dec. 31, 2023**
Net debt	309.3	408.3
Adjusted EBITDA	286.2	248.0
Ratio	**1.1**	**1.6**

The financial leverage ratio presented below is the ratio of net debt, including leases recognised under IFRS 16, to adjusted EBITDA (including IFRS 16).

Net debt / Adjusted EBITDA *after application of IFRS 16* *(in millions of euros)*	**Dec. 31, 2024**	**Dec. 31, 2023**
Net debt	434.7	551.7
Adjusted EBITDA	329.3	287.8
Ratio	**1.3**	**1.9**

7.3.4 Cash and cash equivalents

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023
Current cash	72.0	55.7
Remunerated cash balances (1)	219.4	160.7
Short term treasury notes and Money Market funds	60.9	7.9
Cash and cash equivalents	**352.4**	**224.3**

(1) *included cash restricted*

As of December 31, 2024, cash and cash equivalents include restricted funds amounting to €87.1 million, with €80.6 million in Russia, €6.0 million in Ukraine, and €0.5 million in Argentina. These restrictions limit the Group's ability to access or use this cash; it is nevertheless available for local business needs.

In Russia, cash repatriation is particularly constrained by international sanctions and local capital control measures. The Group has not obtained authorisation to remit dividends since the start of the war in Ukraine in 2022, and is unable to determine whether it will receive the necessary approvals.

7.3.5 Changes in financial liabilities

The following table reconciles changes in financial liabilities shown on the balance sheet and the cash flow statement:

				Non-cash change				
(in millions of euros)	Dec. 31, 2023	Cash-flows	Reclassification	Other (4)	Acquisition (3)	Foreign exchange differences	Fair value change	Dec. 31, 2024
Long-term financial liabilities	704.5	32.4	(48.8)	(8.5)	32.9	16.1	-	728.5
Short-term financial liabilities	71.4	(62.0)	48.8	(2.0)	1.0	1.2	-	58.4
Long-term financial assets (1)	(13.2)	0.3	-	0.2	-	(0.4)	4.5	(8.6)
Short-term financial assets	(3.2)	-	-	-	-	(0.2)	-	(3.4)
Other	-	0.9	-	-	-	-	-	-
Total changes in financing activities (2)		**(28.3)**						
Cash-flows from financing activities (2)		**(28.3)**						

(1) *Excluding shares accounted for by the equity method.*

(2) *Excluding dividends, acquisition of treasury shares and acquisition of non-controlling interests.*

(3) *including € 32.9 million for new leases for fiscal year 2024*

(4) *including € 10.4 million euros for the partial disposal of Diamond W assets*

7.4 Other financial assets and liabilities

7.4.1 Other financial assets

(in millions of euros)	**Dec. 31, 2024**	**Dec. 31, 2023**
Long-term investments	-	-
Financial investments and receivables – long-term (1) (2)	16.8	25.5
Other financial assets	**16.8**	**25.5**

(1) Financial investments and receivables – long-term include shares of companies accounted for by the equity method.

(2) Long-term financial assets include the long-term portion of the market value of interest rate hedges.

Changes in gross values, amortisation and impairment loss are presented below:

Acquisition costs *(in millions of euros)*	**Dec. 31, 2023**	**Increases**	**Decreases**	**Transfer**	**Foreign exchange differences**	**Dec. 31, 2024**
Long-term investments	-	-	-	-	-	-
Financial investments and receivables – long-term	25.5	1.2	(5.4)	(5.3)	0.9	16.8
Other financial assets	**25.5**	**1.2**	**(5.4)**	**(5.3)**	**0.9**	**16.8**

Accumulated depreciation and amortisation *(in millions of euros)*	**Dec. 31, 2023**	**Allowance**	**Disposal**	**Decrease**	**Impairment losses**	**Transfer**	**Foreign exchange differences**	**Dec. 31, 2024**
Security deposit – long-term	-	-	-	-	-	-	-	-
Long-term financial assets and receivables	(0.0)	-	-	-	-	-	-	(0.0)
Other financial assets	**(0.0)**	**-**	**-**	**-**	**-**	**-**	**-**	**(0.0)**

7.4.2 Other financial liabilities

(in millions of euros)	**Dec. 31, 2024**	**Dec. 31, 2023**
Fair value of derivatives non-current	-	-
Other financial liabilities non-current	0.9	1.5
Other financial liabilities non-current	**0.9**	**1.5**
Accrued interest expenses current	-	-
Fair value of derivatives current	1.7	1.4
Other financial liabilities current	4.1	1.9
Other financial liabilities current	**5.8**	**3.2**

7.5 Fair value of financial assets and liabilities

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible.

Fair values are categorised into three levels based on the inputs used in the valuation techniques, as follows:

- Level 1: quoted prices (unadjusted) on active markets for identical assets or liabilities;
- Level 2: prices determined using valuation techniques based on observable market data;
- Level 3: inputs relating to the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of interest rate swaps and of interest rate and foreign currency options is the estimated amount that the Group would expect to receive or have to pay in order to cancel each derivative instrument at the balance sheet date, taking into account the current level of interest rates and the credit risk associated with these instruments' counterparties.

The derivative financial instruments (swaps, caps, floors etc.) entered into by the Group are traded on over-the-counter markets on which there are no quoted prices. They are therefore measured using the valuation models commonly employed by operators in the market (Level 2).

Derivative instrument contracts are negotiated exclusively with leading financial institutions or banks. Their sole aim is to provide security for the Group's transactions and the financing of the latter.

In the case of receivables and payables with maturities of less than a year and certain floating rate receivables and payables, historical cost is considered as a reasonable approximation of their fair value.

Dec. 31, 2024 *(in millions of euros)*	**Fair Value Category**	**Assets at amortized cost**	**Liabilities at amortized cost**	**Fair value through profit and loss**	**Fair value of interest rate hedge instruments**	**Carrying amount**	**Fair value**
Financial assets, non-current	Level 2	3.8	-	9.9	3.1	16.8	16.8
Other current financial assets	Level 2	-	-	-	9.5	9.5	9.5
Trade receivables	Level 2	225.1	-	-	-	225.1	225.1
Cash and cash equivalents	Level 2	-	-	352.4	-	352.4	352.4
Interest-bearing loans and borrowings	Level 2	-	787.0	-	-	787.0	787.0
Other non-current financial liabilities	Level 2	-	0.3	-	0.6	0.9	0.9
Other current financial liabilities	Level 2	-	4.0	-	1.7	5.7	5.7
Trade payables	Level 2	-	388.5	-	-	388.5	388.5

Dec. 31, 2023 *(in millions of euros)*	**Fair Value Category**	**Assets at amortized cost**	**Liabilities at amortized cost**	**Fair value through profit and loss**	**Fair value of interest rate hedge instruments**	**Carrying amount**	**Fair value**
Financial assets, non-current	Level 2	2.3	-	13.4	9.9	25.5	25.5
Other current financial assets	Level 2	-	-	-	17.9	17.9	17.9
Trade receivables	Level 2	262.9	-	-	-	262.9	262.9
Cash and cash equivalents	Level 2	-	-	224.3	-	224.3	224.3
Interest-bearing loans and borrowings	Level 2	-	776.0	-	-	776.0	776.0
Other non-current financial liabilities	Level 2	-	0.2	-	1.3	1.5	1.5
Other current financial liabilities	Level 2	-	1.8	-	1.4	3.2	3.2
Trade payables	Level 2	-	379.4	-	-	379.4	379.4

7.6 Financial risks and Financial Instruments

7.6.1 Financial risk management

The Group's financial risk (market risk, credit risk and liquidity risk) management objectives and policies are consistent with those disclosed in the consolidated financial statements as at December 31, 2023.

7.6.2 Derivative instruments

The Group uses derivative financial instruments to hedge some of its exposure to foreign currency risk and interest rate risk associated with its purchases and sales denominated in foreign currencies and with its financing and investment transactions, as well as to hedge certain components of its raw materials costs.

The derivatives employed include interest rate options, other forward contracts and foreign currency options.

In accordance with its policy in respect of financial instruments, the Group neither uses nor issues derivative financial instruments for trading purposes.

Dec. 31, 2024 *(in millions of euros)*	Accounting classification	Maturity	Fair value	Counterpart in OCI [1]
Currency swaps	FVH	< June 2025	(0.6)	-
Exchange rate derivatives related to financing			**(0.6)**	**-**
Forward exchange contracts	CFH	< April 2026	(0.0)	-
Options	CFH	< May 2026	0.8	0.8
Commodity swaps	CFH		-	-
Exchange rate derivatives related to commercial transactions			**0.8**	**0.8**
Caps, collars	CFH	< Dec. 2027	10.1	10.1
Interest rate derivatives			**10.1**	**10.1**
Total			**10.3**	**10.9**

[1] *Corresponds to the balance of the counterpart in OCI as of December 31, 2024.*

Dec. 31, 2022 *(in millions of euros)*	Accounting classification	Maturity	Fair value	Counterpart in OCI [1]
Currency swaps	FVH	< June 2024	(0.1)	-
Exchange rate derivatives related to financing			**(0.1)**	**-**
Forward exchange contracts	CFH	< August 2024	(0.1)	(0.1)
Options	CFH	< May 2025	1.8	1.7
Commodity swaps	CFH		-	-
Exchange rate derivatives related to commercial transactions			**1.7**	**1.6**
Caps, collars	CFH	< Dec. 2027	23.6	23.2
Interest rate derivatives			**23.6**	**23.2**
Total			**25.2**	**24.8**

[1] *Corresponds to the balance of the counterpart in OCI as of December 31, 2023.*

The acronyms "FVH" (Fair Value Hedge) and "CFH" (Cash Flow Hedge) are defined in Note 7.1.

The face value of derivative instruments covering the primary exposures are presented below, expressed in euros:

(in millions of euros)	Dec. 31, 2024					Dec. 31, 2023				
Currency of exposure	**USD**	**CNY**	**GBP**	**AUD**	**NOK**	**USD**	**CNY**	**GBP**	**PLN**	**NOK**
Exchange rate derivative instruments	125.0	20.7	10.3	2.2	-	126.3	20.0	8.5	4.2	-
Exchange rate derivatives related to commercial transactions	44.3	-	33.8	-	21.2	36.0	-	28.7	-	21.8
Total	**169.3**	**20.7**	**44.1**	**2.2**	**21.2**	**162.3**	**20.0**	**37.2**	**4.2**	**21.8**

7.6.3 Market risks

Exposure to interest rate, currency, raw material prices, liquidity and credit risk arises in the normal course of Tarkett's activities. Derivative financial instruments are used to reduce the exposure to fluctuations in both foreign exchange and interest rates; changes in the value of these instruments offset all or part of the changes in the value of the items being hedged. Liquidity and credit risk are managed following risk management policies approved by the Group's management bodies.

a) Interest rate risk

The Group manages its exposure to interest rate risk centrally. The Group's general debt strategy is to give preference to floating interest rate debt over fixed interest rate debt, but also to use interest rate derivatives to protect a part of the floating rate debt over a period of three to five years against a rate increase that could result in extensive damage. The hedging tools used are mainly cap or tunnel type derivatives. The cost of the cap may be offset in part or in full by a tunnel.

Following is the interest rate structure of the Group's net debt (excluding lease liabilities) before and after application of interest rate hedges.

(in millions of euros)	Fixed rate	Floating rate	Dec. 31, 2024
Interest-bearing loans and borrowings	56.3	605.4	661.7
Cash and cash equivalents	(7.4)	(345.0)	(352.4)
Net debt before hedging	**48.9**	**260.4**	**309.3**
Effect of hedging on debt	481.8	(481.8)	-
Net debt after hedging	**530.8**	**(221.4)**	**309.3**

(in millions of euros)	Fixed rate	Floating rate	Dec. 31, 2023
Interest-bearing loans and borrowings	78.8	553.8	632.6
Cash and cash equivalents	(8.7)	(215.6)	(224.3)
Net debt before hedging	**70.1**	**338.2**	**408.3**
Effect of hedging on debt	553.8	(553.8)	-
Net debt after hedging	**623.9**	**(215.6)**	**408.3**

Sensitivity analysis

Sensitivity to interest-rate fluctuations is calculated on the basis of interest-bearing non-derivatives and derivative Financial Instruments, as well as interest-bearing loans granted to joint ventures or third parties. The analysis is based on the market index in effect at the balance sheet date and on assumptions of constant debt and constant debt management policy over one year.

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023
Increase of 100 basis points		
Increase / (Decrease) in financial expenses	1.2	0.2
Increase of 100 basis points (1)		
Increase / (Decrease) in financial expenses	(1.9)	(0.5)

(1) *With a floor of 0%*

b) Exchange rate risk

Transaction risk

Exchange rate fluctuations have a direct impact on the Group's Consolidated Financial Statements, derived from transactions regarding the Group entities that incur revenues and expenses in currencies other than their functional currency.

Exchange rate derivatives related to commercial transactions

The Group reduces its exposure by developing its production capacities in the same geographic and monetary areas where it distributes its products. Moreover, through the choice of the invoicing currency for certain intra-Group transactions, the Group aims to offset revenues with costs in the same currency. In certain unstable currency countries, the Group may also offset the local currencies fluctuations with price indexations. Therefore the remaining exposure on cross-border transactions is moderate. The currencies to which the Group is most exposed are the British pound, the Norwegian crown, the U.S. dollar, the Polish zloty, the Australian dollar, the Canadian dollar, the Russian ruble and the euro as a foreign currency for certain subsidiaries.

The Group has attempted to reduce the impact of short-term fluctuations of currencies on its revenue through centralised management of exchange risks and the use of derivatives. Nevertheless, in the long-term, significant and long lasting variations in exchange rates could affect the Group's competitive position in foreign markets, as well as its results of operations.

The Group's policy is to hedge certain significant residual exposure, decided upon periodically by the finance department based on monitoring Value at Risk. This exposure is divided into exposure recorded on the balance sheet, namely trade receivables, trade payables and borrowings denominated in a foreign currency, and future exposure, which consists of forecast sales and purchases over a six- to eighteen-month period.

Exchange rate derivative instruments relating to financing

The Group may be exposed to transactional exchange-rate risk on certain intragroup loans and borrowings resulting from the financing of its foreign subsidiaries. The Group minimises this risk either (i) by borrowing in the same currency or (ii) by entering into currency swaps or forwards reflecting the maturity of the hedged item.

7.6.4 Liquidity risks

a) Future cash flows on Financial Instruments

The following figures show the estimated future cash flows on interest-bearing loans and borrowings recorded as liabilities on the balance sheet.

The estimate of future cash flows on interest is based on the debt amortisation table and on the assumption of a crystallisation of the interest rates outstanding as of the balance sheet date, unless a better estimate is available.

Financial liabilities	**Dec. 31, 2024**		**Less than 12 months**		**1 to 2 years**		**3 to 5 years**		**More than 5 years**	
(in millions of euros)	**Carrying amount**	**Total future cash flows**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
Gross debt										
Bank loans	25.7	34.1	13.5	3.3	10.1	3.0	2.1	2.0	-	-
Private placements	47.5	61.4	10.0	2.3	6.0	2.2	-	6.4	31.5	3.1
Other loans	582.9	697.0	-	30.3	-	34.2	582.9	49.6	-	-
Bank overdrafts	5.6	5.6	5.6	-	-	-	-	-	-	-
Leases	125.4	125.4	33.4	7.3	26.4	5.3	34.2	6.7	9.9	2.2
Total	**787.1**	**923.4**	**62.5**	**43.1**	**42.5**	**44.7**	**619.2**	**64.8**	**41.4**	**5.3**
Other financial liabilities										
Trade payables	388.5	388.5	388.5	-	-	-	-	-	-	-
Other non-current financial liabilities	0.9	0.9	-	-	0.7	-	0.2	-	-	-
Other current financial liabilities	5.7	5.7	5.7	-	-	-	-	-	-	-
Total	**395.1**	**395.1**	**394.2**	**-**	**0.7**	**-**	**0.2**	**-**	**-**	**-**
Total financial liabilities	**1,182.2**	**1,318.5**	**456.7**	**43.1**	**43.2**	**44.7**	**619.4**	**64.8**	**41.4**	**5.3**

Financial liabilities	**Dec. 31, 2023**		**Less than 12 months**		**1 to 2 years**		**3 to 5 years**		**More than 5 years**	
(in millions of euros)	**Carrying amount**	**Total future cash flows**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
Gross debt										
Bank loans	41.4	55.7	16.6	4.0	12.7	4.2	12.1	6.1	-	-
Private placements	65.5	81.9	18.0	2.4	10.0	2.3	6.0	6.5	31.5	5.2
Other loans	520.4	665.0	-	27.3	-	27.1	520.4	90.2	-	-
Bank overdrafts	5.3	5.3	5.3	-	-	-	-	-	-	-
Leases	143.4	163.5	31.6	7.1	29.9	5.3	57.4	6.2	24.5	1.5
Total	**776.0**	**971.4**	**71.5**	**40.8**	**52.6**	**38.9**	**595.9**	**109.0**	**56.0**	**6.7**
Other financial liabilities										
Trade payables	379.4	379.4	379.4	-	-	-	-	-	-	-
Other non-current financial liabilities	1.5	1.5	-	-	0.9	-	0.6	-	-	-
Other current financial liabilities	3.2	3.2	3.2	-	-	-	-	-	-	-
Total	**384.1**	**384.1**	**382.6**	**-**	**0.9**	**-**	**0.6**	**-**	**-**	**-**
Total financial liabilities	**1,160.1**	**1,355.5**	**454.1**	**40.8**	**53.5**	**38.9**	**596.5**	**109.0**	**56.0**	**6.7**

b) Liquidity position

The debt capacity amounts to €1,218.9 million, including €125.4 million relating to the lease debt (IFRS 16), used in the amount of €787.1 million (see note 7.3.1). Including cash and cash equivalents, the Group's liquidity position is therefore €784.2 million.

(in millions of euros)	**Dec. 31, 2024**	**Dec. 31, 2023**
Amount available on credit facilities	431.9	431.6
Cash and cash equivalents	352.4	224.3
Total	**784.2**	**655.9**

7.6.5 Credit risk

Credit risk represents the risk of financial loss for the Group in the event that a counterparty to a financial instrument defaults on its contractual obligations.

The financial assets potentially bearing this risk are mainly:

- cash deposits;
- derivative instruments;
- trade receivables;
- loans granted.

The maximum potential credit risk on the financial assets is equal to their net accounting value less the indemnification receivable from credit insurance.

a) Customer credit risk

The Group believes that its exposure to customer credit risk is limited, because of its large number of customers, its dispersion in many geographical areas, and its follow-up policy. The Group has established a credit policy which includes, among other things, a credit limit for each customer, collections processes, and a computer-aided credit scoring and customer payment behaviour follow-up.

The total of receivables overdue over 60 days amounts to approximately 9% of total accounts receivable as of December 31, 2024 (10% of total accounts receivable as of December 31, 2023).

The Group believes that there is no need to assume that there is risk on outstanding receivables less than 60 days overdue.

With respect to outstanding receivables that are more than 60 days overdue, the Group believes that risks are limited given existing procedures for customer risk management (as detailed above).

b) Credit risk management on equities and derivatives

The counterparties to the Group's financial derivatives are leading banks, all of which have business relationships with the Group for debt or cash management. The Group's policy with regard to investments and cash deposits is to only invest in liquid securities and only with the leading credit institutions in the countries where the investments are made.

The Group is not exposed to a material risk due to any significant concentration and does not anticipate any counterparty default.

The effect of Credit and Debit Valuation Adjustments (CVA/DVA) on the measurement of the fair value of the derivative financial instruments was not material as at the balance sheet date and was therefore not booked.

7.7 Guarantees

The principal guarantees given by Tarkett are as follows:

- a General Indemnity Agreement of a maximum amount of USD 75.0 million in favour of Federal Insurance Company in consideration of an agreement to execute security bonds in favor of FieldTurf Inc, fully used as of year-end;
- a Joint and Several Guarantee up to a maximum amount of $120 million in favour of Ester Finance Technologies as part of the receivables assignment line set up with certain subsidiaries of Tarkett Finance Inc in the United States, in order to secure future customer collections to be collected on its behalf accounting for €97.3 million at the end of the financial year;
- a Pri-Pensions pension insurance guarantee to cover Tarkett AB's benefit obligations in the amount of SEK 256.9 million;
- joint and several guarantees in favour of several banks, in the amount of outstanding depreciable loans taken out respectively in 2022 June and 2023 April by Tarkett France, and in 2023 May and 2023 June by Tarkett GDL, representing a total outstanding amount of €24.6 million at the end of the financial year;
- rental bonds in favour of two landlords of Tarkett USA Inc. representing a commitment of $7.9 million at the end of the financial year, and the corresponding rents of which are included in the lease debt valued in the consolidated balance sheet in application of IFRS 16 “Leases”;
- rent guarantees in favor of two lessors of Tarkett USA Inc. representing a commitment of USD 8.6 million at the end of the financial year, and the corresponding rents of which are included in the lease debt valued in the consolidated balance sheet in application of IFRS 16 "Leases";
- a payment guarantee given to a supplier of the Morton Extrusiontechnik subsidiary (M.E.T GmbH) for deliveries of raw materials up to a maximum amount of €7 million, committed in the amount of €1.7 million at the end of the financial year;
- guarantees granted by Tarkett to banks of certain subsidiaries, including Tarkett Limited (UK), Tarkett BV (Netherlands), Tarkett Asia Pacific (Shanghai) Management Co Ltd, Morton Extrusiontechnik GmbH (Germany), FieldTurf Tarkett SAS (France) et FieldTurf Poligras SA (Spain), to enable them to obtain overdraft facilities, bank loans or lines of credit for a maximum aggregate amount of €32.8 million, committed for an equivalent of €14.4 million at the end of the financial year.

Furthermore, in the ordinary course of business, Tarkett and several Group subsidiaries have granted payment or construction site guarantees to various suppliers, customers, utilities, landlords, central cash management, or financial operators, either directly or through bank guarantees, for a total amount equivalent to €48.6 million at the end of the financial year.

Finally, the following assets have been pledged as security for the new financing implemented:

- all present or future shares of Tarkett SA held by Tarkett Participation;
- all present or future shares of the following subsidiaries, owned directly or indirectly by Tarkett SA: Tarkett GDL SA, Tarkett AB, Tarkett BV, Tarkett Holding GmbH, Tarkett Finance Inc., Tarkett USA Inc., FieldTurf Tarkett USA Holdings Inc., FieldTurf USA Inc., AO Tarkett et AO Tarkett Rus;
- certain financial receivables contracted between two of the above companies.

Note 8 > Income tax

8.1 Income tax expense

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items in equity or in other comprehensive income, in which case it is recognised in those items.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable with respect to previous years. Income tax expense/income are defined in Note 8.2, Deferred Taxes.

Income tax is calculated based on the rules applicable in each country where the Group operates.

The "Cotisation sur la Valeur Ajoutée des Entreprises (CVAE)" tax contribution due in France on the basis of the value added as determined based on the statutory accounts of French entities the statutory accounts meets the definition of income tax under IAS 12, "Income Taxes" and is classified on the current income tax line. Similar treatment has been adopted for similar other taxes (State Tax and BEAT Tax in the United States, in particular) based on a net of products and costs, even though that amount may differ from accounting net income.

The income tax expense (current and deferred) can be analysed as follows:

(in millions of euros)	**Dec. 31, 2024**	**Dec. 31, 2023**
Current tax	(30.3)	(44.3)
Deferred tax	(5.6)	9.0
Total income tax	**(35.9)**	**(35.4)**

Theoretical income taxes determined using the French corporate income tax rate of 25.825% for 2024 and 2023, can be reconciled as follows to the actual income tax charge:

(in millions of euros)	**Dec. 31, 2024**	**Dec. 31, 2023**
Pre-tax profit from continuing operations (a)	(26.1)	55.8
Profit from equity-accounted subsidiaries (b)	(0.0)	(0.1)
Pre-tax profit from fully consolidated activities (a- b)	(26.1)	55.9
Income tax at nominal French income tax rate	**6.7**	**(13.7)**
Effect of:		
• Taxation of foreign companies at different rates	(3.3)	(0.3)
• Exchange rate effects on non-monetary assets	(0.0)	(0.0)
• Changes in unrecognised deferred tax assets	(6.3)	(2.1)
• Permanent differences	(25.7)	(9.7)
• Withholding tax on international flows	(4.2)	(2.0)
• Other items	(3.1)	(7.5)
Income tax expenses	**(35.9)**	**(35.4)**
Effective rate	**N/A**	**N/A**

Differences between local and French taxation rates

The main contributing countries are Russia, with a local tax rate of 20.00%; Sweden, with a local tax rate of 20.60%; Luxembourg, with a local tax rate of 27.02%; Serbia, with a local tax rate of 15.00% and the United Arab Emirates, with a local tax rate of 9.00%.

Changes in unrecognised deferred tax assets

The non-recognition of deferred tax assets of (€6.3) million is mainly due to tax losses in Germany and Turkey, which are offset by the utilisation of deferred tax assets non-recognised in Poland.

Other items

In 2024, this item includes:

- tax correction charges amounting to €(2.2) million mainly in the United States for €3.5 million and in Luxembourg for (€4.8) million;
- taxes recorded as corporate income tax for (7.4) million euros, mainly in the United States for (7.8) million euros, including (3.3) million euros for the BEAT Tax and (4.5) million euros for the State Tax;
- Impacts of changes in tax rates amounting to 3.0 million, including €3.0 million in the linked United States, €2.0 million in Russia and (€2.1) million in Luxembourg;
- tax provisions of €1.8 million.

Permanent differences

The permanent differences identified are mainly related to goodwill impairments on France amounting to (€11.5) million, Serbia amounting to (€7.0) million and Russia amounting to (€1.1) million, as well as an abandonment of receivables in Luxembourg amounting to (€4.9) million.

Withholding taxes on international flows

Non-deductible withholding taxes are mainly related to management fees and dividends in France for (€2.3) million, to royalties and dividends in Luxembourg for (€1.4) million.

8.2 Deferred tax

Deferred tax is calculated using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

The following items do not result in the recognition of deferred tax:

- taxable temporary differences linked to goodwill;
- taxable or deductible temporary differences stemming from the initial recognition of assets or liabilities, other than in the context of transactions involving business combinations, that affect neither accounting nor taxable profit;
- temporary differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

A deferred income tax asset is capitalised only to the extent that it is probable that there will be future taxable profits over the next five years against which this asset can be utilised.

In accordance with IAS 12, where an entity's tax return is prepared in a currency other than its functional currency, changes in the exchange rate between the two currencies generate temporary differences with respect to the valuation of non-monetary assets and liabilities. As a result, deferred tax is recognised in profit or loss.

Based on calculations made by the Tarkett Group as at 31 December 2024, the impact of the global minimum tax is zero.

Deferred taxation is shown on the balance sheet separately from current tax assets and liabilities and is categorised in non-current items.

(in millions of euros)	**2024**	**2023**
Valuation of deferred tax assets	159.5	156.8
DTA for pensions and healthcare benefits	36.2	36.6
Other items temporarily non deductible	111.1	96.3
Provision for other deferred tax liabilities	(10.5)	(11.7)
Internal profit eliminations	1.2	3.0
Netted against deferred tax assets	(199.5)	(188.1)
Deferred tax assets	**97.9**	**92.8**
Fixed assets revaluation	43.2	44.2
Other deferred tax liabilities	160.6	144.5
Netted against deferred tax assets	(199.5)	(188.1)
Deferred tax liabilities	**4.3**	**0.6**

The recoverability of deferred tax assets was analised with cash flow projections used for impairment testing.

Net deferred tax assets relating to deferred losses and unused tax credits are recognised for a total amount of €159.5 million, of which €147.9 million relates to Luxembourg and €4.2 million relates to the United Kingdom.

This amount of €159.5 million is broken down as follows: €157.6 million deferred tax assets relating to deferred losses and €1.9 million unused tax credits.

Deferred taxes on unrecognised tax losses and tax credits amounted to €84.8 million as of 31 December 2024 (€83.8 million as of 31 December 2023).

Note 9 > Equity and liabilities

9.1 Share capital

Share capital comprises the par value of the ordinary shares minus incremental costs directly attributable to the issue of ordinary shares and share options, net of any tax effects. When the Group buys back its own shares, the amount of consideration paid, which includes directly attributable costs, is net of any tax effects, and is recognised as a deduction from shareholders' equity. When treasury shares are subsequently sold or reissued, the amount received is recognised as an increase in shareholders' equity, and the resulting surplus or deficit on the transaction is transferred to/from retained earnings.

	Dec. 31, 2024	Dec. 31, 2023
Share capital *(in euros)*	327,751,405	327,751,405
Number of shares	65,550,281	65,550,281
Par value *(in euros)*	5.0	5.0

9.2 Earnings per share and dividends

	Dec. 31, 2024			Dec. 31, 2023		
	Average number of shares *(in millions of shares)*	Profit for the period attributable to Tarkett shareholders *(in millions of euros)*	Basic earnings per share *(in euros)*	Average number of shares *(in millions of shares)*	Profit for the period attributable to Tarkett shareholders *(in millions of euros)*	Basic earnings per share *(in euros)*
Total Shares	65,550			65,550		
Treasury shares held by Tarkett	(19)			(103)		
Total excluding treasury shares	**65,532**	**(62.6)**	**(0.95)**	**65,447**	**20.4**	**0.31**
Potential performance shares to be distributed	19			103		
Restatement of actions with anti-dilution effect (1)	(19)			-		
Total after allocation of performance shares	**65,532**	**(62.6)**	**(0.95)**	**65,550**	**20.4**	**0.31**

Basic earnings per share (excl. treasury shares)

Earnings per share (excluding treasury shares) are calculated on the basis of the Group's attributable net profit and on the weighted average number of shares outstanding during the period (and after deduction of the weighted average number of treasury shares).

Earnings per share after grants of performance shares

Attributable net profit per share (after grants of performance shares), are calculated on the basis of the Group's share of net profit attributable to the Group and on the weighted average number of shares outstanding during the period (and after deduction of the weighted average number of treasury shares) and the number of potential shares to distribute, if dilutive.

(1) Pursuant to IAS 33, "Earnings per Share," and given the negative attributable net profit as of December 31, 2024, the potential performance shares for distribution have not been taken into account in calculating the weighted average number of shares outstanding (anti-dilutive effect).

Dividends

The General Meeting of 26 April 2024 decided not to pay dividends in 2024 for the 2023 period given the high level of uncertainties in the short term.

Note 10 > Related parties

In accordance with IAS 24, "Related Party Disclosures," the Group has identified the following related parties:

- Joint ventures;
- Tarkett Participation ;
- The members of the Tarkett Management Board and Supervisory Board.

Transactions entered into during the period with the Group's joint ventures and principal shareholders are detailed below.

10.1 Joint ventures

All transactions between fully consolidated companies have been eliminated.

Transactions with related entities and jointly held entities are entered into on arm's length terms.

The Group has four joint ventures, including Laminate Park GmbH & Co KG in Germany, jointly controlled with the Sonae group.

Transactions entered into during the period with the Group's joint ventures are detailed below :

(in millions of euros)	Dec. 31, 2024	Dec. 31, 2023
Joint ventures		
Sale of goods to Tarkett	-	-
Purchase of services from Tarkett	-	-
Loans from Tarkett (gross value)	1.9	1.6

10.2 Principal shareholders

Tarkett Participation holds 90.40% of Tarkett's share capital following the contribution of Tarkett shares to Tarkett Participation and the acquisition of shares by Tarkett Participation, and as such controls and coordinates the Group's activities.

As of December 31, 2024, Tarkett Participation is held by:

- Société Investissement Deconinck, for 72.85%;
- Expansion 17 S.C.A., FIAR, for 12.87%;
- Global Performance 17 S.C.A., FIAR, for 12.87%;
- Individual members of management, for 1.41%.

As of December 31, 2024, SID had invoiced a total of €300,000 in fees under the Assistance Agreement (€300,000 as of December 31, 2023).

As of December 31, 2024, Tarkett had invoiced a total of €55,000 to SID for services (€55,000 as of December 31, 2023).

10.3 Members of the Management Board and Supervisory Board

None.

Note 11 > Subsequent events

Acquisition in January 2025 of two companies Anchor Management Group LLC and Mid Atlantic Sports Construction LLC in North America in the Sports Surfaces division.

Note 12 > Statutory auditor fees

Amount (excluding taxes) (in thousands of euros)	KPMG S.A.	KPMG S.A.	MAZARS	MAZARS
	Auditor	Network	Auditor	Network
Statutory audit, certification, audit of the individual company and Consolidated Financial Statements				
Tarkett	313	-	303	-
Controlled entities	140	1,010	63	912
Subtotal (A)	**453**	**1,010**	**366**	**912**
Certification, audit of the Sustainibility report				
Tarkett	174	-	131	-
Controlled entities	-	-	-	-
Subtotal (B)	**174**	**-**	**131**	**-**
Services other than certification of the financial statements and sustainibility report required by laws and regulations				
Tarkett	-	-	-	-
Controlled entities	-	-	-	-
Subtotal (C)	**-**	**-**	**-**	**-**
Services other than certification of the financial statements at the entity's request				
Tarkett	-	-	-	-
Controlled entities	2	56	-	7
Subtotal (D)	**2**	**56**	**-**	**7**
Services other than certification of the financial statements (1)				
Subtotal E = C + D	**2**	**56**	**-**	**-**
Subtotal F = A + D	**629**	**1,066**	**497**	**919**
Total	**1,695**	**-**	**1,416**	**-**

(1) *Nature of services other than certification of the financial statements and related to the sustainibility report rendered by the statutory auditor to consolidated entity and controlled entities : contractual audit, tax compliance*

Note 13 > Principal consolidated entities

Companies	Country	Consolidation method	Percentage of interest as of December 31, 2024	Percentage of interest as of December 31, 2023
G: Full consolidation				
E: Equity method				
EMEA				
Tarkett AB	Sweden	G	100%	100%
Tarkett AS	Norway	G	100%	100%
Tarkett OY	Finland	G	100%	100%
Tarkett A/S	Danemark	G	100%	100%
Tarkett Polska Sp.z.o.o.	Polska	G	100%	100%
Tarkett Aspen Zemin AS	Turkey	G	100%	100%
Laminate Park GmbH & Co KG	Germany	E	50%	50%
Virtual Empathy Platform Ltd	United Kingdom	E	33%	33%
Tarkett Holding GmbH	Germany	G	100%	100%
Tarkett SA	France	Parent company	100%	100%
Tarkett Services	France	G	100%	100%
Tarkett GDL SA	Luxembourg	G	100%	100%
Tarkett Capital SA	Luxembourg	G	100%	100%
Tarkett SpA	Italy	G	100%	100%
Tarkett - Produtos Internacionias, SA	Portugal	G	100%	100%
Tarkett Monoprosopi Ltd.	Greece	G	100%	100%
Tarkett Floors S.A. Spain	Spain	G	100%	100%
Tarkett France	France	G	100%	100%
Tarkett Bois SAS	France	G	100%	100%
FieldTurf Tarkett SAS	France	G	100%	100%
Tarkett Sports GmbH	Germany	G	100%	100%
FieldTurf Poligras SA	Spain	G	100%	100%
Morton Extrusiontechnik GmbH	Germany	G	100%	100%
Allsports construction and maintenance Ltd.	United Kingdom	E	30%	30%
Desso Holding BV	Netherlands	G	100%	100%
Desso BV	Netherlands	G	100%	100%
Desso Refinity BV	Netherlands	G	100%	100%
Tarkett Sports BV	Netherlands	G	100%	100%
Tarkett NV	Belgium	G	100%	100%
Tarkett AG Switzerland	Switzerland	G	100%	100%

Companies	Country	Consolidation method	Percentage of interest as of December 31, 2024	Percentage of interest as of December 31, 2023
Desso Sports System BV	Netherlands	G	100%	100%
Desso Sport Systems NV	Belgium	G	100%	100%
M-Wall holding BV	Netherlands	G	51%	51%
M-Wall BV	Netherlands	G	51%	51%
M-Projectservice BV	Netherlands	G	51%	51%
Tarkett Ltd.	United Kingdom	G	100%	100%
Somalré	Luxembourg	G	100%	100%
F.E.D. Inc.	United States of America	E	40%	40%
Wildcat Enterprise for Textile Industries	United Arab Emirates	G	100%	100%
Amérique du Nord				
Tarkett, Inc. (Delaware)	United States of America	G	100%	100%
Tarkett Inc.	Canada	G	100%	100%
Desso Inc.	United States of America	G	100%	100%
Tandus Centiva Limited	Canada	G	100%	100%
Lexmark Carpet Mills	United States of America	G	100%	100%
Tarkett Manufacturing Mexico	Mexico	G	100%	100%
Domco Products Texas Inc	United States of America	G	100%	100%
Tarkett Alabama Inc.	United States of America	G	100%	100%
Tarkett Finance Inc.	United States of America	G	100%	100%
Tarkett USA Inc.	United States of America	G	100%	100%
FieldTurf Inc.	Canada	G	100%	100%
L.E.R. Inc.	United States of America	G	100%	100%
EasyTurf Inc.	United States of America	G	100%	100%
Beynon Sport Surfaces Inc.	United States of America	G	100%	100%
FieldTurf Tarkett USA Holdings, Inc.	United States of America	G	100%	100%
FieldTurf USA Inc.	United States of America	G	100%	100%
Johnsonite Canada Inc.	Canada	G	100%	100%
Diamond W Supply Co.	United States of America	G	100%	100%
Tarkett Carpet Canada Inc.	Canada	G	100%	100%
Dynamic Base Construction, LLC	United States of America	G	49%	49%
Tarkett Sports Midwest Inc.	United States of America	G	100%	100%
Midwest Specialty Contractors Inc.	United States of America	G	100%	100%
Classic Turf & Tracks (1)	United States of America	G	100%	
Benchmark Contracting (1)	United States of America	G	100%	
Precision Construction & Contracting (1)	United States of America	G	100%	

Companies	Country	Consolidation method	Percentage of interest as of December 31, 2024	Percentage of interest as of December 31, 2023
CEI, APAC et Amérique latine				
Tarkett Australia Pty.Ltd.	Australia	G	100%	100%
Tarkett Brasil Revestimentos LTDA	Brazil	G	100%	100%
Tarkett Flooring Mexico S.R.L.	Mexico	G	100%	100%
Tarkett Argentina	Argentina	G	100%	100%
Tarkett Japan (1)	Japan	G	100%	
Tarkett Hong Kong Ltd.	Hong Kong	G	100%	100%
Tarkett Asia Pacific (Shanghai) Management Co Ltd.	China	G	100%	100%
Tarkett Industrial (Beijing) Co, Ltd	China	G	100%	100%
AO Tarkett	Russia	G	100%	100%
AO Tarkett Rus	Russia	G	100%	100%
Tarkett Sommer OOO	Russia	G	100%	100%
Tarkett d.o.o.	Serbia	G	100%	100%
Tarkett SEE d.o.o.	Serbia	G	100%	100%
Tarkett UA DP	Ukraine	G	100%	100%
Tarkett KAZ TOO	Kazakhstan	G	100%	100%
Tarkett Bel UE	Belarus	G	100%	100%
Galerija Podova d.o.o.	Serbia	G	100%	100%
Tarkett Vinisin TOV	Ukraine	G	100%	100%
Tarkett Flooring Singapore Pte. Ltd	Singapour	G	100%	100%
Tandus Flooring (Suzhou) Co. Ltd	China	G	100%	100%
Tarkett Flooring India Private Ltd	India	G	100%	100%
FieldTurf Tarkett Australia	Australia	G	100%	100%

(1) *cf. Note 2.4.*

The percentages of equity and voting rights held for each entity of the Group are identical.

5.3 Company financial statements as of 31 December 2024

Income statement

	12/31/2024			12/31/2023
	France	Exportations	Total	Total
Sales of merchandise	-	-	-	-
Produced goods sold	-	-	-	-
Produced services sold	8,835	54,593	63,428	63,203
Net revenue	**-**	**-**	**63,428**	**63,203**
Inventory	-	-	-	-
capitalised production	-	-	-	-
Operating subsidies received	-	-	-	-
Reversal of depreciation and provision, transfer of expenses	-	-	403	5,275
Other income	-	-	0	0
Total operating income	**-**	**-**	**63,831**	**68,478**
Purchases of merchandise for resale (including customs duties paid)	-	-	-	-
Change in inventories (merchandise)	-	-	-	-
Purchases of raw materials and other supplies	-	-	-	-
Changes in inventory of raw materials and other supplies	-	-	-	-
Other purchases and external expenses	-	-	43,296	42,793
Taxes and similar payments	-	-	218	1,244
Salaries and wages	-	-	13,564	16,170
Social security contributions	-	-	6,300	12,828
Allocations to depreciation on fixed assets	-	-	2,988	4,891
Allocations to provisions on fixed assets	-	-	-	-
Allocations to provisions on current assets	-	-	-	-

		12/31/2024		12/31/2023
Allocation to provisions for risks and expenses	-	-	789	788
Other expenses	-	-	520	3,327
Total operating expenses	**-**	**-**	**67,674**	**82,042**
Result from operating activities	**-**	**-**	**(3,843)**	**(13,564)**
Allocated gain or transferred loss	-	-	-	-
Loss borne or gain transferred	-	-	-	-
Financial income from equity investments	-	-	74,150	72,951
Income from other securities	-	-	1,739	1,526
Other interest and similar income	-	-	21,102	32,478
Reversal of provisions and transfer of expenses	-	-	13,309	377
Foreign exchange gains	-	-	116	1,384
Net income from disposals of marketable securities	-	-	-	-
Total financial income	**-**	**-**	**110,416**	**108,717**
Financial allocations to depreciation and provisions	-	-	138,389	59
Interest and similar expense	-	-	62,374	70,607
Foreign exchange losses	-	-	-	-
Net expense on disposals of marketable securities	-	-	-	-
Total financial expense	**-**	**-**	**200,763**	**70,666**
Financial income and expense	**-**	**-**	**(90,347)**	**38,051**
Current result before income tax	**-**	**-**	**(94,190)**	**24,488**

Income statement (continued)

	12/31/2024	12/31/2023
	Total	**Total**
Exceptional operating income	-	-
Exceptional income on capital transactions	-	-
Reversal of provisions and transfer of expenses	2,670	32
Income from disposals of assets	-	-
Other exceptional income	-	-
Total exceptional income	**2,670**	**32**
Exceptional operating expense	2	(129)
Exceptional expense on capital transactions	-	264
Exceptional allocations to depreciation and provisions	3,146	192
Other exceptional expense	-	-
Total exceptional expense	**3,147**	**326**
Exceptional result	**(478)**	**(294)**
Employee profit-sharing	-	-
Income tax	(2,680)	(283)
Total income	**176,915**	**177,227**
Total expense	**274,263**	**153,316**
Net profit	**(97,347)**	**23,911**
Of which Equipment leasing	-	-
Of which Property leasing	-	-

Active balance sheet

	Fiscal year ended 12/31/2024			12/31/2023
	Gross	Provisional depreciation	Net	Net
Start-up costs	-	-	-	-
Research and development	-	-	-	-
Concessions, patents and similar rights	74,893	71,902	2,992	4,047
Goodwill	3,940	-	3,940	3,940
Other intangible assets	-	-	-	-
Intangible assets	1,987	-	1,987	2,633
Advances and deposits on intangible assets	-	-	-	-
Land	-	-	-	-
Buildings	106	106	-	-
Technical facilities, equipment and machinery	-	-	-	-
Other tangible assets	12,022	10,319	1,702	1,841
Property, plant and equipment	131	-	131	100
Advances and deposits	-	-	-	-
Investments accounted for by the equity method	-	-	-	-
Other equity investments	1,416,043	179,678	1,236,365	1,361,383
Receivables relating to equity investments	-	-	-	-
Other intangible assets	-	-	-	-
Loans	469,970	-	469,970	477,079
Other financial assets	1,181	-	1,181	1,164
Total (I)	**1,980,273**	**262,005**	**1,718,268**	**1,852,188**

		Fiscal year ended 12/31/2024			12/31/2023
Raw materials, supplies		-	-	-	-
Work-in-progress, goods		-	-	-	-
Work-in-progress, services		-	-	-	-
Intermediate and finished products		-	-	-	-
Merchandise		-	-	-	-
Advances and deposits on orders		-	-	-	-
Trade receivables		26,695	-	26,695	17,369
Other receivables		-	-	-	-
• Trade payable accounts with a receivable balance		144	-	144	191
• Personnel		6	-	6	6
• Social welfare agencies		-	-	-	-
• Government, income taxes		-	-	-	-
• Government, revenue taxes		1,199	-	1,199	2,728
• Other		91,755	-	91,755	149,578
Share capital subscribed and called but not paid		-	-	-	-
Marketable securities		50,000	-	50,000	-
Available funds		86,627	-	86,627	43,761
Cash instruments		-	-	-	-
Prepaid expenses current		10,866	-	10,866	15,415
Total (II)		**267,292**	**-**	**267,292**	**229,049**
Charges allocated among several fiscal years (III)	(III)	-	-	-	-
Bond redemption premiums (IV)	(IV)	-	-	-	-
Unrealized foreign exchange losses (V)	(V)	1,996	-	1,996	1,295
Total assets (I to V)		**2,249,561**	**262,005**	**1,987,556**	**2,082,532**

Liabilities balance sheet

	Fiscal year ended 12/31/2024	12/31/2023
Share capital, company or individual (of which paid up: 327 751)	327,751	327,751
Share, merger, and contribution premiums	135,493	135,493
Revaluation differences	-	-
Legal reserve	31,861	31,861
Statutory or contractual reserves	-	-
Regulated reserves	-	-
Other reserves	-	-
Retained earnings	816,583	792,672
Results of the fiscal year	(97,347)	23,911
Investment grants	-	-
Regulated provisions	819	775
TOTAL (I)	**1,215,160**	**1,312,464**
Proceeds from issuance of equity securities	-	-
Conditional advances	-	-
Total (II)	**-**	**-**
Provisions for risks	-	-
Provisions for charges	2,362	1,482
Total (III)	**2,362**	**1,482**

		Fiscal year ended 12/31/2024	12/31/2023
Convertible bonds		-	-
Other bonds		-	-
Borrowings and debts from credit institutions		-	-
• Borrowings		48,393	69,584
• Bank overdrafts		-	1,777
Other borrowings and financial debt		-	-
• Other		101	-
• Shareholders		694,978	663,261
Advances and deposits received on orders in progress		-	-
Trade payables		10,546	13,870
Tax and social security liabilities		-	-
• Personnel		7,206	11,526
• Social welfare agencies		2,913	3,149
• Government, income taxes		646	-
• Government, revenue taxes		30	30
• Government, guaranteed bonds		-	-
• Other taxes and related		1,800	1,859
Payables on fixed assets		184	742
Other payables		1,336	1,389
Cash instruments		-	-
Prepaid income		-	-
Total (IV)		**768,133**	**767,186**
Unrealized foreign exchange gains (V)	(V)	1,902	1,401
Total liabilities (I to V)		**1,987,556**	**2,082,532**

5.4 Notes to the company financial statements

Note 1 > Accounting rules and methods

1.1 Accounting rules and methods

The annual financial statements have been prepared in accordance with the provisions of Regulations No. 2014-3, No. 2015-06 and 2016-07 of the French Accounting Standards Authority (Autorité des Normes Comptables), relating to the new General Accounting Code, and Regulation No. 2016-7, approved by the decree of 28 December 2016, as well as subsequent opinions and recommendations of the Accounting Standards Authority.

The main methods used are detailed below.

The general accounting conventions have been applied in compliance with the principle of prudence, in accordance with the basic assumptions, which are intended to provide a true and fair view of the company:

- business continuity;
- consistency of accounting policies;
- independence of accounting periods;
- materiality;
- non-compensation;
- good information;

and in accordance with the general rules for the preparation and presentation of annual financial statements.

The basic method used for the valuation of the items recorded in the accounts is, as the case may be, the historical cost method, the contribution value method or the revalued value method.

1.2 Intangible and tangible assets

1.2.1 Property, plant and equipment

Intangible assets are mainly comprised of licences, software and the capitalisation of external costs for the implementation of this software within the Group's subsidiaries, grouped under the heading "Concessions, patents".

Computer software and software licences are amortised on a straight-line basis over a period of 1 to 5 years.

Goodwill:

Pursuant to ANC regulation no. 2014-03, the company recognises all the technical goodwill present on the assets side of its balance sheet in the amount of €3,940K within the item "goodwill";

The company considers that the goodwill it controls has an unlimited useful life. There are no legal, economic or technical restrictions on the company's business with its recurring customers.

At each balance sheet date, the company performs an impairment test to ensure that the recoverable amount of this goodwill is still higher than its carrying amount. In the opposite case, an impairment loss is recognised in the result for the period.

Impairment tests are performed by comparing the net book value with the recoverable value (discounted future cash flows or market value). The discounted cash flows are evaluated on the basis of budgets and forecasts over a period of 5 years, taking into account a terminal value.

At 31 December 2024, the value in use of the goodwill is higher than its (net) book value, including the related technical assets.

1.2.2 Property, plant and equipment

Property, plant and equipment consist mainly of office and computer equipment and fixtures and fittings.

The gross value of these items corresponds to their acquisition cost: purchase price and incidental expenses necessary to bring these assets into use.

Depreciation is calculated on a straight-line basis over the normal useful life of the assets:

- office and computer equipment: 3 years;
- fixtures and fittings: 3 years.

When the current value is lower than the net book value, a depreciation is recorded for the difference.

For the fixed asset relating to the fitting out of the La Défense premises, depreciation is applied for 8 years, i.e. over the term of the lease.

1.3 Financial assets and marketable securities

The financial assets are mainly made up of shares and guarantees paid.

The gross value is the purchase cost excluding expenses.

When the value in use is lower than the net book value, a provision for depreciation is made for the difference.

This value in use is determined on the basis of a multi-criteria approach, such as the share of equity that these securities represent, the evolution of the subsidiary's profitability and other approaches, in particular the multiples method or appraisals.

1.4 Receivables and payables

Receivables and payables are valued at their nominal value.

When their inventory value is lower than their net book value, receivables are depreciated by means of a provision for the difference, in order to take account of the collection difficulties to which they are likely to give rise.

1.5 Foreign currency transactions

Transactions in foreign currencies are recorded using the foreign exchange rate as of the date of the transaction.

Assets and liabilities denominated in foreign currencies at the balance sheet date are translated into Euro using the exchange rate at that date. Exchange rate differences arising from the translation are recognised in the currency translation adjustment. Unrealised foreign exchange losses not offset and not covered by a hedging instrument are subject to a provision for risk.

1.6 Provisions

1.6.1 Provisions for pensions and similar obligations

The company applies the option provided for in Recommendation 2013-02 of 7 November 2013 on the rules for measuring and recognising pension and similar obligations, which provide for all pension and similar obligations to be recognised in the balance sheet.

Tarkett SA's commitments consist of:

- long-term, post-employment benefits granted to employees (retirement indemnity, medical expenses, etc.);
- long-term, in-service benefits granted to employees.

The calculation involves taking into account economic assumptions (inflation rate, discount rate) and personnel assumptions (average salary increase, staff turnover, life expectancy, etc.).

The provisions have been calculated by an external actuary on the basis of data as of 31 December 2024, using the main assumptions described below:

- inflation rate: 2.00%;
- discount rate: 3.40% on pension plans and 3.20% on long-service awards;
- salary increases: 3.00%;
- retirement age: 67 years.

The debt relating to the company's net commitment to employees is recognised as a provision for liabilities and charges on the liabilities side of the balance sheet.

The present value of the commitments to employees is calculated at each balance sheet date and the data concerning employees is reviewed at least every three years.

The company applies the ANC recommendation 2013-02 on pension commitments, mainly to retirement benefit plans in France.

1.6.2 Other provisions for risks and expenses

Provisions are made at the end of the financial year to cover risks and expenses related to:

- foreign exchange risks for unrealised losses after taking into account any neutralisation of operations subject to foreign exchange hedging;
- an obligation of the company to a third party that is likely or certain to result in an outflow of resources to that third party, without at least equivalent consideration expected from the third party, and that can be reasonably estimated.

1.7 Employee long term incentive plan (LTIP) provisions

In 2024, Tarkett Group, of which Tarkett SA is the holding company, repaid the 2021 plan. A cash payment of 237,920.30 euros was made in July 2024.

A new plan was implemented in 2024, for which the grants are in cash. The Company has spread the expense of the 2022 to 2024 plans over the vesting period and records a liability such that the amount ultimately recorded corresponds to the amount to be paid to the beneficiaries. The grant is subject to continued employment and three performance conditions (value creation and two CSR criteria). The plan is valued with a turnover rate and is updated at the end of December 2024. As of 31 December 2024, a provision was created for an amount of 429 thousand euros for the 2022 plan, 305 thousand euros for the 2023 plan, and 79 thousand euros for the 2024 plan.

1.8 Key facts

1.8.1 Loans and debts

Tarkett has taken out an additional shareholders' loan for a maximum amount of 100 million euros, with a maturity date and terms of interest identical to those of the shareholders' loan already in place.

As of 31 December 2024, interest-bearing loans and borrowings primarily comprise:

- The Tarkett Participation shareholders' loan entered into in July 2021, used for an amount of 419.0 million euros and 69.5 million US dollars as of 31 December 2024;
- Tarkett Participation shareholders' loan entered into in November 2024, used for an amount of 97 million euros;
- A bond loan for an amount of 31.5 million euros, taken out in June 2023 and maturing in June 2031;
- Four depreciable loans totalling 24.6 million euros as at 31/12/2024 and maturing between June 2026 and May 2027;
- Two “Schuldschein” tranches amounting to 16 million euros entered into in June 2019, which will reach maturity in June 2025 for an amount of 10 million euros and for 6 million euros in June 2026.

The revolving credit facility accessed by Tarkett in July 2021 was not used as at 31 December 2024.

1.8.2 Geopolitical conflict

The war with Ukraine has major impacts on business in Russia. The market conditions have continued to deteriorate within a context of increased international restrictions. The high inflation and interest rates have a negative impact on household consumption and demand for flooring products. Within this context, Tarkett has decided to establish a provision for the securities of its Russian subsidiary AO Tarkett for an amount of 61,646 thousand euros, which also has a negative impact on the value of the Serbian subsidiary Tarkett DOO, which also holds 50% of the Russian subsidiary. This led to a depreciation of its securities amounting to 76,680 thousand euros.

1.9 Post closing events

None

Note 2 > Financial statements

2.1 Statement of fixed assets

	Gross value of fixed assets at the beginning of the year	Increases	
		Revaluations during the fiscal year	Acquisitions, creations, inter-item transfers
Start-up costs, research and development	-	-	-
Intangible assets	77,230	-	1,603
Intangible assets in progress	2,633	-	876
Land	-	-	-
Construction on own land	-	-	-
Construction on third-party land	-	-	-
General facilities, fixtures, constructions	106	-	-
Technical facilities, equipment and machinery	-	-	-
Other facilities, fixtures, improvments	-	-	-
Transportation equipment	-	-	-
Office equipment, IT equipment, furniture	11,832	-	189
Recoverable packaging and other	-	-	-
Property, plant and equipment	100	-	131
Advances and deposits	-	-	-
TOTAL	**91,901**	**-**	**2,799**
Investments accounted for by the equity method	-	-	-
Other equity investments	1,416,043	-	-
Other intangible assets	-	-	-
Loans and other financial assets	478,244	-	136,463
TOTAL	**1,894,287**	**-**	**136,463**
TOTAL GENERAL	**1,986,188**	**-**	**139,262**

	Decreases		Gross value of fixed assets at the end of the year	Legal revaluation of original value at the end of the fiscal year
	By inter-item transfers	By disposal or discontinuation		
Start-up costs, research and development	-	-	-	
Intangible assets	-	-	78,833	-
Intangible assets in progress	1,523	-	1,987	-
Intangible assets	**1,523**	**-**	**80,820**	**-**
Land	-	-	-	-
Construction on own land	-	-	-	-
Construction on third-party land	-	-	-	-
General facilities, fixtures, constructions	-	-	106	-
Technical facilities, equipment and machinery	-	-	-	-
Other facilities, fixtures, improvments	-	-	-	-
Transportation equipment	-	-	-	-
Office equipment, IT equipment, furniture	-	-	12,022	-
Recoverable packaging and other	-	-	-	-
Property, plant and equipment	100	-	131	-
Advances and deposits	-	-	-	-
TOTAL	**1,623**	**-**	**93,079**	**-**
Investments accounted for by the equity method	-	-	-	-
Other equity investments	-	-	1,416,043	-
Other intangible assets	-	-	-	-
Loans and other financial assets	143,556	-	471,151	-
TOTAL	**143,556**	**-**	**1,887,194**	**-**
TOTAL GENERAL	**145,179**	**-**	**1,980,273**	**-**

2.2 Statement of depreciation

(in thousands of euros)	Positions and movements during the year			
	Beginning of the fiscal year	Allocations during the fiscal year	Reversals during the fiscal year	End of fiscal year
TOTAL intangible assets	**(69,242)**	**(2,662)**	**-**	**(71,902)**
Land	-	-	-	-
Construction on own land	-	-	-	-
Construction on third-party land	-	-	-	-
General facilities, fixtures, constructions	(106)	-	-	(106)
Technical facilities, equipment and machinery	-	-	-	-
General facilities, other fixtures	-	-	-	-
Transportation equipment	-	-	-	-
Office equipment, IT equipment, furniture	(9,991)	(328)	-	(10,319)
Recoverable packaging and other	-	-	-	-
TOTAL property, plant and equipment	**(10,097)**	**(328)**	**-**	**(10,425)**
TOTAL GENERAL	**(79,339)**	**(2,990)**	**-**	**(82,327)**

	Allocations			Reversals	
	Time differential	Accelerated	Exceptional	Accelerated	Exceptional
TOTAL intangible assets	**-**	**(70)**	**-**	**26**	**-**
Land	-	-	-	-	-
Construction on own land	-	-	-	-	-
Construction on third-party land	-	-	-	-	-
General facilities, fixtures, constructions	-	-	-	-	-
Technical facilities, equipment and machinery	-	-	-	-	-
General facilities, other fixtures	-	-	-	-	-
Transportation equipment	-	-	-	-	-
Office equipment, IT equipment, furniture	-	-	-	-	-
Recoverable packaging and other	-	-	-	-	-
TOTAL property, plant and equipment	**-**	**-**	**-**	**-**	**-**
TOTAL GENERAL	**-**	**(70)**	**-**	**26**	**-**

2.3 Statement of provisions

PROVISIONS	Beginning of the fiscal year	Increases/allocations	Decreases/reversals	End of fiscal year
For reconstruction of deposits	-	-	-	-
For investments	-	-	-	-
For price increases	-	-	-	-
Special depreciation	775	70	26	819
Exceptional 30% increases	-	-	-	-
For setting up abroad prior to Jan. 1, 1992	-	-	-	-
For setting up abroad after to Jan. 1, 1992	-	-	-	-
For start-up loans	-	-	-	-
Other regulated provisions	-	-	-	-
TOTAL REGULATED PROVISIONS	**775**	**70**	**26**	**819**
For litigation	-	-	-	-
For customer warranties	-	-	-	-
For losses on futures contracts	-	-	-	-
For fines and penalties	-	-	-	-
For foreign exchange losses	-	-	-	-
For pensions and obligations	1,240	850	403	1,687
For taxes	-	-	-	-
For replacement of fixed assets	-	-	-	-
For major repairs	-	-	-	-
For paid vacation expenses	-	-	-	-
Other provisions	242	3,076	2,643	675
TOTAL PROVISIONS FOR RISKS AND EXPENSES	**1,482**	**3,926**	**3,046**	**2,362**
On intangible assets	-	-	-	-
On tangible assets	-	-	-	-
On share accounted for by the equity method	-	-	-	-
On equity securities	54,660	138,327	13,309	179,678
On other financial assets	-	-	-	-
On inventories and work in progress	-	-	-	-
On customer accounts	-	-	-	-
Other impairment	-	-	-	-
Total impairment	**54,660**	**138,327**	**13,309**	**179,678**
Total general	**56,917**	**142,323**	**16,382**	**182,858**
Additions and reversals:				
• operating activities	-	789	403	-
• financial	-	138,389	13,309	-
• exceptional	-	3,146	2,670	-

2.4 Statement of due dates for receivables and payables

STATEMENT OF RECEIVABLES	Gross amount	Up to one year	More than one year
Receivables relating to equity investments	-	-	-
Loans	469,970	-	469,970
Other financial assets	1,181	-	1,181
Doubtful or disputed customers	-	-	-
Advances and deposits on orders	-	-	-
Other trade receivables	26,695	26,695	-
Receivables on securities lent	-	-	-
Trade payable accounts with a receivable balance	144	144	-
Personnel and related receivables	6	6	-
Social Security and other social welfare agencies	-	-	-
State and other public authorities	-	-	-
• Income tax	-	-	-
• VAT	1,199	1,199	-
• Other taxes, duties, and related payments	-	-	-
• Other	-	-	-
Group and shareholders	91,753	91,753	-
Other debtors	2	2	-
Prepaid expenses current	10,866	7,532	3,334
TOTAL GENERAL	**663,531**	**177,362**	**486,169**

STATEMENT OF LIABILITIES	Gross amount	Up to one year	More than one year and up to five	More than 5 year
Convertible bonds	-	-	-	-
Other bonds	-	-	-	-
Borrowings and debts from credit institutions:	-	-	-	-
• Up to one year	10,893	10,893	-	-
• More than one year	37,500	-	6,000	31,500
Other borrowings and financial debt	101	101	-	-
Trade payables	10,546	10,546	-	-
Personnel and related receivables	7,206	7,206	-	-
Social Security and other social welfare agencies	2,913	2,913	-	-
State and other public authorities:	-	-	-	-
• Income tax	646	646	-	-
• VAT	30	30	-	-
• Guaranteed bonds	-	-	-	-
Other taxes and duties	1,800	1,800	-	-
Payables on fixed assets	184	184	-	-
Group and shareholders	694,978	84,248	610,730	-
Other liabilities	1,336	1,336	-	-
Debt representing borrowed securities	-	-	-	-
Prepaid income	-	-	-	-
TOTAL GENERAL	**768,133**	**119,903**	**616,730**	**31,500**

2.5 Supplier & customer payment terms table

In accordance with the law on the modernisation of the economy of 4 August 2008 and the subsequent articles L441-6-1 and D441-4 of the French Commercial Code, the breakdown at the end of the year of Tarkett SA's receivables and payables to customers and suppliers is as follows:

Trade receivables

12/31/2024	Article D.441: invoices issued and due but not paid as of the balance sheet date				
	1 to 30 d	31 to 60 d	61 to 90 d	91 d and more	Total (1 days and +)
(A) Category of late payment					
No. of invoices					**319**
Amount inc. tax (€K)	**175**	**-**	**70**	**17,276**	**17,521**
As a percentage of total revenue during the fiscal year (inc. tax)	0.27%	0.00%	0.11%	26.52%	**65,152**
B) Invoices excluded from (A) relating to disputed receivables					
No. of invoices excluded			-		
Amount inf €K of invoices excluded (inc. tax)			-		
(C) Payment reference period used (contractual or legal period - Art. L441-6 or Art. L443-1 of the French Commercial Code)					
Payment reference period used to calculate payment delays			30 Days, date of invoice		

Trade payables

12/31/2024	Article D.441: invoices received and due but not paid as of the balance sheet date				
	1 to 30 d	31 to 60 d	61 to 90 d	91 d and more	Total (1 days and +)
(A) Category of late payment					
No. of invoices					**148**
Amount inc. tax (€K)	**4**	**14**	**-**	**44**	**62**
As a percentage of total revenue during the fiscal year (inc. tax)	0.01%	0.03%	0.00%	0.09%	**49,054**
(B) Invoices excluded from (A) relating to disputed receivables					
No. of invoices excluded	-				
Amount inf €K of invoices excluded (inc. tax)	-				
(C) Payment reference period used (contractual or legal period - Art. L441-6 or Art. L443-1 of the French Commercial Code)					
Payment reference period used to calculate payment delays			60 Days, date of invoice		

2.6 Commercial property

Description	Purchased	Revalued	Received in contribution	Amount
Merger loss - Partholdi	-	-	3,940	3,940

2.7 Income and credit notes receivable

Amount of proceeds and credit notes to be received included in the following balance sheet items	Amount inc. tax
Financial assets	
• Receivables relating to equity investments	-
• Other financial assets	-
Receivables	-
• Customer receivables	3
• Other receivable (including assets to receive)	668
Marketable securities	-
Available funds	-
TOTAL	**671**

2.8 Accrued expenses and credit notes

Amount of accrued expenses and credit notes included in the following balance sheet items	Amount inc. tax
Mandatory convertible loans	-
Other mandatory loans	-
Loans and borrowings from credit institutions	228
Miscellaneous interest-bearing loans and borrowings	-
Trade payables	9,442
Tax and social security liabilities	8,694
Asset liabilities and trade receivables	174
Other liabilities (of which credit notes to be issued)	521
TOTAL	**19,058**

2.9 Deferred expenses and income

	Expenses	Income
Operating Expenses/Income	4,593	-
Financial Expenses/Income	6,273	-
Exceptional Expenses/Income	-	-
TOTAL	**10,866**	**-**

2.10 Net revenue breakdown

Tarkett SA, the Group's parent company, has the essential role of ensuring general interest and coordination missions in the areas of strategy, financial control of subsidiaries, external growth, marketing, development, human ressources and communication. The turnover of Tarkett SA consists mainly of re-invoicing of general expenses and IT costs.

Breakdown by type of activity	Amount
Sales of merchandise	-
Sales of finished goods	-
Services	63,428
TOTAL	**63,428**

Breakdown by geographic market	Amount
France	8,835
Abroad	54,593
TOTAL	**63,428**

2.11 Financial commitments

2.11.1 Discounted bills not yet due

None

2.11.2 Securities and endorsements

Beneficiary	Commitments given		Maximum commitments			
	Currency	Amount	Currency	Amount	Purpose	For
Federal Insurance Company	USD	75,000,000	USD	75,000,000	Completion guarantees	FieldTurf Inc.
Ester Finance Technologies	USD	97,271,750	USD	120,000,000	Deed of joint and several guarantee	Tarkett USA Inc., FieldTurf USA Inc.,Lexmark Carpet Mills Inc., Beynon Sports Surfaces Inc.
Pri-Pensionsgaranti	SEK	256,871,513	SEK	256,871,513	Pension obligations	Tarkett AB
Bpifrance, BRED	EUR	14,149,299	EUR	30,000,000	Credit line	Tarkett France
Commerzbank, BECM	EUR	10,416,667	EUR	16,000,000	Credit line	Tarkett GDL SA
Willowdale 1104, LLC	USD	4,318,328	USD	4,318,328	Rent deposit	Tarkett USA Inc.
Peoria Green Owner, LLC	USD	3,615,328	USD	3,615,328	Rent deposit	Tarkett USA Inc.
Petrofina	EUR	1,720,743	EUR	7,000,000	Orders for goods and services	Morton Extrusion Technik
HSBC Bank (China) Company Ltd	RMB	29,480,000	RMB	29,480,000	Credit line	Tarkett Asia Pacific (Shanghai) Mgt Co., Ltd.
HSBC Bank (China) Company Ltd	RMB	-	RMB	44,000,000	Credit line	Tarkett Asia Pacific (Shanghai) Mgt Co., Ltd.
Crédit Agricole CIB	EUR	2,377,455	EUR	5,000,000	Construction site warranties	FieldTurf Tarkett SAS
Greenwich Insurance Company	USD	1,000,000	USD	1,000,000	Reinsurance	Somalré
Commerzbank	EUR	-	EUR	5,000,000	Credit line	Tarkett BV
Banco Bilbao Vizcaya Argenteria	EUR	-	EUR	2,000,000	Credit line	FieldTurf Poligras
HSBC Bank plc	GBP	88,595	GBP	1,000,000	Credit line	Tarkett Ltd
Other beneficiaries	EUR	7,104,720	EUR	8,916,397	(in euros equivalent)	(group subsidiaries)

2.11.3 Foreign exchange derivatives

Counterparty	Currency	Amount	Type	Expiration date
Bank	GBP	(8,500,000)	Currency swaps	1-Mar-25
Bank	AUD	(3,610,000)	Currency swaps	1-Mar-25
Bank	USD	131,640,000	Currency swaps	1-Jan-25
Bank	USD	(1,731,172)	Currency swaps	1-Jun-25
Bank	SEK	(43,000,000)	Currency swaps	1-Mar-25
Bank	CHF	(700,000)	Currency swaps	1-Mar-25
Bank	CNY	157,000,000	Currency swaps	1-Mar-25

These financial instruments have been taken out with a view to hedging

2.11.4 Interest rate derivatives

Counterparty	Currency	Amount	Type	Expiration date
Bank	EUR	40,000,000	Guar. int. rate. opt.	12/1/27
Bank	EUR	318,000,000	Guar. int. rate. opt.	6/1/26
Bank	EUR	6,400,000	Guar. int. rate. opt.	7/1/26
Bank	USD	72,000,000	Guar. int. rate. opt.	12/1/27
Bank	USD	50,000,000	Guar. int. rate. opt.	6/1/25

2.11.5 Commodity derivative financial instruments

None

2.12 Total income tax breakdown

2.12.1 Breakdown of income tax

	Profit before tax	Taxes
Current income	(94,190)	-
Net exceptional income (and profit-sharing)	(478)	-
Net income	**(97,347)**	**(2,680)**

Type of income tax	2024 Tax	2023 Tax
3% contribution on dividends	-	-
Tax consolidation income	-	-
Tax charge on tax consolidation	(2,680)	(283)
Tax credits	-	-
Provision for tax audit	-	-
Other	-	-
TOTAL	**(2,680)**	**(283)**

2.13 Tax consolidation

Tarkett opted for the tax consolidation system as of 1 January 2009 for the calculation of corporate income tax and for the additional contribution on this tax.

In 2009, Tarkett set up a tax consolidation with its French subsidiaries: FieldTurf Tarkett S.A.S. and Tarkett France S.A.S. In 2012, Tarkett Bois S.A.S. was included in the tax consolidation. In 2015, Desso S.A.S. also entered the tax consolidation scope; Desso S.A.S. merged with Tarkett France S.A.S. on 1 July 2017.

The principle of neutrality is applied between the consolidated companies, leading each member company to bear income tax as if it were taxed separately.

Any tax savings resulting from the consolidation are recognised in the Tarkett accounts.

2.14 Deferred and contingent tax position

(in thousands euros)	12/31/2024		12/31/2023	
	Basis	Corresponding tax	Basis	Corresponding tax
Time lag between tax regime and accounting treatment	21,620	5,321	19,491	5,035
Deficit in own funds	23,893	6,171	36,142	9,336
Deficit related to tax consolidation	**(70,414)**	**(18,188)**	**(60,458)**	**(15,616)**
Total deficit that may be carried over for tax purposes	(46,521)	(12,017)	(24,316)	(6,280)

2.15 Managers' compensation

	Amount
COMPENSATION ALLOCATED TO MEMBERS:	
• of management bodies	3,786
• of supervisory bodies	578

2.16 Average headcount

	Salaried employees	Personnel made available to the company
Executives	92	-
Supervisors and technicians	4	-
Employees	6	-
Workers	-	-
TOTAL	**102**	**-**

2.17 Related parties

Transactions carried out by the company with its related parties are concluded under normal market conditions.

Tarkett Participation, whose registered office is at 1 Terrasse Bellini - Tour Initiale - 92919 Paris-La Défense, France, holds 90.40% of Tarkett's capital and, as such, controls and coordinates the Group's activities.

The nature of the relationships between the companies is financial. Tarkett Participation granted a loan of 516 million euros and a loan of 69.5 millions US dollars to Tarkett SA.

In 2024, SID invoiced a total of 300 thousand Euro in fees under the assistance and guidance agreement.

As of 31 December 2024, Tarkett had invoiced a total of €55,000 to SID for services.

2.18 Identity of the parent companies consolidating the Company's financial statements

Tarkett is more than 90.40% owned by Tarkett Participation and is therefore fully consolidated.

2.19 Equity attributable to equity holders of the parent

Breakdown of equity	Amount at start of fiscal year	Results of the fiscal year	Capital transactions	Change of accounting method	Allocation of result	Dividends	Amount at end of fiscal year
Share capital, company or individual	327,751	-	-	-	-	-	327,751
Share, merger, and contribution premiums	135,493	-	-	-	-	-	135,493
Revaluation surplus	-	-	-	-	-	-	-
Legal reserve	31,861	-	-	-	-	-	31,861
Statutory or contractual reserves	-	-	-	-	-	-	-
Regulated reserves	-	-	-	-	-	-	-
Other reserves	-	-	-	-	-	-	-
Retained earnings	792,672	-	-	-	23,911	-	816,583
Results of the fiscal year	**23,911**	**(97,347)**	**-**	**-**	**(23,911)**	**-**	**(97,347)**
Total net position	**1,311,687**	**(97,347)**	**-**	**-**	**-**	**-**	**1,214,340**
Investment grants	-	-	-	-	-	-	-
Regulated provisions	775	44	-	-	-	-	819
Shareholders' Equity	**1,312,463**	**(97,304)**	**-**	**-**	**-**	**-**	**1,215,159**

2.20 Composition of share capital

As of 31 December 2024, the share capital consists of 65,550,281 shares with a unit value of 5.00 Euro for a total amount of 327,751,405 Euro.

	Number	Per value (in euros)
Shares comprising the share capital at the beginning of the fiscal year	65,550,281	5.00
Shares issued during the fiscal year	-	-
Shares redeemed during the fiscal year	-	-
Shares comprising the share capital at the end of the fiscal year	65,550,281	5.00

2.21 Table of subsidiaries and holdings

Subsidiaries and equity investments	Share capital	Reserves and retained earnings	Result the most recently ended fiscal year	Percentage of share capital held	Gross value of shares held	Net value of shares held	Loans and advances granted by the Company	Guarantees given by the Company	Revenue, excl. tax, for the most recently ended fiscal year	Dividends received by the Company during the year
A- Detailed information on subsidiaries and equity investments										
- Subsidiaries (more than 50% of share capital held)										
Tarkett GDL	385,009	280,982	76,274	100	538,050	538,050	27,200	-	213,946	-
FieldTurf Tarkett	24,639	9,154	(6,181)	100	86,805	45,464	-	-	104,718	-
Tarkett Inc.	53,756	(38 099)	4,525	100	2	2	-	-	145,350	5,072
Tarkett Finance Inc.	520,238	(150,835)	231,695	100	404,502	404,502	287,048	-	-	-
Tarkett DOO	64,264	32,328	1,445	100	252,605	175,925	-	-	94,191	9,500
Tarkett Services	50	(10)	(1)	100	50	39	-	-	-	-
The Tarkett Inc subsidiaries Tarkett Finance Inc increased their capital over the 2019 financial year by €116.55 million and €10 million respectively.										
- Equity investments (10 to 50% of share capital held)										
AO Tarkett	13,037	113,272	18,459	50	134,030	72,384	35,000	-	221,094	-
B - Overall information concerning other subsidiaries and equity investments										
None										

5.5 Results during the last five financial years

Results of the Company over the last five years (and other characteristic elements)

Nature of information *(in euros)*	**Fiscal year ended 12.31.2024**	**Fiscal year ended 12.31.2023**	**Fiscal year ended 12.31.2022**	**Fiscal year ended 12.31.2021**	**Fiscal year ended 12.31.2020**
Capital at end of fiscal year :					
Share capital	327,751	327,751	327,751	327,751	327,751
Number of existing ordinary shares	65,550	65,550	65,550	65,550	65,550
Number of existing shares with preferred dividend rights (non voting)	-	-	-	-	-
Maximum number of future shares to be created	-	-	-	-	-
• by conversion of bonds	-	-	-	-	-
• by exercise of subscription rights	-	-	-	-	-
Operations and results of the fiscal year :	-	-	-	-	-
Revenue, excl. tax	63,428	63,203	53,972	57,235	49,395
Result before taxes, employee participation and allocation to depreciation and provisions	34,262	24,439	46,104	(7,684)	51,223
Income tax	(2,680)	(283)	259	1,424	(384)
Allocations to depreciation and provisions	(128,929)	(245)	3,424	(46,499)	(11,331)
Result after taxes, employeeparticipation and allocation to depreciation and provisions	(97,347)	23,911	49,788	(52,758)	39,508
Result distributed	-	-	-	-	-
Earning per share :	-	-	-	-	-
Result after taxes and employee participation but before allocation to depreciation and provisions	0.48	0.37	0.71	(0.10)	0.78
Result after taxes, employee participation and allocation to depreciation and provisions	(1.49)	0.36	0.76	(0.80)	0.60
Dividend allocated to each share, net	-	-	-	-	-
Workforce :	-	-	-	-	-
Average workforce employed during the year	102	110	115	134	136
Amount to payroll for the year	13,465	11,447	12,696	15,111	13,228
Amount paid in employee benefits for the year (social security service projects)	6,300	12,828	7,999	7,514	7,643

5.6 Subsidiaries and holdings

5.6.1 Main subsidiaries

The Group includes Tarkett and its subsidiaries (See Section 1.7 "Simplified group organisation chart").

Tarkett is the parent company of the Group and the head of the French tax group set up on 1 January 2009.

The main direct or indirect subsidiaries of the Company as of 31 December 2024 are described below. None of these subsidiaries is listed.

Tarkett GDL S.A. is a public limited company (société anonyme) under Luxembourg law with a capital of 274,123,080 Euro and its registered office at 2 Op der Sang L- 9779 Lentzweiler, Luxembourg. It is registered in the Luxembourg Trade and Companies Register under number B 92165. Tarkett holds all the capital and voting rights of Tarkett GDL S.A. The main activity of Tarkett GDL S.A. is the manufacture of resilient floor coverings mainly for the residential market. Tarkett GDL S.A. is the group head of the subsidiaries in the EMEA geographical segment. This company also hosts the Group's research and development activities.

Tarkett USA Inc. is a US corporation with a share capital of USD 10 and its registered office at 30000 Aurora Road, Solon Ohio 44139, USA. The company has taken over the business of Tandus Centiva Inc., the design, manufacture and sale of carpet and the sale of LVT manufactured by another subsidiary of the Group primarily in the United States.

AO Tarkett is a company incorporated under the laws of Russia with a capital of 376,000,000 Russian roubles and its registered office at 1 Promishlenaya zona City of Otradny Samara Oblast 446300, Russia. It is registered under number 1026303207226. The Company directly and indirectly holds all the capital and voting rights of AO Tarkett. AO Tarkett's main activity is the manufacture of vinyl flooring mainly for the CIS region and for residential customers.

AO Tarkett Rus is a company incorporated under Russian law with a capital of 10,000 Russian roubles and its registered office is located at Prospekt Andropova d. 18 korp. 7, 115432 Moscow, Russia. It is registered under number 1027739892730. Tarkett indirectly holds all the capital and voting rights of AO Tarkett Rus. The main activity of AO Tarkett Rus is the distribution of floor coverings, mainly vinyl, parquet and laminate flooring throughout Russia.

Tarkett AB is a limited liability company incorporated under Swedish law with a share capital of SEK 43,000,000 and registered office at 10 Blekingelän 372 81 Ronneby, Sweden. It is registered under number 556003-9967. The Company indirectly holds all the capital and voting rights in Tarkett AB. The main activity of Tarkett AB is the production of commercial resilient flooring and parquet. The company also distributes in Sweden the floor coverings produced by the other plants in the EMEA segment.

Tarkett France is a simplified joint stock company with a single shareholder under French law with a capital of 10,156,006 Euro, whose registered office is located at 1 Terrasse Bellini - Tour Initiale - 92919 Paris-La Défense, in France. It is registered in the Nanterre Trade and Companies Register under number 410 081 640. The Company indirectly holds all the capital and voting rights of Tarkett France. The main activity of Tarkett France is the production and marketing of vinyl floor coverings for commercial use and the marketing of floor coverings produced by the other plants of the EMEA segment in France.

FieldTurf Tarkett is a simplified joint stock company with a single shareholder under French law with a capital of 24,639,050 Euro, whose registered office is located at 1 Terrasse Bellini - Tour Initiale - 92919 Paris-La Défense, in France. It is registered in the Nanterre Trade and Companies Register under number 452 835 242. The Company directly holds all the capital and voting rights of FieldTurf Tarkett. FieldTurf Tarkett's principal activity is the manufacture, marketing and installation of sports flooring.

See Note 13 of Section 5.2 "Notes to the consolidated financial statements" for a list of the main consolidated entities. Details of the Group's 2024 consolidated net sales by geographic area are presented in Section 4.1.2 "Comparison of annual results for the years ended 31 December 2024 and 31 December 2023".

5.6.2 Recent acquisitions and disposals

Acquisition

The acquisitions made by the Group in 2024 are described in Section 4.1.1.5 "Acquisitions".

Operations to simplify the organisation chart

The operations to simplify the organisation chart carried out by the Group are described in Section 5.2 "Notes to the consolidated financial statements" - Note 2.4.1 "Transactions completed in 2024".

5.7 Dividend distribution policy

The table below shows the amount of dividends and the net dividend per share distributed by the Company over the last three years:

	Year of distribution			
	2024	2023	2022	2021
Total dividend *(in millions of Euro)*	-	-	-	-
Dividend per share *(in Euro)*	-	-	-	-

In accordance with the law and the Company's By-laws, the Shareholders' Meeting may decide, on the proposal of the Management Board and in the light of the Supervisory Board's report, to distribute a dividend.

The Company's dividend distribution policy takes into account, in particular, the Company's results, its financial situation, the implementation of its objectives and the dividend distribution policies of its main subsidiaries. The Company's objective is to distribute dividends representing approximately 40% of the Group's share of consolidated net income each year, subject to any major external growth operations. However, this objective does not constitute a commitment on the part of the Group. Future dividends will depend in particular on general business conditions and any factor deemed relevant by the Company's Management Board.

5.8 Statutory Auditors' fees

Section 5.2 "Notes to the consolidated financial statements" - Note 12.

5.9 Statutory Auditors' Report on the Consolidated Financial Statements

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users. This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

For the year ended 31 December 2024

To the general meeting of shareholders of Tarkett,

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of Tarkett for the year ended 31 December 2024.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2024 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit, Risks and Compliance Committee.

Basis of opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors for the period from 1st January 2024 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Justification of Assessments - Key Audit Matters

IIn accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Long term assets valuation

> Key audit matter

Goodwill, intangible assets and property, plant and equipment have net book values at 31 December 2024 of 629.7M€, 51.8M€ and 538.3M€, respectively, and represent a significant amount of the consolidated balance sheet. These assets are accounted in accordance with the principles described in notes "2.2 - Business Combinations", "5.1 – Goodwill" and "5.2 - Tangible and intangible assets" to the consolidated financial statements.

These assets may present a risk of impairment caused by internal or external factors, such as the deterioration of the Group's performance, changes in the competitive environment, unfavorable market conditions and changes in legislation or regulations, including those inherent to climate change considerations. These changes can have an impact on the Group's cash flow forecasts and consequently on the determination of the recoverable amounts of these assets.

Management performs impairment tests if there is an impairment trigger event and at least once a year for goodwill and other non-amortizable intangible assets or for other non-financial assets as described in note "5.3.1 - Non-Financial Assets" to the consolidated financial statements. Assets are tested at the level of the cash-generating units ("CGUs") defined by the Group. An impairment loss is recognised if the net booked value of an asset or cash-generating unit is higher than its recoverable value. The recoverable value is the higher amount between the fair value less the transfer costs and the value in use. Value in use is determined according to the discounted future cash flow projections method (excluding interest on borrowings and taxes) for each cash generating unit.

The assessment of the recoverable value of these assets is a key audit matter, given the significant potential of impairment and the high degree of estimation and judgment required by management for this assessment. The judgments include, in particular, assumptions regarding the future evolution of selling prices, volumes and costs of raw materials, renewal investments and changes in working capital requirements related to the operation of these assets, and the determination of infinite growth rates and discount rates applied to the appropriate future cash flows.

> Audit approach

We reviewed the impairment testing process implemented by Group management, in order to identify trigger events and conduct to impairment testing, on the base of cash-flow forecasts from the budget and business plan established by the Board of Management and presented to the Supervisory Board, and assessed the permanence of the method used.

We also assessed appropriateness and relevance of Group management's approach to determine the cash-generating units and units mergers for long-term assets' testing.

We adapted our audit approach when impairment triggers events occur on such cash-generating units. Concerning value in use, we verified the consistency of cash flow projections with comparison to the latest management assumptions presented as part of the budget process.

With the help of our valuation experts, we reviewed Group management's key assumptions related to the discount rates, comparing them with external market data and other comparable sectors' companies.

For a selection of CGUs, we assessed the reasonableness of future cash flow projections, including the infinity normative terminal cash flow amount, with respect to the economic and financial context in which these units operate, and past achievements, our knowledge of business activity supported by interviews with Group or division managers and, according to their availability, external data of other comparable sectors' companies.We analised the sensitivity of the impairment test to assess the materiality of the potential impacts on the recoverable value of the assets bearing the highest risk.

Finally, we verified that the notes "2.2 - Business combinations", "5.1 - Goodwill", "5.2 - Intangible and tangible fixed assets" and "5.3.1 - Non-financial assets" to the consolidated financial statements provide an appropriate information.

Litigations and provisions

> Key audit matter

The Group is exposed to a variety of legal and tax risks, as well as cases of litigation, including asbestos claims in the United States.

As indicated in note "6.1 – Provisions" to the consolidated financial statements, these risks and litigations are covered by provisions established in accordance with the applicable accounting standard (IAS 37 " Provisions, Contingent Liabilities and Contingent Assets") and amount to 83,4M€ at 31 December 2024 including essentially asbestos litigations.

Significant contingent liabilities for these risks and litigations, the amount and timing of which can not be reliably estimated, are described in note "6.2 - Contingent liabilities" to the consolidated financial statements.

The identification of risks and litigations, the valuation of provisions for such risks and litigations constitute a key audit matter given the amounts involved and the high degree estimate and judgment required from management.

> Audit approach

In order to obtain an understanding of litigations, contingent liabilities and related valuations, we reviewed the process of identification, qualification and valuation implemented by Group management for such provisions through various interviews with Group's legal and finance departments, divisions and main subsidiaries.

We conducted a critical review of the internal analysis notes for the likelihood and potential impact of each risk, examining the available procedural elements (letters, claims, judgments, notifications, etc.).

We obtained direct confirmations from the main lawyers involved to confirm our understanding of risks and litigations and assessed the relevance of the amount of provisions accrued.

Based on historical data used by the Group to estimate its provisions for asbestos claims:

- We assessed the permanence of methods used, the relevance and reliability of underlying data and calculations applied;
- We compared amounts paid to previously recognised provisions to assess the quality of the management estimates.

We exercised our professional judgment to assess, in particular, wether the positions held by Management are in the acceptable range ok risk assessment and the validity of the evolution over time of such positions.

Finally, we verified that the notes "6.1 - Provisions" and "6.2 – Contingent liabilities" to the consolidated financial statements provide an appropriate information.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the management report of the Board of Directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Report on Other Legal and Regulatory Requirements

Format of presentation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared unde the responsibility of the Board of Directors, complies with the single electronic format defined in the European Delegated Regulation N° 2019/815 of 17 Decembre 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Tarkett by the combined annual general meeting held on 30 April 2020 for KPMG and Forvis Mazars.

As at 31 December 2024, KPMG and Forvis Mazars were in the 11th year of uninterrupted engagement since securities of the Company were admitted to trading on a regulated market.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit, Risks and Compliance Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit, Risks and Compliance Committee

We submit to the Audit, Risks and Compliance Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit, Risks and Compliance Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this audit report.

We also provide the Audit, Risks and Compliance Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (code de commerce) and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit, Risks and Compliance Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris La Défense, 27 February 2025
The statutory auditors

French original signed by

KPMG SA

Philippe Grandclerc
Partner

Romain Mercier
Partner

Forvis Mazars

Anne-Laure Rousselou
Partner

5.10 Statutory Auditors' report on the Company's financial statements

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users. This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France. France.

For the year ended 31 December 2024

To the general meeting of shareholders of Tarkett

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of Tarkett for the year ended 31 December 2024.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at 31 December 2024 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit, Risks and Compliance Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (Code de Commerce) and the French Code of Ethics (code de déontologie) for statutory auditors for the period from 1 January 2024 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (Code de Commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Equity securities valuation

Key audit matter

Equity securities as at 31 December 2024 amount to 1,293,2M€ and represent one of the most significant items of the balance sheet. They are recognised at the purchase price excluding costs and depreciated when the value in use is less than the net book value.

As indicated in note "1.3 - Financial fixed assets and marketable securities" to the financial statements, the value in use is assessed by taking into account items such as share in equity these securities represent, changes in the profitability of the subsidiary and other approaches, in particular the multiples or experts methods.

We considered the equity securities valuation to be a key audit matter, given the amounts involved and assumptions on which the estimates are based.

Audit approach

Our work consisted mainly in verifying Management's data and assumptions to determine the equity or value in use of the equity securities:

- For valuations based on historical items, verify that the equity value is consistent with the statutory accounts of the entities,
- For valuations based on multiples method :
  - Corroborate the consistency of the aggregates used with the entities' accounts,
  - Assess Management's assumptions, in particular concerning the multiple used,
- Test the arithmetical accuracy of the value in use calculations,
- Assess the permanence of the methods used.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to the Shareholders of Tarkett.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D.441-6 of the French Commercial Code (Code de Commerce).

Report on corporate governance

We attest that the Supervisory Board's report on corporate governance sets out the information required by Articles L.225-37-4, L22-10-10 and L.22-10-9 of the French Commercial Code (Code de Commerce).

Concerning the information given in accordance with the requirements of Article L.22-10-9 of the French Commercial Code (Code de Commerce) relating to remunerations and benefits received by or awarded to the directors and any other commitments made in their favour, we have verified the consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlled companies included in the scope of consolidation. Based on these procedures, we attest the accuracy and fair presentation of this information.

Other information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Report on Other Legal and Regulatory Requirements

Format of presentation of the financial statements intended to be included in the Annual Financial Report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (Code Monétaire et Financier), prepared under the responsibility of the Board of Directors, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Tarkett by the combined annual general meeting held on 30 April 2020 for KPMG and Forvis Mazars.

As at 31 December 2024, KPMG and Forvis Mazars were in the 11th year of uninterrupted engagement since securities of the Company were admitted to trading on a regulated market.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit, Risks and Compliance Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (Code de Commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control ;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control ;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements ;
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein ;
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit, Risks and Compliance Committee

The Audit, Risks and Compliance Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit, Risks and Compliance Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit, Risks and Compliance Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822- 14 of the French Commercial Code (Code de Commerce) and in the French Code of Ethics (Code de Déontologie) for statutory auditors. Where appropriate, we discuss with the Audit, Risks and Compliance Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris La Défense, 27 February 2025
Statutory Auditors

KPMG SA

Philippe Grandclerc
Partner

Forvis Mazars

Romain Mercier
Partner

Anne-Laure Rousselou
Partner

6

RISK FACTORS AND INTERNAL CONTROL

6.1 Risk factors

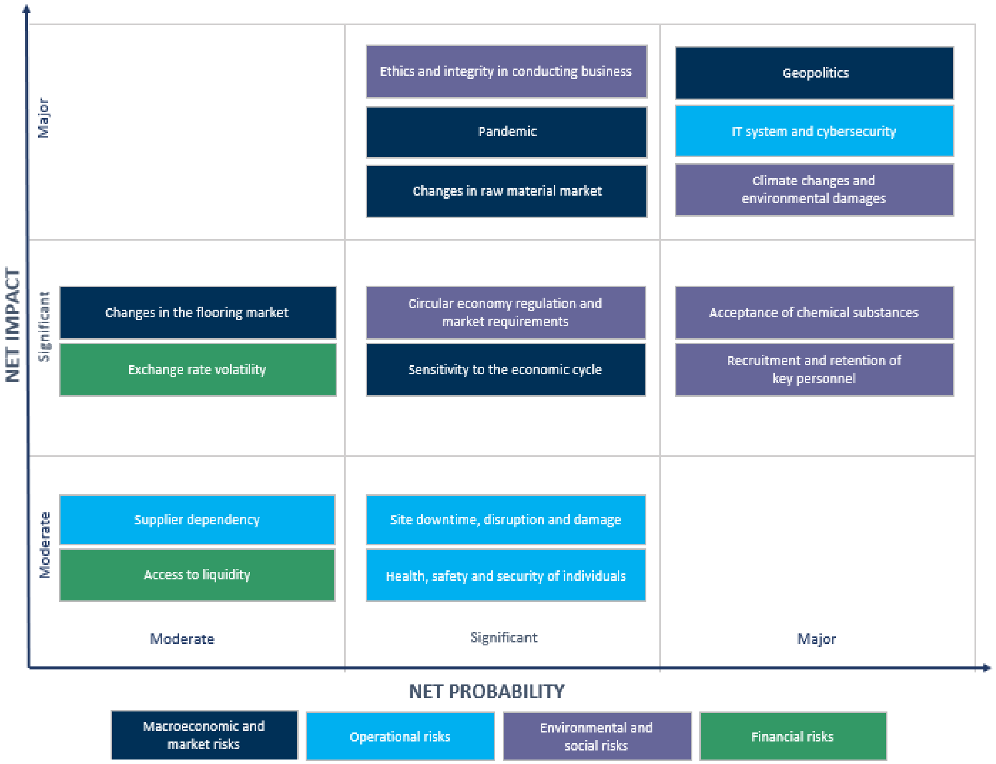
In accordance with the provisions set out in Article 16 of the Prospectus Regulation (EU) 2017 /1129 and the European Securities and Markets Authority (ESMA) report of March 2019 titled "Guidelines on Risk Factors under the Prospectus Regulation", in this chapter the Company has identified and described the most important risk factors in a limited number of categories reflecting their nature, for each risk factor considering the likelihood of occurrence, and the expected magnitude of the net negative impact of the action of the risk management policies.

These are the main risks the Company has identified and considers to be the most significant, since if they were to happen despite risk management and mitigation, they could have a significant adverse effect on the Group, its business and financial situation, its profits and prospects, its reputation and ultimately affect the value of shares.

However, other risks may exist or arise which could have a similar adverse impact but which are not known to the Company as at the date of this Universal Registration Document, or which are currently considered to be unlikely to have a significant adverse impact on the Group, should they occur.

In order to understand the overall impact of the 16 main risk factors the Group identified, Tarkett produces a risk matrix that summarises the level of criticality of each risk by graphically representing its probability of occurrence and its level of impact. The impact level takes into account risk management and mitigation measures.

Risk factor matrix:



	Moderate	Significant	Major
Major		Ethics and integrity in conducting business Pandemic Changes in raw material market	Geopolitics IT system and cybersecurity Climate changes and environmental damages
Significant	Changes in the flooring market Exchange rate volatility	Circular economy regulation and market requirements Sensitivity to the economic cycle	Acceptance of chemical substances Recruitment and retention of key personnel
Moderate	Supplier dependency Access to liquidity	Site downtime, disruption and damage Health, safety and security of individuals	

Tarkett's risk factors

Risk categories	Risk factors	More details in Section:
Macroeconomic and market risks	Development of the flooring market	1.5, 3.1.9 & 6.1.1
	Sensitivity to the economic cycle	1.1, 1.3, 1.4, 1.5, 1.6 & 6.1.1
	Changes in the raw material market	6.1.1
	Geopolitics	6.1.1
	Pandemic	6.1.1
Operational risks	Information systems and cyber security	6.1.2
	Unavailability, disruption and damage to sites	6.1.2
	Health, safety and security of people	3.3.1.4 & 6.1.2
	Reliance on suppliers	1.6, 3.2.1.2 & 6.1.2
Environmental and societal risks	Business ethics and integrity	3.4.1, 3.4.3 & 6.1.3
	Climate change and environmental damage	3.2.1, 3.2.3.2 & 6.1.3
	Circular economy regulation and market requirements	3.2.3.2 & 6.1.3
	Acceptance of chemical substances	3.2.3.2 & 6.1.3
	Retention and recruitment of key employees	6.1.3
Financial risks	Exchange rate volatility	Note 7.6 Consolidated accounts & 6.1.4
	Access to liquidity	Note 7.6 Consolidated accounts & 6.1.4

Over the following pages, each risk factor is described, illustrating the specific risks to which Tarkett is exposed and explaining the potential net negative impact of the key measures that can be taken to mitigate the risk. Reference is also made to specific chapters or sections of this Document where risks and mitigation measures are discussed in more detail

6.1.1 Macroeconomic and market risks

Development of the flooring market

DESCRIPTION OF RISK FACTOR	POTENTIAL IMPACT AFTER RISK MITIGATION
The flooring industry has always been characterised by its high-pressure and competitive nature, requiring actors to be particularly ambitious. In this challenging environment, the Group takes on a dozen major international competitors, numerous local manufacturers and independent distributors. The emergence of a stronger competitor in certain regions or an increase in a competitor's production capacity within a particular product sector would pose significant risks. Significant delays in innovation, with regard to both its products and its industrial process, would also represent a significant risk for Tarkett. The same applies to a competitor or new entrant who introduced a highly innovative technology to the market. Significant and fast-moving changes in distribution channels also present a significant risk for Tarkett, as does the route to market with an increasing share of DIY compared to wholesalers and retailers. In addition, the development of digital distribution channels may represent a significant risk.	> The appearance of new suppliers, new products or new technologies developed by competitors could affect the Group's market position and have a negative effect on financial results and prospects. > Increased production capacity due to the growth and development of competitors could lead to lower prices, lower margins and lower profits. > A rapid shift in the industry to other markets where Tarkett does not have a sufficient presence could result in missed sales and a loss of market share.

EXAMPLES OF RISK MANAGEMENT AND MITIGATION

- Constant and regular dialogue with market actors (architects, property developers, public sector consultants, retailers, DIY stores - see also Section 3.1.9 “Interests and perspectives of stakeholders").
- Research and development programme to maintain competitive advantage.
- A marketing organisation focused on anticipating new customer requirements, innovation and market trends, major technological developments or changes in commercial channels.
- Increased investment in new products, development of the distribution network, including B-to-B digital sales platforms, and in the Group's marketing and sales activities.
- If necessary, external growth operations to strengthen market share or develop in new sectors.

Sensitivity to the economic cycle

DESCRIPTION OF RISK FACTOR	POTENTIAL IMPACT AFTER RISK MITIGATION
The flooring industry is heavily dependent on the commercial and residential renovation market (approximately 80% of business) and, to a lesser extent, on the new-build market (approximately 20% of business). Generally, these markets may be affected by changes in macro-economic indicators, as is currently evident in certain geographic zones. The renovation sector tends to be influenced by changes in consumer confidence and disposable income, retail and office occupancy rates, interest rates and credit availability. In addition, a significant share of the Group's business consists of sales to the public sector, particularly to educational and healthcare institutions and sports facilities. The level of public spending, which in recent years has been subject to budgeting pressures, significantly affects the Group's activities in these sectors.	> Global and regional economic cycles can have a negative impact on the demand for flooring and sports surfaces and therefore on the Group's business, financial results and prospects. > Given the context of major budget restrictions, some expenditure may not be considered to be a priority. For example, the construction and renovation of sports facilities has been impacted by reduced government budgets in Europe over recent years. In addition, public institutions may decide to postpone certain renovation projects in order to focus on other budgetary priorities. A reduction in government spending could have a negative effect on the demand for the Group's products and therefore have a significant negative effect on its business, financial situation, financial results and prospects.

EXAMPLES OF RISK MANAGEMENT AND MITIGATION

- The Group closely monitors the performance of its operational divisions and units, namely through quarterly business reviews in which activities, action plans, results to date and forecasts are all reviewed. This allows the quick reinforcement of action plans in geographical areas that may be challenged by the macro-economic environment.
- To reduce these risks, the Group's policy is to diversify (for more information, see Sections 1.1, 1.3, 1.4, 1.5 and 1.6) and thus strike a balance between the different markets that it operates in. As a result, the Group is active in
  - several geographical areas;
  - several product categories;
  - multiple markets: The commercial and residential markets; and primarily the renovation sector, which is less affected by economic cycles than the new-build sector.

Changes in the raw material market

DESCRIPTION OF RISK FACTOR	POTENTIAL IMPACT AFTER RISK MITIGATION
Raw materials account for around 50% of the cost of sales, and around half of these costs are indirectly linked to oil prices and are affected by the volatility of these prices, in particular polyvinyl chloride (PVC) and plasticisers. The Group is exposed to price fluctuations for these raw materials essential to its business, such as various polymers and wood. Furthermore, in order to respond to regulations relating to the circular economy and market demand, the Group is increasing its use of innovative raw materials which could be more exposed to risks of supply shortages.	> Future increases in raw material prices could have a significant negative effect on the Group's results if it is unable to fully pass on these additional costs quickly and completely through increases in sales prices, particularly due to the extent of the increase in material costs, competitive pressure or market conditions.

EXAMPLES OF RISK MANAGEMENT AND MITIGATION

In order to manage these risks, the Group implements various actions, namely including:

- Regarding the purchasing policy:
  - the development of privileged and long term relationships with its supplier base;
  - the search for production processes that allows it to be more flexible and reduce dependence on certain types of raw material suppliers;
  - the increasing use of secondary - recycled - raw materials (for more details see Section 3.6 "Meeting customer and societal expectations and requirements through eco-design, transparency and circular solutions");
  - the search for new suppliers or alternative raw material solutions that are less sensitive to the price of oil.
- In the area of sales price management:
  - proactive management of sales prices;
  - passing on the raw material cost increases through product prices within a reasonable timeframe.

Geopolitics

DESCRIPTION OF RISK FACTOR	POTENTIAL IMPACT AFTER RISK MITIGATION
Tarkett is exposed to geopolitical risks due to its international production and sales activities. Tarkett has manufacturing operations in emerging markets such as China, Brazil and Russia, as well as throughout Europe and North America. The Group's commercial and financial results may be directly or indirectly affected by any negative changes in the economic, political or regulatory environment of the countries in which it produces or sells its products. Therefore, the direct and indirect consequences of social unrest, civil conflict, terrorist activity, political instability or instability of the economic and regulatory framework in the countries where the Group operates could have a significant negative effect on the level of investment in renovation and new construction in these countries and, consequently, on the Group's business, financial situation, financial results and prospects. With regard to the Group's activity and presence in Russia and Ukraine, the following key points should be noted: The Group is present in Russia with a commercial network and two plants, which are still operational as at the date of publication of this Document. The Group employs approximately 1,500 people in Russia. Sales in this country represent approximately 8% of the Group's total sales, and the net value of assets in Russia represents approximately 5% of the Group's total assets. Russian production is only distributed domestically or in neighbouring countries. In Ukraine, the Group is present with a commercial network based in Kiev and a plant located in the west of the country, in the city of Kalush. The Group employs approximately 300 people in Ukraine. Across this territory, the Group's business generated 23 million euros in 2024 and net assets in Ukraine represent less than 1% of the Group's total assets. It is specified that the Group complies with the various international sanction programmes applicable to it.	> These geopolitical risks could result, for example, in human casualties, loss of assets, delays in the delivery of the Group's products or in the supply of certain raw materials, a significant decline in sales, or an increase in security costs, insurance premiums or other costs necessary to ensure continuity of operations. > The war in Ukraine, which started in February 2022, has led to significant consequences for the Group, particularly with the implementation of various international sanction programmes and supply difficulties for some raw materials for the two plants in Russia, as well as difficulties encountered in paying dividends or, as applicable, the settlement of intra-group flows. > Given the evolving nature of the situation, it is not possible to predict and assess the full impact of this war.

EXAMPLES OF RISK MANAGEMENT AND MITIGATION

- Firstly, Tarkett's sales and EBITDA are better balanced across regions and markets than before, reducing Tarkett's exposure to geopolitical instability. This is mainly due to Tarkett's acquisitions in North America and Europe.
- Secondly, the Group tries to anticipate and prepare for the emergence of geopolitical risks, particular through:
  - a monthly review of actual and forecast sales, raw material prices and industrial costs in each region to monitor risks and adapt or implement a contingency plan if necessary;
  - an analysis of crisis scenarios and the preparation of appropriate plans;
  - accelerated local sourcing of key raw materials to avoid possible import restrictions or bans.
- Finally, with regard to the risks related to international sanctions, the Group has implemented a compliance programme to ensure that sanction regulations are identified and duly respected by all Group entities.

Pandemic

DESCRIPTION OF RISK FACTOR	POTENTIAL IMPACT AFTER RISK MITIGATION
The COVID-19 pandemic in 2020 reminded both public and private organisations that the risk of a global pandemic was still a very real threat in the 21st century and that the risk was difficult to anticipate. The impacts of a pandemic can be numerous and can be understood mainly as follows: > Risk for human capital: The health situation highlighted the risk of contamination of the Group's employees, particularly in the absence of dedicated sanitary facilities on Tarkett; > Risk of reduced revenues: Lockdowns or similar measures in many countries may result in a decline in Tarkett's revenues in affected territories; > Risk of downturn in profitability: The slowdown of business can lead to a significant drop in profitability, especially if the cost structure is not adapted quickly enough; > Risk of liquidity: The above two risks, together with the risk of non-payment by customers in financial difficulty, may lead to a decrease in Tarkett's level of indebtedness and the attainment of contractual limits on access to liquidity ("financial covenants"); > Risk of supply disruption: The shutdown of certain economies may represent a significant risk of supply disruption for certain raw materials or product lines distributed by Tarkett.	> On Tarkett sites, inadequate or non-compliant sanitation facilities could lead to local contamination, resulting in employee absence and/or death, and potentially the temporary closure of a site. Damage to our reputation related to unsatisfactory management of working conditions is also to be taken into account. > Long-term lockdowns can impact local economies and lead to reduced revenue for Tarkett. > Insufficient cost reduction plans deployed to mitigate the decline in activity could lead to a significant decrease in the Group's profitability. > A sustained and long-lasting decline in the level of sales leads to a decrease in cash flow and may worsen the Group's situation, especially if the measures to reduce costs and decrease the level of investments are insufficient.

EXAMPLES OF RISK MANAGEMENT AND MITIGATION

- During the COVID-19 crisis, the Group introduced reinforced sanitary measures on its sites (availability of masks and hydroalcoholic gels, reduced physical presence on tertiary sites with the introduction of remote working, reinforced sanitary protocol on production sites, etc.).
- The Group benefited from its global presence and exposure to different market sectors. This presence and exposure partially compensated for the more significant decline in certain regions or sectors due to a more stable or growing situation in other countries or markets.
- In addition, the Group can vary a certain number of expenses rapidly in order to adapt to a significant downturn in its activity and thus limit the drop in profitability.
- Finally, the Group has confirmed credit lines of a satisfactory level with its financial partners.

6.1.2 Operational risks

Information systems and cyber security

DESCRIPTION OF RISK FACTOR	POTENTIAL IMPACT AFTER RISK MITIGATION
The Group uses complex information systems for various activities, directly and indirectly through service providers, including production management, sales, logistics, accounting and reporting, which are essential for the conduct of its commercial and industrial activities. The protection of data, whether of a highly sensitive nature (e.g. strategic information, financial data) or personal, is also a priority for the Group. As a result, increasing cyber security threats (ransomware, malware, phishing, supply chain attacks, disinformation, etc.) especially when directed at companies, pose a significant risk to Tarkett's business activities.	> An undetected cyber attack, disrupting IT resources and/or resulting in a data breach, could significantly disrupt the Group's processes and operations, which could lead to reductions in production capacity and consequently a decline in business and profitability. There would also be costs for repair and systems recovery. > Data breaches could also lead to legal action under the various regulations applicable in this area. > The Group's reputation and confidence of its partners could also be affected.

EXAMPLES OF RISK MANAGEMENT AND MITIGATION

- Recognising that a failure of one of the systems could have a significant negative effect on its business, financial situation, results or future prospects, the Group continues to strengthen the security of its information systems in five main areas:
  - awareness and training of its employees on cyber security risks;
  - restrictions and access controls to the Group's IT resources;
  - regular updates of IT systems;
  - deployment of threat detection and recovery solutions;
  - the implementation of disaster recovery processes.
- Considering the growing cyber security risk, since 2017 the Group has taken out a specific insurance policy covering cyber security and digital data protection (see Section 6.5);
- Additionally, following the cyber attack against the Group at the end of April 2020, a programme to reinforce all measures aimed at protecting the Group's information systems was deployed.

Unavailability, disruptions, damage to sites

DESCRIPTION OF RISK FACTOR	POTENTIAL IMPACT AFTER RISK MITIGATION
The Group's production facilities are exposed to the risks of industrial accident, fire, explosion or machine failure. The fire risk mainly comes from the flammability of some of the raw materials used (e.g. polymers and wood). Some sites are also susceptible to major disruptions caused by natural disasters such as floods, heavy rainfall, submersions, earthquakes.	> The occurrence of a major industrial accident or natural disaster at one of our production sites could result in injury, loss of life, significant damage to property or the environment, business interruptions and operational losses. If applicable, if the Group were to be held liable for damages caused, it could be subject to legal proceedings and convictions. > These risks are mostly covered by insurance policies. In the event of a major disaster, these insurances may not be sufficient.

EXAMPLES OF RISK MANAGEMENT AND MITIGATION

- In terms of fire risk prevention and management, the Group has a process entitled "Fire Risk Assessment Plan":
  - each plant carries out an assessment of its protection against the significant fire risks identified within the Group and according to a methodology that combines the skills of the Group's internal technicians and those of its insurer FM Global, recognised for its expertise in engineering and fire prevention;
  - following this assessment, a corrective action plan is implemented to mitigate the criticality of the risks;
  - the assessments are regularly updated by each plant;
  - residual risks are assessed by the Group's insurer during annual site audits.
- The Group has also prepared contingency plans to deal with the temporary unavailability of some of its production sites that could be flooded.
- Finally, as the Group's production sites are not (or only minimally for some of them) interdependent with each other, this represents a "natural" mitigation of the impacts of this risk.

Health, safety and security of people

DESCRIPTION OF RISK FACTOR	POTENTIAL IMPACT AFTER RISK MITIGATION
With 35 production plants, the Group is exposed to the risk of incidents involving the safety of workers on a daily basis. Over the years, the Group has worked constantly to improve procedures to limit the frequency and severity of accidents. Substantial progress has been made over the course of the last ten years to significantly reduce the number of accidents. However, 26 reported accidents resulting in sick leave did occur in 2024, versus 32 in 2023 and 148 in 2010.	> In addition to the potentially tragic human impact in the event of injury or death, an accident at one of our sites could also entail the payment of damages and interest, fines or other civil, administrative or criminal penalties, with temporary interruption of production, possible withdrawal of permits and licenses necessary to continue operations. These accidents could have an adverse impact on the business and its financial results, and may eventually lead to a loss of employee trust. The reputation of the Group, or of a particular production site, can also be damaged if there are a large number of accidents.

EXAMPLES OF RISK MANAGEMENT AND MITIGATION

- The Group regards safety as its absolute priority, constantly working to ensure that all employees, contractors and visitors are committed to safe working practices and procedures compliant with Group standards on all sites on a daily basis. The Group has renewed this commitment in 2024, including annual Safety Days to raise awareness of safety culture and practices.
- In particular, safety is one of the key pillars of the WCM (World Class Manufacturing) continuous improvement programme. As part of this programme, production sites are provided with methods, tools and training to improve safety in the production environment. The sites are regularly audited and supported with the implementation of action plans.
- For further details, see Section 3.3.1.4 “Initiatives and resources regarding company employees”.

Reliance on suppliers

DESCRIPTION OF RISK FACTOR	POTENTIAL IMPACT AFTER RISK MITIGATION
The Group relies on a limited number of suppliers for certain key raw materials, such as PVC. This is especially the case for the production of resilient flooring, which the Group mainly uses for oil-based raw materials, such as PVC and plasticisers, which account for almost 50% of raw material purchases and whose suppliers are large chemical companies, in limited numbers. They are produced by companies such as BASF, Vinnolit, Vestolit or Total Energies. Continued consolidation in the sector could compound the situation. In addition, many equipment manufacturers specialise in machinery or spare parts for the production of flooring and may be difficult to replace. The Group purchases some of the LVT tiles it sells in North America and Europe from Chinese suppliers. These transactions may be subject to the application of additional customs duties, as is the case in North America in 2018 and 2019, and they may also be affected by the crisis triggered by the COVID-19 pandemic in 2020. Since 2023, the Group has diversified its LVT tile suppliers.	> An adverse change in the Group's relationship with any of its strategic suppliers, a failure to meet contractual commitments, the insolvency of a supplier or any increased concentration of suppliers could have a significant negative effect on the Group's business, financial situation, financial results and prospects. > Further consolidation in the chemicals sector could reduce Tarkett's negotiating capacity and result in higher raw material prices. > The dependence on PVC and plasticiser suppliers can potentially lead to a risk of shortages in the supply of raw materials if a supplier defaults (due to insolvency, force majeure, etc.)and significantly affect production conditions. > Regarding machinery and equipment necessary to the Group's business, if one of the Group's suppliers breaches or terminates a supply agreement, the Group may not be able to quickly find a replacement supplier with satisfactory terms, which could have a negative effect on operations.

EXAMPLES OF RISK MANAGEMENT AND MITIGATION

- In recent years, the Group has significantly improved its flexibility with its suppliers and has developed alternative sources to reduce dependence on large players. In some countries in particular (Russia, China, Brazil), the Group has identified new local suppliers of raw materials.
- The Group is gradually increasing the use of secondary raw materials (recycled materials) to replace virgin raw materials, which also means diversifying supply sources and reducing dependence on its suppliers. For several years now, the Group has made the transition to a circular economy a key element of its strategy and thus contributes to the mitigation of this risk.
- Since 2023, the Group has developed relationships with new LVT tile suppliers in other Asian countries in order to reduce its dependence on Chinese suppliers.
- For more details, see 3.2.1.2 “Policies associated with climate change”.

6.1.3 Environmental and societal risks

The most important environmental, social and governance (ESG) risks, also known as non-financial risks, are described below. Policies, programmes and initiatives designed to manage and mitigate these risks are described in more detail in Chapter 3 "Social and Environmental Responsibility" of this Universal Registration Document.

Business ethics and integrity

DESCRIPTION OF RISK FACTOR	POTENTIAL IMPACT AFTER RISK MITIGATION
Inappropriate or illegal behaviour by Group employees, managers of Group companies and/or external third parties on behalf of or for the Group presents a legal and reputational risk. The Group is well aware of corruption risks considering its geographical coverage (with operations in countries where, according to Transparency International's ranking, the risk of corruption is higher, such as Brazil, Mexico, Russia, Kazakhstan, Ukraine, Serbia, Lebanon and China). These risks are particularly significant as the Group's flooring and sports surfaces business involves numerous transactions with various parties (architects, agents, construction contractors and installation companies) and it also contracts directly with the public sector (e.g. artificial grass surfaces for local sports facilities, flooring for public buildings such as schools and hospitals). Considering its global presence (sales in over 100 countries, purchasing and production in 19 countries), Tarkett is exposed to various risks related to competition obligations, such as non-compliance with antitrust and competition laws.	> Any suspected or confirmed cases of bribery and/or influence peddling, conduct that does not comply with applicable laws and regulations or, more generally, any act of impropriety by the Group's employees and/or business partners would expose the Group to prosecution and sanctions that could damage the Group's reputation, financial results and business prospects, and could result in a loss of investor and customer confidence, as well as employees. > Any failure to comply with competition laws and regulations or any other applicable competition rules and practices may result in investigations and potential lawsuits, which could have a significant negative effect on the Group's business, financial results, financial position and outlook. > The Group may also be subject to various legal and administrative proceedings described in Section 4.5 "Legal and administrative proceedings" which could have a significant negative effect on the Group's financial position.

EXAMPLES OF RISK MANAGEMENT AND MITIGATION

In order to control the risks of non-compliance, the Group has established appropriate prevention programmes, including:

- Competition law compliance — for further details, see Section 3.4.1 "Policies for Ensuring business ethics and integrity";
- Preventing and combatting bribery and influence peddling — for further details, see Section 3.4.3 "Prevention and detection of corruption and bribery".

Climate change and environmental damage

DESCRIPTION OF RISK FACTOR	POTENTIAL IMPACT AFTER RISK MITIGATION
The Group is exposed to physical and transitory risks (regulatory, legal, market, etc.) related to climate change: > Firstly, climate change is leading to an increase in the frequency of severe weather events. These events may present a risk of property damage or business interruption to Tarkett's production sites with all associated costs and potential loss of revenue. > Secondly, increased awareness of the climate crisis, driven by civil society movements, is increasing pressure on governments and businesses to address climate change. The Group's lack of preparation, resilience and initiative in dealing with the effects of climate change, particularly in relation to competitors, may result in a reduction in market share. > Thirdly, other consequences of climate change efforts include an increased risk of carbon taxes, not only for scope 1 and 2 emissions (at Tarkett sites) but also for scope 3 emissions (from the supply chain and/or use and post-use). > Finally, flooring and sports surfaces are currently produced from mainly fossil fuel-based raw materials (plastics). The growing global response to the climate crisis is leading to greater market pressure to divest from fossil fuels, with the risk that companies primarily involved in the extraction and use of fossil fuels will become less attractive to investors depending on their degree of fossil fuel use.	> Extreme weather events, such as floods, water shortages and storms, resulting in damage to industrial infrastructure and potential disruption of manufacturing production at Tarkett's sites or at the sites of major suppliers, resulting in lost sales and penalties for non-compliance with commercial agreements. > Declining sales due to insufficient action to fight climate change. > Increased costs (e.g.: e.g. raw materials, fossil fuels, etc.) due to carbon taxes with the risk of reducing margins and/or sales. > Decreased investor interest in the Group due to the use of fossil fuel-based raw materials and the subsequent impact on the share price.

EXAMPLES OF RISK MANAGEMENT AND MITIGATION

- The Group has mapped and assessed the risk of severe weather events for its production sites.
- The ImpacT2027 plan presented in 2022 confirms the strategy of moving towards a circular economy and reducing greenhouse gas emissions. The move to a circular economy model will result in a greater use of recycled materials, which will reduce Tarkett's dependence on fossil fuel-based raw materials. For further details, see Section 3.2.1 "Climate change".
- For several years, the Group has been making an effort to conserve natural resources by prioritising materials that are recyclable and in abundant supply (e.g. calcium carbonate), or renewable (e.g. cork, pine, spruce, oak, ash, walnut, maple, beech and birch) or recycled (including waste from other industries). This ensures the materials we use in our products do not contribute to the increasing scarcity of resources. As a result, the proportion of fossil-fuel based raw materials is reduced. For further details, see Section 3.2.3.2 "Initiatives and resources relating to the resource use and the circular economy".

Circular economy regulation and market requirements

DESCRIPTION OF RISK FACTOR	POTENTIAL IMPACT AFTER RISK MITIGATION
In most countries where the Group operates, there is increasing political and regulatory pressure to move to a circular economy (e.g. the number one priority of the new EU Commission's Green Deal for Europe, which builds on the previous EU Commission's circular economy package) with increasing requirements (e.g. Extended Producer Responsibility) and expectations for recycling and use of recycled materials. Additionally, it is now widely recognised that the transition to a circular economy is part of the solution to combat climate change and preserve natural resources. In this context, inaction or insufficient action to develop and adopt circular solutions is both a risk and an opportunity (i.e. a risk of missed opportunity) regarding market access (e.g. eco-taxes, customer requirements for end-of-life waste management and recycled content) and material supply (increased costs for virgin raw materials). Additionally, civil society is expressing increased expectations of companies in terms of resource use and recycling. Tarkett operates in the construction sector, which inherently generates waste and whose management is structurally problematic. In this sector, circular economy principles, including recycling, are still poorly implemented. Therefore the Group is exposed to stricter regulations in the sector, particularly in Europe (30% of the business) and particularly in the Nordic countries.	> Potential loss of customers and associated sales due to insufficient supply of services and recycling solutions. > The increased cost of virgin raw materials compared to recycled secondary raw materials. > Introduction or increase of eco-taxes for collection and post-use recovery.

EXAMPLES OF RISK MANAGEMENT AND MITIGATION

- The Group has made the circular economy a key element of its strategy for several years now. The Group believes in the importance of moving towards a circular economy through the increased use of recycled materials and by developing solutions and capacities for the recovery and recycling of floor coverings post-installation and post-use. These elements are very clearly reflected in the ImpacT2027 strategic plan, which was first presented in 2022.
- For further details, see Section 3.2.3.2 "Initiatives and resources relating to the resource use and the circular economy".

Acceptance of chemical substances

DESCRIPTION OF RISK FACTOR	POTENTIAL IMPACT AFTER RISK MITIGATION
Many countries have tightened the requirements on the use of resources and chemicals, both in manufacturing processes and in product classification. Regulations may ban specific resources or chemicals, when no suitable alternatives have been found before the ban. Changing health and environmental regulations and standards relating to the chemical composition and properties of flooring products (e.g. phthalate-free plasticisers, alternatives to PVC, emission levels of volatile organic compounds ("VOC")) and sports surfaces (e.g. alternatives to rubber bead filling) may result in a significant decrease in market size and/or profitability. To close this topic, possible changes in customer and/or consultant behaviours may significantly contribute to the increase of this risk.	> Some of the Group's products contain chemicals that produce emissions for at least part of the product life cycle. Although these emissions are below the thresholds applicable under current regulations, the Group could be held liable if these emissions are shown to have harmful effects on human health at levels below those currently considered safe. Moreover, the Group is not exempt from the rejection of one of its products or product ranges by consumers and/or consultants, based on proven facts or otherwise. This could have a significant negative effect on the Group's financial situation, outlook and reputation. > The Group has been sued by third parties in the United States alleging past exposure to asbestos contained in certain products manufactured at some of its sites up to 1982. In the event that ongoing or future litigation leads to the Group having to pay amounts in excess of those covered by the provisions recorded on the balance sheet, its insurance policies and the indemnity commitments made by third parties, these proceedings could have a significant negative impact on the Group's financial position and results (see Section 4.5 "Legal and administrative proceedings" for more details).

EXAMPLES OF RISK MANAGEMENT AND MITIGATION

- The Group's policy is to integrate health and safety issues into its products as a priority, while adapting to the geographical regions where the Group produces and sells its products. The Group relies on teams of scientists and experts to ensure product compliance and to anticipate regulatory changes.
- Since 2011, the Group has been a pioneer in the development of flooring with low and very low VOC emissions in almost all product ranges. The Group offers products with total VOC emissions 10 to 100 times lower than the most demanding global standards. For further details, see Section 3.2.3.2 "Initiatives and resources relating to the resource use and the circular economy".
- Phthalates are primarily used in the plastics industry to give plastics varying degrees of flexibility. The Group has been proactively looking into alternatives, working in collaboration with its suppliers. The Group has invested significantly in research and development and has been able to change formulas and processes to manufacture vinyl flooring with phthalate-free plasticiser technology. For further details, see Section 3.2.3.2 "Initiatives and resources relating to the resource use and the circular economy".

Retention and recruitment of key staff

DESCRIPTION OF RISK FACTOR	POTENTIAL IMPACT AFTER RISK MITIGATION
Against a backdrop of labour markets that are under increasing pressure in the vast majority of countries where Tarkett operates, the ability to attract and recruit key employees for the Group's development could represent a risk to the conduct of operations and the achievement of results.The same applies to the difficulty of retaining key employees, especially as the commitment factors and expectations of employees seem to be significantly changing and diversifying. The solution for these risks will depend on the Group's ability to promote an authentic brand as an employer in a labour market that is not well known to the general public, and also on its ability to implement good practices for identifying and recruiting candidates who offer a good fit for the Group's current and future requirements. The Group must also increase the commitment of its employees, through appropriate management, well-being in the workplace, adaptation of their skills, as well as development and career opportunities that reflect both their expectations and the Group's current and future requirements.	> Difficulty in recruiting and retaining key personnel could limit the ability to offer, sell and deliver the innovative and high-quality products and solutions that our customers expect. This could lead to penalties for delays, loss of customers and damage to reputation. > In general, strategic initiatives and key projects for the development and strengthening of the Group's performance may be delayed. > The difficulty in retaining employees would also have an impact on the brand image and the customer relationship developed over time. > There would also be an impact on other employees who would then have to endure the disruption and excessive workload generated by vacant positions. The working atmosphere and the motivation of the teams would deteriorate.

EXAMPLES OF RISK MANAGEMENT AND MITIGATION

- Improvement of the recruitment process (employer brand, visibility on digital platforms, training, school/university partnerships);
- Strengthening talent reviews and succession planning;
- Prioritising internal mobility;
- Measures to retain and develop the necessary expertise, talent and skills;
- Monitoring and retention of key personnel;
- Implementation of individual development plans and training programmes;
- Regular employee feedback surveys and action plans at different levels of the organisation;
- Compensation policy combining external competitiveness & internal equity (salary studies, grading);
- Initiatives to enhance diversity and, in particular, gender balance in management and throughout the organisation;
- Implementation of the Workday solution in 2021 to accelerate digitalisation (information on internal opportunities and profiles) and driving talent management (dashboard, access to information).

6.1.4 Financial risks

Exchange rate volatility

DESCRIPTION OF RISK FACTOR	POTENTIAL IMPACT AFTER RISK MITIGATION
As a result of its international production and sales activities, the Group is exposed to the risk of currency fluctuations. With 53% of sales in 2024 in North America and 8% in Russia, the Group is mainly exposed to fluctuations in the US dollar (USD) and Russian rouble (RUB) exchange rates. The Group is also exposed to fluctuations in the pound sterling (GBP), the Swedish krona (SEK), Australian dollar (AUD) and the Brazilian real (BRL). In some markets, significant expenses may be incurred in a currency other than the local currency used for sales because of imported raw materials or finished goods. Additionally, the preparation of the Group's consolidated financial statements, in euro, requires the conversion of foreign assets, liabilities, income and profits into euro at the current exchange rate. As a result, fluctuations in the exchange rate of the euro against foreign currencies may affect these items in the consolidated financial statements.	> In the past, the effect of foreign currencies on the Group's consolidated financial statements has resulted in significant changes to the Group's results, the value of its balance sheet assets and liabilities and its cash flows from period to period, and could potentially happen again in the future. > Additionally, the Group may incur expenses that are not in the same currency as the corresponding sales, exchange rate fluctuations could result in an increase in the Group's expenses as a percentage of sales, thereby affecting profitability and cash flows. For example, although the Group produces almost all of the products that it sells locally, it imports some of the raw materials used in the production process from China. For these costs, the Group is exposed to currency risks when suppliers submit invoices in a foreign currency.

EXAMPLES OF RISK MANAGEMENT AND MITIGATION

- Where possible, the Group aims to limit exposure by balancing local costs with local revenues, including through local sourcing:
  - This is the case in Russia, where Tarkett has developed partnerships with local suppliers to help mitigate the exchange rate risks of the Russian rouble (RUB);
  - This approach is also effective in Sweden, where Tarkett's local costs, with two production plants, are balanced with local sales in Swedish krona (SEK);
  - This approach helps reduce risks in North America, where local costs in US dollars (USD) are close to local sales in the same currency.
- In countries where costs are less well balanced, such as the United Kingdom, Tarkett uses derivative financial instruments to cover part of its currency risk exposure (for more details see Section 5.2 - Note 7.6).
- In Russia, apart from local supply, Tarkett focuses on adjusting sales prices to cover most of the impact of the volatility of the Russian rouble (RUB) exchange rate. In this region, the Group's current policy is not to use financial hedging instruments, but instead integrating ruble and euro exchange rate fluctuations into the price of products sold. The success of this strategy depends on the Group's ability to maintain its pricing policy, which it may not be able to do consistently in the future. This could have a significant negative effect on the Group's financial results, financial situation and outlook.

Access to liquidity

DESCRIPTION OF RISK FACTOR	POTENTIAL IMPACT AFTER RISK MITIGATION
Liquidity risk refers to the inability to cover financing requirements with available financial resources at any given time. This risk could materialise if: > An unforeseen financing need occurs that exceeds the limits of the available credit lines; > Market conditions prevent the Group from raising funds when needed.	> The early repayment of a significant amount of the existing credit lines is required following a default or non-fulfilment of contractual financial commitments ("covenants"). > Questioning of investment projects and/or the Group's development strategy

EXAMPLES OF RISK MANAGEMENT AND MITIGATION
The Group mainly manages this risk as follows: > Centralised management of subsidiary finance and surplus funds by the Group's Financing and Treasury Department; > Diversification of funding sources and their maturities; > Market monitoring, prospective simulation of financing needs and financial ratios according to various scenarios; > Managed over-collateralisation of credit lines; > Measured use of debt leverage; > Limiting and optimising contractual provisions that can result in early repayment; > Management of liquidity according to the seasonality of the activity and market conditions. More information on credit lines is available in Section 5.2 - note 7.

6.2 Organisation and governance of risk management

The company's risk management and internal control systems, under the responsibility of the Executive Management Committee and led by the Group's Audit and Internal Control Department, use various methods, procedures and actions to:

- identify, analyse and manage risks which could have a significant impact on the company's assets, results, operations or the achievement of objectives, whether they are operational, commercial, legal or financial in nature, or related to compliance with laws and regulations;
- ensure effective operations and efficient use of resources;
- ensure the reliability of financial information;
- ensure the established controls within the various compliance programmes are effective.

The Group is committed to complying with all laws and regulations of the countries where it is established and operates. This commitment is made by all Group employees, whose required behaviour is defined by a Code of Ethics and by various compliance procedures established by the Group, whose application is monitored by the Group's Legal Department, local legal departments and the Group's Audit and Internal Control Department.

1st line of control

Operational and functional teams manage the risks relevant to their scopes, activities and geographies in line with Group directives and mitigation plans

2nd line of control

Internal Control and Audit Department organizes risk management (mapping and mitigation) in consultation and collaboration with Divisions and with relevant functional teams (Legal, Finance, IT, Marketing, R&D and Operations, HR, CSR) and defines and implements the internal control program

3rd line of control

An annual audit plan, approved by the Audit, Risk and Compliance Committee, is carried out by internal auditors

Risk management and internal control is everyone's responsibility, from employees to governance bodies. This system is led by the Executive Management Committee, which has overall responsibility for organising and monitoring risk management, including identifying and assessing risks, implementing measures to reduce their occurrence and mitigate their impact, and audit and internal control. Each member of the Executive Management Committee is responsible for the ongoing implementation of monitoring, controls and risk mitigation in their area of responsibility. It delegates the organisation and daily supervision of risk management procedures to the Audit and Internal Control Department, which is part of the Group Financial Department.

The Audit and Internal Control Department manages the internal control and risk management system. It organises and carries out the annual update of the Group's risk mapping and assessment. It also maintains and ensures compliance with the measures contained within our standard internal control framework, which is called "TRACE" (Tarkett Risks, Audit and Controls Evaluation) and is based on "COSO" (Committee of Sponsoring Organisations of the Treadway Commission) principles. The Audit and Internal Control Department, assisted by a network of internal auditors in certain Divisions, conducts audits to verify compliance, assesses risks and recommends improvements to internal control systems.

The Audit and Internal Control Department reports to the Audit, Risks and Compliance Committee of the Supervisory Board, which is responsible for monitoring the preparation and control of accounting, financial and non-financial information, as well as ensuring the effectiveness of risk monitoring and internal control procedures to facilitate the review and verification by the Supervisory Board.

6.3 Risk mapping and evaluation

Since 2010, the Group has created a risk map which is updated annually. The risk identification process is mainly based on a three-step method:

- the Audit and Internal Control Department, sometimes in conjunction with external experts, questions members of the Executive Management Committee and key employees in strategic positions at Group and divisional level to identify risks in their sectors;
- the qualification and quantification of risks according to the following elements: Precise definition, identification of origins, evaluation of impacts (financial, operational, strategic, legal or reputational) and the level of control by the Group;
- the review and validation of risk mapping by the Executive Management Committee and its presentation to the Audit, Risks and Compliance Committee and the Supervisory Board.

For each risk identified:

- its occurrence over a recent period has been recorded;
- the existence of mitigation measures has been identified and their effectiveness measured;
- its level of inherent and residual impact has been assessed.

The risk map and its updates are presented to the Audit, Risks and Compliance Committee and the Supervisory Board. This risk map has also been complemented by an assessment of the likelihood of each risk occurring over the next five years to better qualify the significance of the risks in accordance with the European Prospectus Regulation (EU 2017/1129) and the European Financial Markets Authority guidelines published in 2019.

Continuous risk monitoring

Risk management is a continuous process, updated through monitoring procedures relating to competition, technology and compliance, as well as insight and feedback from functional departments (such as legal, finance, insurance, World Class Manufacturing and HR). Monthly business reviews, continuous market monitoring, internal control, audits and potential alerts enable the Group's operating entities and the Audit and Internal Control Department to quickly share information with Group Management and facilitate the identification of new risk factors or changes in risk levels of existing risk factors. Appropriate actions are then taken to adapt and manage these risks.

6.4 Internal control and internal audit

6.4.1 Internal control

The control activities are defined in the TRACE framework. For each of the main processes, this framework presents the major risks, objectives and a description of the associated controls, applicable to the entire Group. This system constitutes a common base within the Group, applied by the local departments, which are responsible for supplementing it with additional local control activities to deal with their specific risks.

Self-assessments

The Group's subsidiaries carry out an annual internal control self-assessment process to assess their compliance with the TRACE framework. This self-assessment is validated by the management of the concerned subsidiaries, demonstrating their responsibility for the implementation of internal control and the effectiveness of their self-assessment. This self-assessment is carried out in a dedicated computer application (e-TRACE 2.0, developed by Devoteam). All Group subsidiaries are subject to the same system. The Group's Audit and Internal Control Department analyses and distributes the results to the various stakeholders. The results are initially reviewed at each division by the Presidents, Financial Directors and Internal Controllers of these divisions. They are then presented and analysed by the Chairman of the Management Board and the Chief Financial Officer. These results are then presented to the Audit, Risks and Compliance Committee. Action plans resulting from these reviews are implemented under the supervision of the local or functional departments concerned.

Internal control tests

The self-assessment method described above is complemented by testing key controls in the TRACE framework by the Divisions' internal controllers.

Internal control performance indicators

The Group's Audit and Internal Control Department has implemented a series of internal control performance indicators which are regularly monitored, specifically the compliance rate on 86 key controls of the framework, the risks of poor separation of tasks in information systems and the progress of action plans. They are generated on a monthly or quarterly basis, depending on the indicators in question.

6.4.2 Internal audit

The internal audit is conducted by a central team which carries out regular assignments on the basis of an audit plan which consists of recurrent assignments with a strong financial focus, performed in the subsidiaries, as well as "transversal" assignments, focusing on operational processes or a particular risk at divisional level. The annual audit plan is reviewed and approved by the Audit, Risks and Compliance Committee.

Each mission is carried out on the basis of a work programme prepared from the documentation describing the internal control systems defined in the TRACE framework. Each assignment systematically results in a report, describing the findings and provides an action plan containing all recommendations to be implemented by the audited entity. Audit reports are submitted to the Audit, Risks and Compliance Committee, as well as to Group Management, the Division covered by the audit, and the audited subsidiary. These reports are also sent to the Group's Statutory Auditors. An action plan follow-up process ensures that any weak points are corrected. This process is based on:

- half-yearly reporting on the progress of action plans and the annual audit plan;
- where appropriate, the completion of follow-up assignments by the Group's Audit and Internal Control Department on issues critical to the Group.

Additionally, 15 assignments were carried out in 2024 at selected entities to test the self assessment using the Group's internal control questionnaire (based on the TRACE manual).

6.5 Insurance

The Group's insurance policy is coordinated by the Group Legal Department, which identifies the main insurable risks and quantifies the potential consequences in order to:

- reduce certain risks by recommending preventive measures in collaboration with other Group departments;
- transfer risks to insurance, for risks with an exceptional nature with a high magnitude and low frequency.

Each subsidiary of the Group is responsible for providing the Group Legal Department with the information necessary to identify and quantify the insured or insurable risks relevant to the Group and for implementing the necessary means to ensure business continuity in the event of damage. Based on this, the Group Legal Department negotiates with the major insurance and reinsurance companies to establish the most appropriate cover for these risks.

Local entities also take out local insurance policies to cover risks that are appropriate for local insurance, such as car insurance.

Setting up insurance policies based on the determination of the level of cover necessary to meet the reasonably estimated occurrence of liability, damage or other risks. This assessment takes into account the assessments made by the insurers as underwriters of the risks. Uninsured risks are for when there is no offer of cover in the insurance market or where the cost of offering insurance is disproportionate to the potential benefit of insurance or where the Group considers the risk does not require insurance cover.

The Group's insurance plans take the form of master policies, supplemented by local policies in countries where master policies alone are not permitted, if necessary. The master insurance policies have been established to apply to the Group's operations on a global basis, in addition to the local policies ("difference in conditions/difference in limits (DIC/DIL)"), if the relevant cover ultimately proves to be insufficient or non-existent to cover the loss locally. Local policies are also taken out to cover the specificities or local legislative requirements of the country or countries concerned. The Group has also set up a captive insurance company which makes it possible for the Group to self-insure some of the risks associated with its business. The implementation of this mechanism also allows for more competitive coverage obtained from the insurance market share, demonstrating the Group's dedication to managing its risks. It also reduces the share of risk transferred to the insurance market, in turn reducing its cost.

The insurance policies taken out by the Group contain exclusions, coverage limits and excesses that could expose it to significant adverse consequences in the event of a claim or legal action being filed against the Group.

Furthermore, it cannot be excluded that in certain cases, the Group may be obliged to pay significant indemnities not covered by the insurance policies or to incur very significant expenses not reimbursed or insufficiently reimbursed by its insurance policies.

The Group's main policies, taken out with internationally recognised insurance companies, are as follows:

- general third-party liability which includes operational liability and product liability or "post-delivery" liability: The global coverage limit is 60 million euros; professional liability is also included in this programme as additional coverage under the contract and is subject to a specific limit. The general civil liability guarantee covers all kinds of damage caused to third parties, such as bodily injury, material and immaterial damage;
- damage to property and operational loss: The combined local limit for damage to property and operational loss is 420 million euros; all sites are covered provided that the on-site values exceed the specific excesses of the contract;
- responsibility of company directors and corporate officers;
- civil responsibility for environmental damage;
- transport;
- product liability coverage for aviation risks;
- cyber security and digital data protection; and
- construction risks (all worksite risks and structural damage).

7

INFORMATION ABOUT THE COMPANY, ITS SHAREHOLDERS AND CAPITAL

7.1 Information about the Company

7.1.1 Company name, registration, legal status and company website

Tarkett is a public limited company with a Management Board and Supervisory Board that is subject to French law and entered in the Nanterre Trade and Companies Register under number 352 849 327.

Tarkett's Legal Entity Identifier (LEI) is: 9695002EVBYM5B2OIP31.

Registered office: 1 Terrasse Bellini - Tour Initiale - 92919 Paris-La Défense, France.

Phone: + 33 (0)1 41 20 40 40.

Website: https://www.tarkett-group.com (the information presented on the website is not included in this Document).

7.1.2 Date of incorporation and duration

The Company was registered on 29 December 1989 for a duration of 99 years from its registration with the Trade and Companies Register, or until 29 December 2088, unless dissolved earlier or extended.

7.2 Share capital information

7.2.1 Share capital and changes over the last three financial years

As at 31 December 2024, the share capital amounted to three hundred and twenty seven million, seven hundred and fifty one thousand, four hundred and five euros (327,751,405 euros), divided into sixty five million, five hundred and fifty thousand, two hundred and eighty one (65,550,281) shares with a nominal value of five (5) euros, of the same category and fully paid up.

As at 31 December 2024, the Company had not issued any non-equity securities or securities conferring entitlement to the share capital, with the exception of the free allocation of shares referred to in Section 2.3.4 "Long Term Incentive Plans" (LTIP).

The table below presents the evolution of the Company's share capital over the last three financial years:

	Transaction date	**Transaction type**	**Number of shares comprising the share capital following the transaction**	**Amount of share capital following the transaction** (euros)
2022 financial year	None	None	65,550,281	327,751,405
2023 financial year	None	None	65,550,281	327,751,405
2024 financial year	None	None	65,550,281	327,751,405

7.2.2 Treasury shares held by controlled companies, treasury shares held by the Company itself and purchase by the Company of its own shares

As at 31 December 2024, the Company held 18,559 treasury shares (representing 0.03% of share capital).

7.2.3 Share buyback programme

7.2.3.1 Information on transactions carried out under the share buyback programme during the 2024 financial year

Summary of the share buyback programme authorised by the General Shareholders' Meeting on 26 April 2024

The General Shareholders' Meeting of 26 April 2024, in its 18th resolution, authorised the Management Board, for a period of 18 months expiring on 25 October 2025, to purchase the Company's own shares, or have them repurchased, up to a maximum of 10% of the total number of shares making up the share capital, at a maximum price of 20 euros and up to a maximum overall limit of 30 million euros.

This authorisation enables the Company to purchase its own shares for the following purposes:

- the allocation of free shares pursuant to Articles L. 22-10-59 et seq. of the French Commercial Code;
- the distribution of shares on the occasion of the exercise of rights attached to securities giving entitlement by redemption, conversion, exchange, presentation of a share warrant or in any other way to the allocation of ordinary shares of the Company;
- the allocation of free shares to employees and/or corporate officers of the Company or an affiliate of the Company (in particular the Company's direct and indirect subsidiaries) under any plan that is not subject to Articles L. 22-10-59 et seq. of the French Commercial Code, and in particular under plans entitled "Long Term Incentive Plan" (LTIP);
- the cancellation of the shares bought back and not allocated;
- trading in the secondary market or maintaining the liquidity of Tarkett's shares through an investment services provider in the framework of a liquidity agreement that complies with the ethics charter recognised by the French Financial Markets Authority (AMF).

This authorisation was terminated, for the unused portion and the unexpired period, and replaced the authorisation previously granted by the General Shareholders' Meeting of 21 April 2023, in its 19th resolution.

Purchase of treasury shares during the 2024 financial year

Since 31 December 2023, the Company has not purchased any shares.

7.2.3.2 Liquidity agreement

The Company terminated the liquidity agreement entered into on 23 September 2019 with Exane BNP Paribas with effect from 16 July 2021.

7.2.4 Financial authorisations

The following table shows the financial authorisations granted by the Shareholders' Meeting in force at the date of this Document.

Table of financial authorisations applicable in 2024

Nature of the authorisations	General Shareholders' Meeting *(date and resolution)*	Expiry and duration of the authorisation	Maximum nominal amount authorised	Use in 2024
Authorisation to be given to the Management Board to trade in shares of the Company	26 April 2024 (18th resolution)	25 October 2025 (18 months)	10% of existing shares(1)	See Section 7.2.3.1.
Authorisation to be given to the Management Board to allocate free shares to employees and/or certain corporate officers of the Company	26 April 2024 (19th resolution)	The General Meeting called to adjudicate on the 2025 financial statements for the 2024 financial year	1% of existing shares	See Section 2.3.4
Delegation of authority to the Management Board to increase the share capital by capitalisation of premiums, reserves or other	21 April 2023 (18th resolution)	20 June 2025 (26 months)	50 million euros	None
Delegation of authority to the Management Board to reduce the share capital by cancellation of treasury shares	21 April 2023 (19th resolution)	20 June 2025 (26 months)	10% of existing shares	None

(1) *The overall amount allocated may not exceed 30 million euros*

It is specified that there are no other financial authorisations enabling an increase to be made to the share capital or, more generally, shareholding to be diluted.

7.2.5 Share capital of companies within the Group that is under option or is to be put under option under an agreement

Tarkett GDL, Tarkett's Luxembourg subsidiary, holds 51% of the capital of Dutch company Tarkett M-Wall Holding BV and namely has a stock option enabling it to obtain the sale of the remaining 49% from December 2025 until December 2027.

Fieldturf Tarkett Holdings Inc., an American company within Tarkett Group, holds 99% of the share capital of American company Classic Turf LLC. In compliance with the agreement signed in July 2024, Fieldturf Tarkett Holdings Inc. has an option to buy, allowing it to buy shares that it doesn't hold.

Fieldturf Tarkett Holdings Inc., an American company within Tarkett Group, holds 49% of the share capital of American company Dybaco Base Construction LLC. In compliance with the agreement signed in February 2022, members have an option to sell, allowing them to sell their shares from the fifth year following the date indicated on the agreement. Fieldturf Tarkett Holdings Inc. has an option to buy, allowing it to buy shares that it doesn't hold, from the fifth year following the date indicated on the agreement.

7.2.6 Pledges, guarantees and securities

During the financial year ended 31 December 2021, as security for the credit agreement to which the Company acceded on 19 July 2021:

- all present and future shares of Tarkett SA held by Tarkett Participation ;
- all present and future shares of the following subsidiaries, directly or indirectly held by Tarkett SA: Tarkett GDL SA, Tarkett AB, Tarkett BV, Tarkett Holding GmbH, Tarkett Finance Inc., Tarkett USA Inc., FieldTurf Tarkett USA Holdings Inc., FieldTurf USA Inc., AO Tarkett and AO Tarkett RUS;
- certain bank accounts held by Tarkett Participation;
- certain financial receivables entered into between two of the above-named companies.

Over the financial year ended on 31 December 2024 and as part of the implementation of an additional tranche under the aforementioned credit agreement and as security for this new instalment, the same securities as those granted for the Euro B Instalment have been granted by Tarkett Participation, the Company and its subsidiaries and, in particular:

- second-tier security pledging covering shares of the Company held by Tarkett Participation ;
- second-tier security pledging or confirmations of existing security pledging covering shares of the subsidiaries indicated above, held either directly or indirectly by the Company; and
- second-tier security pledging for certain bank accounts held by Tarkett Participation ;
- second-tier security pledging or confirmations of existing security pledging covering certain financial receivables entered into between two of the above-named companies.

Information on this credit agreement is included in Section 4.3.4 "Terms of principal credit lines" of this Document.

7.3 Shareholder information

7.3.1 Distribution and changes to the share capital and voting rights in the last three years

The tables below set out the Company's shareholding as at 31 December 2024 and changes thereto over the past three financial years:

As at 31 December 2024	Number of shares	% of capital	Number of theoretical voting rights	% of theoretical voting rights	% of exercised voting rights
Tarkett Participation(1)	59,238,796	90.37%	117,237,748	94.70%	94.71%
Treasury shares	18,559	0.03%	18,559	0.01%	-
Public	6,292,926	9.60%	6,542,914	5.29%	5.29%
Total	**65,550,281**	**100%**	**123,799,221**	**100%**	**100%**

(1) *Tarkett Participation, Société Investissement Deconinck (SID), Expansion 17 S.C.A. and Global Performance 17 S.C.A. (these two funds belong to the Wendel group), Mr Fabrice Barthélemy, Chairman of the Management Board and Chairman of Tarkett Participation, along with the members of the Company's Supervisory Board associated with the Deconinck family directly holding shares in the Company, act jointly with regard to the Company since the simplified public tender offer initiated in 2021.*
For further information on the control of Tarkett Participation, please refer to Section 7.3.2 of this document.
To the Company's knowledge, as of 31 December 2024, there were no other shareholders holding, directly, individually or jointly, more than 5% of the Company's share capital or voting rights.

As of 31 December 2023	Number of shares	% of capital	Number of theoretical voting rights(2)	% of theoretical voting rights	% of exercised voting rights
Tarkett Participation(1)	59,207,028	90.32%	117,037,627	94.66%	94.67%
Treasury shares	18,559	0.03%	18,559	0.02%	-
Public	6,324,694	9.65%	6,588,729	5.32%	5.33%
Total	**65,550,281**	**100%**	**123,644,915**	**100%**	**100%**

(1) *Tarket Participation, Société Investissement Deconinck (SID), Expansion 17 S.C.A. and Global Performance 17 S.C.A. (these two funds belong to the Wendel group) and the members of the Company's Supervisory Board associated with the Deconinck family act jointly with regard to the Company since the simplified public tender offer initiated in 2021.*

(2) *The significant increase in the number of voting rights at the end of 2023 results from the acquisition of double voting rights by Tarkett Participation during the financial year.*
For further information on the control of Tarkett Participation, please refer to Section 7.3.2 of this document.
To the Company's knowledge, as of 31 December 2023, there were no other shareholders holding, directly, individually or jointly, more than 5% of the Company's share capital or voting rights.

As of 31 December 2022	Number of shares	% of capital	Number of theoretical voting rights	% of theoretical voting rights	% of exercised voting rights
Tarkett Participation(1)	59,132,160	90.21%	59,132,160	89.85%	90.00%
Tweedy, Browne Company LLC(2)	3,742,832	5.71%	3,742,832	5.69%	5.70%
Treasury shares and treasury stock	109,310	0.17%	109,310	0.17%	-
Public	2,565,979	3.91%	2,826,938	4.30%	4.30%
Total	**65,550,281**	**100%**	**65,811,240**	**100%**	**100%**

(1) *Tarket Participation, Société Investissement Deconinck (SID), Expansion 17 S.C.A. and Global Performance 17 S.C.A. (these two funds belong to the Wendel group) and the members of the Supervisory Board of the Company related to the Deconinck family, acting* de concert vis-à-vis *the Company since the simplified tender offer in 2021, together hold 59,263,246 shares and 59,277,470 voting rights in the Company, representing 90.41% of the share capital and 90.07% of the theoretical voting rights. This ownership included 109,310 shares held by the Company itself, including 25,099 shares held directly by the Company and 84,211 shares held indirectly, through its subsidiary Tarkett GDL SA, as well as the shares of corporate officers and employees of the Tarkett Group having agreed liquidity agreements for Tarkett shares with Tarkett Participation.*

(2) *In accordance with the information provided by Tweedy Browne Company LLC to the Company on 4 August 2022 (for further information, please refer to Section 7.3.5 of the 2022 Universal Registration Document).*

7.3.2 Control of the Company

Since the simplified public tender offer for the Company's shares filed with the French Financial Markets Authority (AMF) on 26 April 2021, Tarkett Participation has been acting in concert within the meaning of Article L. 233-10 of the French Commercial Code with Société Investissement Deconinck (SID), Global Performance 17 S.C.A. FIAR and Expansion 17 S.C.A. FIAR (these two funds belong to the Wendel group) and the members of the Deconinck family who directly hold shares in the Company.

As at 31 December 2024, the concert thus formed held 59,257,355 shares and 117,237,748 voting rights in the Company, i.e. 90.40% of the share capital and 94.71% of the theoretical voting rights.

This holding takes into account the 4,000 shares held by members of the Deconinck family as well as, by assimilation, the 18,559 treasury shares held by the Company and the 27,768 shares held by Fabrice Barthélemy, who is also Chairman of Tarkett Participation.

Tarkett Participation's control over the Company remained stable compared to the previous year and has not been amended since submission to the AMF on 24 February 2025 of the public offer of withdrawal followed by a mandatory de-listing (OPR-RO). The main terms of the proposed offer are set out in the draft information note relating to the OPR-RO, submitted to the AMF on 24 February 2025, and available on the Company's website (www.tarkett-group.com).

7.3.3 Employee share ownership

Certain managers and employees of the Group hold shares of the Company acquired under the profit-sharing incentive schemes put in place by the Company and the incentive schemes involving the free allocation of shares since 2011. In the context of the simplified tender offer initiated by Tarkett Participation in 2021 :

- Tarkett employees who had shares in the Company available during the simplified tender offer were able to tender their shares to the offer;
- it was proposed to all employees and corporate officers benefiting from the *Long Term Incentive Plans* (LTIP), whose free shares were in the process of being acquired (2019-2022 and 2020-2023 LTIP) or whose shares were not available (2017-2020 LTIP), to enter into liquidity agreements with Tarkett Participation. These agreements, concluded with Tarkett Participation, allowed them to make their shares issued in the 2019-2022 and 2020-2023 LTIP liquid upon acquisition if the Company was no longer listed on the stock exchange at that time or if the average trading volume of Tarkett shares in the last 20 days prior to the acquisition was equal to or less than 0.05% of Tarkett's share capital.

As at the date of this Document, no liquidity agreement is currently applicable. It is specified that, as part of the proposed public offer of withdrawal followed by mandatory de-listing (OPR-RO) submitted to the French Financial Markets Authority (AMF) on 24 February 2025, Tarkett Participation has offered holders of unavailable free shares the option to conclude purchase commitments and sell their unavailable free shares in order to allow them to access cash liquidity for the shares that could not be included in the public offer of withdrawal or transferred as part of the mandatory de-listing (the "Liquidity Mechanism").

For more information on the proposed OPR-RO and the Liquidity Mechanism, please refer to the offer documentation available on the Company's website (www.tarkett-group.com).

A summary of the free share plans and grants made under these plans as well as further information on the liquidity mechanism, can be found in Section 2.3.4 "Long Term Incentive Plans (LTIP)".

7.3.4 Shareholder voting rights

Article 8 of the Company's By-laws states that a double voting right attaches to all fully paid shares held continuously in registered form by the same holder for a minimum period of two years.

In compliance with Article L. 22-10-46 of the French Commercial Code, in the event of an increase in the Company's share capital through incorporation of reserves, profits or share premiums, the newly issued free shares will carry double voting rights if they are granted to a shareholder in relation to existing shares that already carry double voting rights.

Double voting rights may be exercised at any General Shareholders' Meeting of the Company. These terminate if the shares are converted into bearer form or if their ownership is transferred and any merger or spin-off of the Company shall not affect double voting rights, which may be exercised within the surviving company, if permitted under the Articles of Association of that company.

7.3.5 Thresholds exceeded

In compliance with Article L. 233-7 of the French Commercial Code and Article 7 of the Company's Articles and Association, as of the date of this Document and to the best of the Company's knowledge, no declaration of crossing legal or statutory thresholds has been made during the financial year ended 31 December 2024.

7.3.6 Shareholders' agreement

In the context of the simplified tender offer described in Section 7.3.2 of this document, the Société Investissement Deconinck (SID) and Wendel Luxembourg S.A. (formerly Trief Corporation SA) entered into a shareholders' agreement on 23 April 2021, amended on 30 July 2021 and 21 January 2025, which governs the relationship between the SID, on the one hand, and Wendel Luxembourg S.A., on the other hand, with regard to Tarkett Participation and the subsidiaries that it controls (including the Company) for a term of 15 years.

This agreement provides for changes in the Company's governance following the simplified tender offer, in order to reflect the Company's new shareholding structure, with SID retaining a majority stake. In the absence of a mandatory withdrawal, it provides that the Company will retain a dual governance structure with a Management Board and a Supervisory Board, it being specified that (i) a majority of the members of the Supervisory Board will be appointed on the proposal of the SID, (ii) if Wendel Luxembourg S.A. holds more than 10% of the voting rights of Tarkett Participation, one member of the Supervisory Board is appointed on the proposal of Wendel Luxembourg S.A.. This agreement also stipulates that the members of the Supervisory Board appointed on the proposal of the SID and Wendel Luxembourg S.A. undertake to vote in accordance with the decision, if any, taken at the level of the Supervisory Board of Tarkett Participation.

Moreover, following the resignation of Françoise Leroy from her roles as member of the Supervisory Board, the shareholding parties have been convened to retain an independence rate on the Company's Supervisory Board that is slightly lower than that recommended by the Afep-Medef Code.

Following the announcement of the proposed public offer of withdrawal followed by mandatory de-listing (OPR-RO), it is specified that the other key terms of the shareholder agreement remain unchanged in relation to the stipulations set out in the information note relating to the previous offer.

The main terms of the agreement, relating to the Company and Tarkett Participation, are recalled in the draft information note relating to the OPR-RO submitted to the AMF on 24 February 2025 and available on the Company's website (www.tarkett-group.com).

7.4 Company By-laws and Internal Regulations of the Supervisory Board

The latest version of the By-laws was adopted by the General Shareholders' Meeting of 30 April 2020 in order to take into account the new legal and regulatory provisions applicable to a public limited company with a Management Board and Supervisory Board under French law.

The Supervisory Board also has a set of Internal Regulations to set out its operating procedures. It is reviewed annually by the Supervisory Board.

All of these documents are available on the Company's website (www.tarkett-group.com) and their main provisions are summarised below.

Corporate purpose (Article 3 of the By-laws)

The Company's objectives, in France and in any other country, are:

- to study, create, develop, operate, direct and manage all businesses or commercial, industrial, real estate or financial companies relating to activities in the flooring industry;
- to participate directly or indirectly in all transactions or undertakings through the creation of companies, establishments or groups of a real estate, commercial, industrial or financial nature or to participate in their creation or in the capital increase of existing companies;
- to manage a portfolio of equity investments and securities and the transactions related thereto;
- to own and manage all buildings;
- and generally, to carry out all industrial, commercial, financial, securities or real estate transactions whatsoever that may be directly or indirectly related to the objects set out above.

Rights and obligations attached to shares (Articles 6 to 9 of the By-laws)

The Company's share capital is composed exclusively of ordinary shares.

The Company's ordinary shares are freely negotiable. The transfer of ordinary shares is carried out by transfer from account to account. Shares may be in registered or bearer form, at the option of the shareholder, under the terms and conditions laid down in the applicable regulations.

Whenever it is necessary to hold a specific number of shares to exercise any right, or in the event of an exchange or grant of securities giving the right to new shares in return for the return of a specific number of existing shares, any odd-lot shares or shares that fall short of the minimum number required will not provide shareholders with rights *vis-à-vis* the Company. It is the responsibility of shareholders to group their shares or to purchase or sell the necessary number of shares.

It is stated that a double voting right for all fully paid shares held continuously in registered form by the same holder for a minimum period of at least two years. For the calculation of this holding period, no account is taken of the holding period of the Company's shares prior to 22 November 2013.

In accordance with Article L. 225-123 paragraph 2 of the French Commercial Code, in the event of an increase in the Company's share capital through incorporation of reserves, profits or share premiums, the newly issued free shares will carry double voting rights if they are granted to a shareholder in relation to existing shares that already carry double voting rights.

Double voting rights may be exercised at any Shareholders' Meeting. Double voting rights terminate if the shares are converted into bearer form or if their ownership is transferred.

Each share gives ownership of the Company's assets and of the liquidation surplus in proportion to the share of the capital that it represents.

Shares are indivisible *vis-à-vis* the Company.

Management Board - Powers and duties (Articles 13 and 16 of the By-laws and Article 3 of the Internal Regulations)

Subject to Supervisory Board's authorisation, the members of the Management Board may allocate their management tasks among themselves. However, any such allocation shall not, under any circumstances, deprive the Management Board of its status as a collegiate body responsible for Tarkett's management.

The Management Board may entrust one or more of its members or any person chosen from outside the Management Board with special permanent or temporary assignments, which it shall determine, and delegate to them, for one or more specific purposes, with or without the option of sub-delegation, the powers it deems appropriate.

Within the limits of the Company purpose and subject to any powers expressly reserved by law to the Supervisory Board and Shareholders' Meeting and excluding Key Decisions requiring the prior authorisation of members of the Supervisory Board, the Management Board is vested with the broadest powers *vis-à-vis* third parties to act in all circumstances in the name of the Company.

In its relationships with third parties, the Company is bound by the acts of the Management Board even where these do not fall within the corporate objects, unless the Company proves that the third party knew that the act went beyond those objects or that the third party could not have been unaware of that fact in light of the circumstances.

However, without prejudice to matters for which the prior authorisation of the Supervisory Board is required by law, the Management Board must seek the prior authorisation of the Supervisory Board before making any of the following decisions ("Key Decisions") within the Company and/or its controlled subsidiaries within the meaning of Article L. 233-3 of the French Commercial Code (together, the "Tarkett Group"):

a) the granting of bonds, guarantees and warranties by any company within Tarkett Group exceeding a total annual amount set by the Supervisory Board; if sureties, endorsements and guarantees given for an amount exceeding the limit set for the period concerned, the overrun would not be enforceable against third parties that were unaware thereof;

b) transactions resulting in a major change in industrial activities (flooring and sports surfaces) complete principally by companies within Tarkett Group; it is specified that any carrying on of new activities on a secondary basis by entities in the Tarkett Group does not require the prior authorisation of the Supervisory Board unless it should also constitute a Key Decision;

c) the acquisition or disposal (and more generally any transfer of ownership or investment) or the collateralisation of any asset of the Tarkett Group as part of a project, all asset contributions, and in particular partial asset contribution submitted to the General Shareholders' Meeting under the so-called demerger procedure, all mergers or reorganisations (with a third party or within the Tarkett Group) involving an amount exceeding the thresholds set by the Supervisory Board or, failing that, by the Internal Regulations of the Supervisory Board (either globally or by type of operation);

d) an initial public offering of any Tarkett Group company (other than the Company);

e) entry by a company in the Tarkett Group into a loan for an amount in principal that (i) exceeds the threshold set by the Supervisory Board (or failing that, by the Internal Regulations of the Supervisory Board); or (ii) results in an increase of the aggregate amount of principal of the outstanding Tarkett Group loans above the maximum total commitment limit (in principal) authorised by the Supervisory Board for the period concerned or failing that, by the Internal Regulations of the Supervisory Board, as well as any material change to the terms and conditions of those loans;

f) decisions pertaining to, or resulting in, amendments to the Company's By-laws, and amendments to the By-laws of any Tarkett Group company (i) with an asset value that exceeds an amount set in the Internal Regulations of the Supervisory Board, or (ii) that owns assets of strategic value for the Tarkett Group, if those amendments affect the rights of the Tarkett Group company that controls that subsidiary;

g) the approval of major joint venture agreements or partnership agreements i.e. those involving asset contributions by any Tarkett Group entity (including in cash contributions) that exceed a threshold set by the Internal Regulations of the Supervisory Board;

h) any material change to the accounting principles applied by the Company in preparing its Consolidated Financial Statements (annual or interim), apart from changes required under International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS);

i) adoption of the Tarkett Group's annual budget and any material change thereto;

j) adoption of the medium or long-term strategic plan and the annual update thereof (together with the annual budget);

k) any motion for a resolution by the General Shareholders' Meeting and the exercise of delegations granted by the General Shareholders' Meeting relating to the issuing of shares or transferable securities conferring entitlement, immediately or in due course, to the Company's capital, as well as any issue of shares conferring entitlement, immediately or in due course, to the capital of a Tarkett Group company to a third party to the Tarkett Group;

l) any acquisition or sale (and more generally any transfer of ownership) of derivatives, foreign exchange contracts, swaps, options or any other speculative financial instruments, except when made (i) to meet the hedging requirements of the Tarkett Group; or (ii) for a buyback programme relating to the Company's shares;

m) the implementation of any collective proceeding, dissolution, liquidation or winding up, moratorium or suspension (or any similar proceeding in each applicable jurisdiction) of a company of the Tarkett Group (i) with a number of employees exceeding a threshold set by the Internal Regulations of the Supervisory Board or (ii) with strategic assets for the Tarkett Group, insofar as such changes affect the rights of the company of the Tarkett Group which controls such subsidiary;

n) any grant of a loan by the Tarkett Group other than customer advances, employee advances and any loan granted in the ordinary course of business;

o) (i) any hiring or dismissal (or redundancy) of the key executives of the Tarkett Group as defined in the Internal Regulations of the Supervisory Board and (ii) any significant change in their compensation (including pension plans or special departure conditions);

p) implementation or amendment of the management incentive plan (including any incentive in the form of shares or cash);

q) the creation of or change to any stock option plan or plan involving the free allocation of shares of the Company or of any Tarkett Group company (or any other instrument of a similar nature) for the benefit of Tarkett Group managers and/or employees or of certain categories thereof;

r) the conclusion of or a material change to collective labour agreement, pension plan or redundancy plan affecting a given number of employees set by the Internal Regulations of the Supervisory Board;

s) initiating, stopping or settling any dispute or litigation (including tax-related) or waiving of any claim where, in each of these cases, the amount involved exceeds the limits set by the Internal Regulations of the Supervisory Board;

t) the appointment, reappointment or removal from office of the Statutory Auditors;

u) any grants, corporate sponsorships and, more generally, all forms of donation that exceed one hundred thousand (100,000) euros.

At least once each quarter, the Management Board presents a report to the Supervisory Board. Within three months of the close of each financial year, it presents the annual financial statements to the Supervisory Board for their verification and review.

The Supervisory Board is regularly informed by the Management Board of the Group's management objectives and their achievement (in particular in relation to the annual budget and the strategic plan) as well as of the investment, risk exposure and human resources management policies and their implementation within the Group; it is referred to by the Management Board, as necessary, in respect of any exceptional situation, and in particular in respect of Key Decisions.

In this respect, the Board ensures that any strategic operation and any significant operation outside the Group's announced strategy is the subject of sufficient information for prior approval by the Board.

Statutory provisions likely to have an impact on the occurrence of a change of control

None

Shareholders' Meetings (Article 25 of the By-laws)

General Meetings are convened and deliberated under the conditions laid down by law. Meetings shall be held at the registered office or at any other place specified in the notice of meeting.

If the Management Board so decides at the time of convening the meeting, the meeting may be publicly broadcast by video call or any other means telecommunication and broadcasting, included over the internet. A shareholder may be represented by another shareholder or by any other natural or legal person of their choice.

The term of office and, where applicable, its revocation shall be in writing and communicated to the Company under the conditions prescribed by the regulations in force.

All shareholders can participate in the meetings, either personally or by proxy, upon proof of identity and ownership of shares, in the form of an accounting record of their shares, under the conditions set out by law.

Co-owners of undivided shares shall be represented at General Shareholders' Meeting by one of them or by a common proxy of their choice. In the absence of agreement between them on the choice of a proxy, the latter shall be appointed by order of the President of the Commercial Court ruling in summary proceedings at the request of the most diligent co-owner.

Any shareholder may also, if the Management Board permits at the time of convening the General Shareholders' Meeting, participate in this meeting by video-conference or by means of telecommunication or remote transmission, including online, under the conditions set by the laws and regulations. This shareholder is then deemed to be present for the quorum calculation and the majority.

Meetings are chaired by the Chairman of the Supervisory Board, in their absence by the Vice-Chairman or, in their absence, by a member of the Supervisory Board specially delegated for this purpose by the Supervisory Board. Failing that, the meeting shall elect its own Chairman.

The duties of vote tellers shall be performed by the two members of the meeting holding the highest number of votes and who accept this function.

The office shall appoint the secretary, who may be chosen from outside the shareholders.

An attendance sheet shall be kept in accordance with the law.

Copies or extracts of the meeting minutes shall be validly certified by the Chairman of the Supervisory Board, the Vice-Chairman, a member of the Management Board exercising the functions of the Managing Director or by the secretary of the meeting.

Ordinary and extraordinary Shareholders' Meetings, acting under the conditions of quorum and majority prescribed by the provisions governing them respectively, shall exercise the powers granted to them by law.

7.5 Equity investments by the Company outside the Tarkett Group

Information about the companies in which the Company holds a fraction of the share capital likely to have a material impact on the valuation of its assets and liabilities, financial position or its results is given in Section 4.1.1.5 "Acquisitions" and in Notes 2 "Scope of Consolidation" and 13 "Principal Consolidated Entities" in Section 5.2 "Notes to the Consolidated Financial Statements".

7.6 Elements likely to have an impact in the event of a public offering

To the best of the Company's knowledge, as of 31 December 2024, there are no agreements that could result in a change of control, other than those described in Section 7.3.6 of this Document.

The applicable information required under Article L. 22-10-11 (referring back to Article L. 22-10-20) of the French Commercial Code is included in this Universal Registration Document as follows:

- the capital structure and direct and indirect holdings in the Company's capital of which the Company is aware are set out in Section 7.2;
- the powers of the Management Board, particularly with regard to the issuance or buyback of shares, are described in Section 7.2.3;
- the agreements entered into by the Company which are likely to be affected by a renegotiation of their contractual terms, in the event of a change of control of the Company, include the principal credit lines detailed in Sections 4.3.3 “Financial debt”, 4.3.4 “Terms of principal credit lines” and 4.3.5 “Private investments”;
- it is specified that, to the Company's knowledge, there are no agreements, other than as set out in Sections 2.3 “Compensation” for members of the Management Board or employees who cease to be employed as a result of a tender offer, nor has the Company entered into any agreement that may be changed or terminated in the event of a change of control of the Company.

7.7 Stock market information

- Tarkett's shares are listed on the Paris stock market (Euronext Paris - Compartment B - ISIN code: FR00004188670 - Mnemonic code: TKTT).

	2024	2023	2022
Closing price (in Euro)			
Highest	11.25	13.02	19.66
Lowest	8.32	8.60	11.38
As of 31 December	10.50	9.32	11.50
Number of shares at 31 December	65,550,281	65,550,281	65,550,281
Market capitalisation at 31 December (in millions of Euro)	688	611	754

Source: Euronext.

8

ADDITIONAL INFORMATION

8.1 Person responsible for the Universal Registration Document

Fabrice Barthélemy

Chairman of the Management Board

8.2 Certification by the person responsible

I attest, having taken every reasonable measure to this end, that, to the best of my knowledge, the information contained in the Universal Registration Document is in accordance with the facts and contains no omission likely to affect its import.

I attest that, to the best of my knowledge, the annual financial statements and the consolidated financial statements have been prepared in accordance with the applicable set of accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer and of all the undertakings included in the consolidation, and that the Directors' Report contained in this Registration Document presents a true and fair view of the development and performance of the business and of the financial position of the issuer and of the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face and has been prepared in accordance with applicable sustainability reporting standards.

On 31 March 2025

Fabrice Barthélemy
Chairman of the Management Board

8.3 Person responsible for the financial information

Raphaël Bauer

Group Financial Officer

8.4 Indicative financial reporting schedule

The financial information communicated to the public by the Company will be made available on its website.

Given the new capital structure following the simplified tender offer initiated during the 2021 financial year, the Group is adapting its financial communication and will now only publish revenue by segment in the first and third quarter. The first half and full year publications will continue to include the full financial statements.

As an indication, the timetable for Tarkett's financial communication until 31 December 2025 is expected to be as follows, although it should be noted that the dates are subject to change without notice:

	2025 schedule
First quarter revenue	24 April 2025
Shareholders' Meeting	by 30 June 2025
First half-year results	29 July 2025
Third quarter revenue	30 October 2025

8.5 Statutory Auditors

	Last renewal date	Term of office end date[1]
KPMG S.A. Represented by Mr. Philippe Grandclerc and Romain Mercier Tour Eqho - 2 avenue Gambetta 92066 Paris-La Défense	AG 2020	AG 2026
Cabinet Forvis Mazars Represented by Ms. Anne-Laure Rousselou 61 rue Henri Regnault - Exaltis 92400 Courbevoie	AG 2020	AG 2026
Salustro Reydel Represented by Ms. Béatrice de Blauwe Tour Eqho - 2 avenue Gambetta 92066 Paris-La Défense	AG 2020	AG 2026
Mr. Jérôme de Pastors 61 rue Henri Regnault - Exaltis 92400 Courbevoie	AG 2020	AG 2026

[1] *Date of the General Meeting of Shareholders convened to approve the financial statements for the financial year in which the term of office expires.*

8.6 Documents available to the public

This document may also be consulted on the Company's website (www.tarkett-group.com) and on the website of the French Financial Markets Authority (AMF) (www.amf-france.org).

During the period for which the Universal Registration Document is valid, the following documents (or a copy of these documents) may be consulted at the Company's head offices:

- the Company's Articles of Association;
- all reports, letters and other documents, historical financial information of the Company and consolidated financial information for at least the two financial years preceding the date of this Document, valuations and statements prepared by an expert at the request of the Company, any part of which is included or referred to in this Universal Registration Document and,
- more generally, all legal and financial documents relating to the Company and which must be made available to the shareholders in accordance with the prevailing regulations.

The regulated information, as defined by the provisions of the AMF's General Regulations, is available on the Company's website.

8.7 Concordance tables

8.7.1 Universal Registration document

The concordance table below identifies the headings established in Annexes I and II of Delegated Regulation (EU) no. 2019/980 of 14 March 2019 and reference is made to the sections of this Universal Registration Document where the information relating to each of those headings is given.

Headings		Sections
1.	Persons responsible, third party information, experts' reports and competent authority approval	8.1 to 8.3
2.	Statutory Auditors	8.5
3.	Risk factors	6.1
4.	Information about the issuer	1 and 7.1.1
5.	Investments	4.2
6.	Business overview	
6.1.	Principal activities	1.4
6.2.	Principal markets	1.5
6.3.	Significant events in the development of the issuer's business	4.6
6.4.	Strategy and objectives	1.3 and 4.6
6.5.	Dependence of the issuer	1.6.2.1
6.6.	Competitive position	1.5
7.	Organisation chart	
7.1.	Brief description of the Group	1.7
7.2.	Significant subsidiaries of the Group	5.6
8.	Real estate property, plants and equipment	
8.1.	Significant property, plant and equipment	1.6.2.2
8.2.	Environmental issues	3
9.	Examination of the financial position and results	
9.1.	Financial position	4.1
9.2.	Operating profit	4.1
10.	Cash flow and equity	4.3
11.	Research and development, patents and licences	1.6.4
12.	Trend information	4.6
13.	Profit forecasts or estimates	N/A
14.	Administrative, management and supervisory bodies and Senior Management	
14.1.	Information about the members	2.2
14.2.	Conflicts of interest	2.6.1.1
15.	Compensation and benefits	2.3 and 2.4

Headings		Sections
16.	Administrative and management bodies operation	
16.1.	Term end dates	2.2.2.2 and 2.2.3.2
16.2.	Contracts between members of the administrative, management or supervisory bodies	2.6.2
16.3.	Information on the Committees of the Supervisory Board	2.2.4
16.4.	Compliance with the corporate governance regime	2.1.1
17.	Employees	
17.1.	Number of employees	1.1.2
17.2.	Participation and share subscription or purchase options	2.3.3 and 2.3.4
18.	Major shareholders	7.3
19.	Related party transactions	2.6.3
20.	Financial information concerning the issuer's assets and liabilities, financial position and profits	
20.1.	Historical financial information	5.1 and 5.2
20.2.	Pro-forma financial information	N/A
20.3.	Financial statements	5
20.4.	Audited historical annual financial information	5.9 and 5.10
20.5.	Date of the latest financial information	5.1 to 5.5
20.6.	Interim and other financial information	N/A
20.7.	Dividend distribution policy	5.7
20.8.	Legal and administrative proceedings	4.5
20.9.	Significant change in the financial or commercial position	4.1
21.	Additional information	
21.1.	Share capital	7.2
21.2.	Constituent documents and By-laws	7.4
22.	Major contracts	4.4
23.	Information from third parties, expert declarations and declarations of interest	N/A
24.	Documents available to the public	8.6

8.7.2 Annual financial report

Information under Article L. 451-1-2 of the French Monetary and Financial Code		Sections
1.	Management report	8.7.3
2.	Consolidated Financial Statements	5.1 and 5.2
3.	Company financial statements	5.3 and 5.4
4.	Statutory Auditors' report on the Consolidated and Company Financial Statements	5.9 and 5.10
5.	Declaration of the persons responsible for the annual financial report	8.1 to 8.3

8.7.3 Management Board Report

The table below identifies the Sections of the Universal Registration Document containing all of the elements of the Management Board report required under the statutory and regulatory provisions.

Elements of the management report required under Article L. 22-10-34 of the French Commercial Code		Sections
1.	Situation and activities of the Management Board during the previous year	1.4
2.	Significant events over the 2024 financial year	1.1 and 5.4 (Note 1)
3.	Company profits in 2024	5.3 and 5.4
4.	Group indebtedness	4.3.3 & 4.3.7
5.	Group internal control, accounting, and financial risk management procedures	6.2
6.	Description of the principal risks and uncertainties to which the Company is exposed	6.1
7.	Research and development activities	1.6.4
8.	Significant events since the close	5.2 (Note 11)
9.	Foreseeable developments and future outlook	4.6
10.	Appropriation of results	4.1.2.8
11.	Table of results for the past five financial years	5.5
12.	Dividends	5.7
13.	Non-tax-deductible expenses	4.1.2.8
14.	Subsidiaries and equity investments	5.6
15.	Shareholders	7.3
16.	Stock option or stock purchase plans and performance share allocation plans	2.3.4
17.	Transactions on the Company's securities carried out by corporate officers and related persons (Article L.621-18-2 of the French Monetary and Financial Code)	2.5
18.	Share buybacks	7.2.3
19.	Information on supplier or customer payment terms	5.4 (Note 2.5)
20.	Statement of Social, environmental and societal information (Articles L.22-10-36, R.225-104 and R.225-105-1 of the French Commercial Code, as amended by Article 1 of Decree no. 2012-557 of 24 April 2012.)	3
21.	Statement on reasonable vigilance	3.1.6
22.	Corporate governance report	2 and 8.7.4
23.	Group results in 2024	Consolidated financial position

8.7.4 Supervisory Board report on corporate governance

Information required under Article L. 22-10-20 of the French Commercial Code	Sections
Diversity policy applied to the members of the Supervisory Board	2.2.3.4
Preparation and organisation conditions	2.2.1, 2.2.2.1 and 2.2.3.1
Limitation of the Management Board's powers	7.4
Terms of office and functions exercised by each corporate officer	2.2.2.4 and 2.2.3.5
Compensation and benefits of any kind for corporate officers	2.3
Consultation on the compensation of corporate officers	2.3.6
Provisions of the Afep-Medef Code that were discounted	2.1.1
Where the Afep-Medef Code can be consulted	2.1.1
Specific terms and conditions for attending Shareholders' Meetings	7.4
Delegations for capital increases	7.2.4
Elements likely to have an influence in the event of a public offering	7.6
Supervisory Board's observations on the management report and financial statements for the previous financial year	2.7
Agreements concluded between a director or significant shareholder and a subsidiary	2.6.2

In application of Article 19 of EU Regulation No. 2017/1129 of 14 June 2017, the historic information referred to above is incorporated by reference into this Universal Registration Document.

Design and Production

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pomelo-paradigm.com/pomdocpro/

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