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Styrelsen för

Tarkett AB

Org nr 556003-9967

får härmed avge

Årsredovisning

för räkenskapsåret 1 januari - 31 december 2024

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Tarkett AB

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Förvaltningsberättelse

Tarkett AB bedriver verksamhet i associationsformen aktiebolag och har sitt säte i Ronneby i Sverige. Huvudkontorets adress är SE-372 81 Ronneby.

Allmänt om verksamheten

Tarkett AB är dotterbolag till Tarkett GDL SA i Luxembourg vars huvudägare är Tarkett i Frankrike. Tarkett har tillverkat golv i Sverige sedan 1886 och marknadsför idag golv- och väggmaterial för såväl hemmiljö som design- och funktionslösningar för offentlig miljö.
Tarkett AB är också moderbolag i Tarkett AB-koncernen. Tarkett AB innehar en intern-banksfunktion inom Tarkett AB-koncernen, vilket innebär ansvar för att säkerställa rörelse-kapitalbehovet hos koncernbolagen genom intern upplåning.

Utveckling av företagets verksamhet, resultat och ställning

Ekonomisk översikt msek	*2024*	*2023*	*2022*	*2021*
Nettoomsättning	3 558	3 647	3 893	3 616
Rörelseresultat	77	148	80	179
Nettoresultat	62	111	45	169
Eget Kapital 31/12	146	233	337	292

Väsentliga händelser under räkenskapsåret

Inga väsentliga händelser har förekommit under året.

Information om risker och osäkerhetsfaktorer

Information om finansiella risker se not 19.

Forskning och utveckling

Bolaget bedriver utveckling, främst inom process- och produktionsteknik samt utveckling av produktsortimentet.
Under senare år har till exempel satsningar gjorts inom hållbarhetsområdet med utveckling av cirkulära lösningar. Bolaget har samtidigt utvecklat sin produktionsteknik som idag är unik i sitt slag inom plastgolvstillverkning till att vara en produktion som både är effektiv och samtidigt tar hänsyn till både produktionsmiljön och miljön i ett vidare perspektiv.

Användning av finansiella instrument

En väsentlig andel av bolagets försäljning sker i andra valutor än SEK. Det är koncernens och bolagets policy att säkra en del av dessa flöden.
Finansiella instrument används som skydd för valutarisker se not 19.

Hållbarhetsrapport

Tarkett AB upprättar ingen hållbarhetsrapport med hänvisningar till 6 kap. 11 a § ÅRL, se not 35.

Icke-finansiella upplysningar

Policies för miljö och kvalitet
Tarkettkoncernen har en övergripande policy. Policyn är översatt och nedbruten till respektive anläggning för att styra och stödja verksamheten vid respektive fabrik. Den lokala policyn inkluderar säkerhet, arbetsmiljö, energi, miljö och kvalitet. Tillsammans med vår kunskap och erfarenhet, är våra policies viktiga verktyg för att säkerställa hög säkerhet, kvalitet, effektivitet och inte minst en god miljöomsorg och arbetsmiljö.
Vår vision är att Tarkett skall vara det naturliga valet av golvleverantör genom att på bästa sätt motsvara kundernas förväntningar. Design, kvalitet och effektivitet är den drivande kraften bakom allt vårt arbete.

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Engagemang
Genom ett stort engagemang befäster, utvecklar och stärker vi vår position. Engagemang genomsyrar hela vår verksamhet i alla led. Motiverade medarbetare är drivkraften i Tarketts ambition att vara den ledande leverantören av golv.

Omsorg
Vi visar omsorg om varandra, kunder och leverantörer genom att vi är ärliga och ger återkoppling som utvecklar organisationen. Vi arbetar kontinuerligt med åtgärder som säkerställer en säker och trygg arbetsplats.

Vårt åtagande innebär att
- varje medarbetare kan och vill påverka sin arbetssituation.
- vi förebygger för att förhindra att olyckor inträffar.
- vårt arbete som minimum uppfyller lagar, bestämmelser och avtal.
- tillsammans med våra kunder och leverantörer arbeta med ständiga förbättringar inom alla verksamhetsområden.
- vi i alla aktiviteter arbetar långsiktigt med fokus på ett livscykelperspektiv.
- vi tar ansvar för våra produkter, tjänster och handlingar.
- vi förebygger samt minimerar negativ miljöpåverkan och energianvändning från företagets aktiviteter.
- vi ständigt utvecklar vår kompetens för att möta dagens och morgondagens krav.

Våra goda resultat uppnås genom att följa och styra verksamheten mot uppsatta mål inom alla områden i företaget. Dessa resultat och våra framtida mål redovisar vi i vår miljöredovisning.

Miljö
Tarkett arbetar långsiktigt och strategiskt för att minska resursuttag och klimatpåverkan genom cirkulär ekonomi, baserat på principerna för Cradle to Cradle® och filosofin Tarkett Human-Conscious Design™.
Målet är att skapa en positiv inverkan på människors inomhusmiljö och på vår planet.

Vi måste ständigt utveckla våra produkter och tillverkningsmetoder för att leva upp till våra miljöambitioner och kunna följa ännu strängare lagar och regler, samtidigt som vi håller lika hög kvalitet på våra golv. Vi vill vara en ledare inom hållbar utveckling i golvbranschen och arbetar för att främja en cirkulär ekonomi.

Som ett led i detta arbete har vi lanserat produkter som iQ Loop som består av 65% återvunnet post-konsumentmaterial samt iQ Natural i vilken traditionell fossil råvara ersätts av bio-attribuerad vinyl och biobaserad mjukgörare. Tillsammans med den unika lanserade tvättprocessen för gamla golv och Tarketts teknik för återvinning representerar både iQ Loop och iQ Natural en helt ny generation vinylgolv. Utsläppen av växthusgaser är i båda produkterna minst 50 % lägre än hos traditionella homogena vinylgolv och varje kvadratmeter som används bidrar till omställningen till ett cirkulärt samhälle.

Vår strategiska råvara trä är en förnyelsebar och naturlig råvara, som kräver långsiktig försörjningsstrategi för att säkerställa såväl tillgång som bevarande av betydande naturvärden. För att säkerställa detta arbetar vi tillsammans med FSC (Forest Stewardship Counsil) och PEFC (Program for the Endorsement of Forest Certification). Tarketts produktionsenheter för trägolv i Sverige och Polen ingår tillsammans med samtliga säljbolag i ett Multisite Chain of Custody Certificate för både FSC® (FSC® -C008972) och PEFC™ (PEFC™ /05-35-125). Tarkett kan idag erbjuda flera PEFC™-certifierade produkter.

Tarkett jobbar aktivt för att ur energisynpunkt bli fossilfria i sin verksamhet.

Program för styrning mot miljömål upprättas årligen. Årlig egenkontrollrapport skickas till Kommunen som är tillsynsmyndighet.

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Tillstånds- eller anmälningspliktig verksamhet enligt miljöbalken
Bolaget bedriver i Hanaskog och Ronneby anmälningspliktig verksamhet enligt Miljöbalken. Miljömyndighetsbeslut finns för att årligen producera 30 miljoner kvadratmeter produkter ur råvaror av plast samt träbaserade parkettgolv och halvfabrikat till dessa.
Bolaget påverkar den yttre miljön huvudsakligen genom utsläpp till luft, buller, transporter och avfall.
Bolaget är certifierat enligt de internationella miljöledningsstandarderna ISO 14001:2015 och ISO 50001:2018.

Förslag till disposition av företaget vinst eller förlust
Styrelsen föreslår att fritt eget kapital, tkr 94 279, disponeras enligt följande:

Utdelning	60 000
Balanseras i ny räkning	34 279
Summa	94 279

Vad beträffar resultat och ställning i övrigt, hänvisas till efterföljande resultat- och balansräkningar med tillhörande noter.

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Resultaträkning

Belopp i tkr	*Not*	*2024*	*2023*
Nettoomsättning	3	3 557 850	3 646 889
Kostnad för sålda varor		-2 485 244	-2 514 899
Bruttoresultat		1 072 606	1 131 990
Försäljningskostnader		-718 007	-732 476
Administrationskostnader		-164 604	-152 310
Forsknings- och utvecklingskostnader		-111 171	-118 329
Övriga rörelseintäkter	4	814	20 538
Övriga rörelsekostnader		-3 042	-1 856
Rörelseresultat	5,7	76 596	147 557
Resultat från finansiella poster			
Resultat från andelar i koncernföretag	8	22 102	27 296
Övriga ränteintäkter och liknande resultatposter	9	2 424	4 102
Räntekostnader och liknande resultatposter	10	-18 361	-18 129
Resultat efter finansiella poster		82 761	160 826
Bokslutsdispositioner			
Bokslutsdispositioner, övriga	11	-9 089	-27 148
Resultat före skatt		73 672	133 678
Skatt på årets resultat	12	-11 285	-22 376
Årets resultat		62 387	111 302

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Balansräkning

Belopp i tkr	*Not*	*2024-12-31*	*2023-12-31*
TILLGÅNGAR			
Anläggningstillgångar			
Immateriella anläggningstillgångar			
Koncessioner, patent, licenser, varumärken samt liknande rättigheter	13	17 769	22 939
		17 769	22 939
Materiella anläggningstillgångar			
Byggnader och mark	14	41 357	41 180
Maskiner och andra tekniska anläggningar	15	191 914	182 525
Inventarier, verktyg och installationer	16	65 456	54 434
Pågående nyanläggningar och förskott avseende materiella anläggningstillgångar	17	91 560	93 270
		390 287	371 409
Finansiella anläggningstillgångar			
Andelar i koncernföretag	18	4 095	4 095
Uppskjuten skattefordran	20	5 507	3 397
Andra långfristiga fordringar	21	311	311
		9 913	7 803
Summa anläggningstillgångar		417 969	402 151
Omsättningstillgångar			
Varulager m m			
Råvaror och förnödenheter		76 415	84 229
Varor under tillverkning		49 294	60 697
Färdiga varor och handelsvaror		301 531	322 965
		427 240	467 891
Kortfristiga fordringar			
Kundfordringar		39 297	105 335
Fordringar hos moderföretag		47 858	25 473
Fordringar hos koncernföretag		173 762	180 238
Aktuell skattefordran		–	–
Övriga fordringar		13 244	9 542
Förutbetalda kostnader och upplupna intäkter	22	15 297	20 170
		289 458	340 758
Kassa och bank			
Kassa och bank		4 219	6 618
		4 219	6 618
Summa omsättningstillgångar		720 917	815 267
SUMMA TILLGÅNGAR		1 138 886	1 217 418

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Balansräkning

Belopp i tkr	*Not*	*2024-12-31*	*2023-12-31*
EGET KAPITAL OCH SKULDER			
Eget kapital			
Bundet eget kapital			
Aktiekapital 860 000 aktier	24	43 000	43 000
Reservfond		8 600	8 600
		51 600	51 600
Fritt eget kapital			
Balanserat resultat		31 892	70 590
Årets resultat		62 387	111 302
	23	94 279	181 892
		145 879	233 492
Obeskattade reserver			
Ackumulerade överavskrivningar	25	171 436	162 347
		171 436	162 347
Avsättningar			
Avsättningar för pensioner och liknande förpliktelser	26	269 137	256 872
Uppskjuten skatteskuld	20	657	657
Övriga avsättningar	27	23 575	16 956
		293 369	274 485
Långfristiga skulder			
Övriga skulder		1 904	1 570
		1 904	1 570
Kortfristiga skulder			
Leverantörsskulder		250 562	240 400
Skulder till koncernföretag		59 740	83 557
Aktuell skatteskuld		5 238	14 519
Övriga skulder		37 747	64 362
Upplupna kostnader och förutbetalda intäkter	29	173 011	142 686
		526 298	545 524
SUMMA EGET KAPITAL OCH SKULDER		1 138 886	1 217 418

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Rapport över förändringar i eget kapital

2023-12-31	Bundet eget kapital		Fritt eget kapital	
	Aktie kapital	*Reserv-fond*	*Bal.res inkl årets resultat*	*Summa eget kapital*
Ingående balans	43 000	8 600	285 590	337 190
Årets resultat			111 302	111 302
Transaktioner med ägare				
Utdelning			-215 000	-215 000
Summa	–	–	-215 000	-215 000
Vid årets utgång	43 000	8 600	181 892	233 492

2024-12-31	Bundet eget kapital		Fritt eget kapital	
	Aktie kapital fond	*Reserv-fond*	*Bal.res inkl årets resultat*	*Summa eget kapital*
Ingående balans	43 000	8 600	181 892	233 492
Årets resultat			62 387	62 387
Transaktioner med ägare				
Utdelning			-150 000	-150 000
Summa	–	–	-150 000	-150 000
Vid årets utgång	43 000	8 600	94 279	145 879

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Kassaflödesanalys

Belopp i tkr		2024	2023
Den löpande verksamheten			
Resultat efter finansiella poster	31	82 761	160 826
Justering för poster som inte ingår i kassaflödet	33	75 679	54 699
		158 440	215 525
Inkomstskatt		-22 676	490
Kassaflöde från den löpande verksamheten före förändringar av rörelsekapital		135 764	216 015
Förändringar i rörelsekapital			
Ökning(-)/Minskning(+) av varulager		40 648	74 997
Ökning(-)/Minskning(+) av rörelsefordringar		75 802	-17 186
Ökning(+)/Minskning(-) av rörelseskulder		-15 351	-72 298
Kassaflöde från den löpande verksamheten		236 863	201 528
Investeringsverksamheten			
Förvärv av materiella anläggningstillgångar		-90 962	-83 945
Avyttring av materiella anläggningstillgångar		–	–
Förvärv av immateriella anläggningstillgångar		-1 679	-10 788
Avyttring av immateriella anläggningstillgångar		37	110
Kassaflöde från investeringsverksamheten		-92 604	-94 623
Finansieringsverksamheten			
Lån till och från koncernbolag		-18 760	19 490
Erhållen utdelning		22 102	27 296
Utbetald utdelning till moderföretagets aktieägare		-150 000	-215 000
Kassaflöde från finansieringsverksamheten		-146 658	-168 214
Årets kassaflöde		-2 399	-61 309
Likvida medel vid årets början		6 618	67 927
Likvida medel vid årets slut	32	4 219	6 618

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Noter

Belopp i tkr om inget annat anges

Not 1 Redovisningsprinciper

Årsredovisningen har upprättats i enlighet med årsredovisningslagen och enligt Bokföringsnämndens allmänna råd BFNAR 2012:1 "Årsredovisning och koncernredovisning" (K3).

Tillgångar, avsättningar och skulder har värderats till anskaffningsvärden om inget annat anges nedan.

Immateriella tillgångar

Utgifter för forskning och utveckling

Utgifter för forskning, dvs. planerat och systematiskt sökande i syfte att erhålla ny vetenskaplig eller teknisk kunskap och insikt, redovisas som kostnad när de uppkommer.

Vid redovisning av utgifter för utveckling av framtagna forskningsresultat eller annan kunskap tillämpas kostnadsföringsmodellen, vilket innebär att alla utgifter kostnadsförs när de uppkommer.

Övriga immateriella anläggningstillgångar

Övriga immateriella anläggningstillgångar som förvärvats är redovisade till anskaffningsvärde minskat med ackumulerade avskrivningar och nedskrivningar.
Utgifter för internt genererad goodwill och varumärken redovisas i resultaträkningen som kostnad när de uppkommer.

Avskrivningar

Avskrivning sker linjärt över tillgångens beräknade nyttjandeperiod. Avskrivningen redovisas som kostnad i resultaträkningen.

	Nyttjandeperiod
Förvärvade immateriella tillgångar	
Patent	7 år
Licenser	3 år
Dataprogram	3 år

Materiella anläggningstillgångar

Materiella anläggningstillgångar redovisas till anskaffningsvärde minskat med ackumulerade avskrivningar och nedskrivningar med tillägg för uppskrivningar. I anskaffningsvärdet ingår förutom inköpspriset även utgifter som är direkt hänförliga till förvärvet.

Indirekta tillverkningskostnader som utgör mer än en oväsentlig del av den sammanlagda utgiften för tillverkningen och uppgår till mer än ett obetydligt belopp har räknats in i anskaffningsvärdet.

Tillkommande utgifter

Tillkommande utgifter som uppfyller tillgångskriteriet räknas in i tillgångens redovisade värde.
Utgifter för löpande underhåll och reparationer redovisas som kostnader när de uppkommer.

Avskrivningar

Avskrivning sker linjärt över tillgångens beräknade nyttjandeperiod eftersom det återspeglar den förväntade förbrukningen av tillgångens framtida ekonomiska fördelar. Avskrivningen redovisas som kostnad i resultaträkningen.

Hänsyn har tagits till beräknat restvärde, fastställt vid anskaffningstillfället i då rådande prisnivå.

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	Nyttjandeperiod
Byggnader, byggnadsinventarier	10-30 år
Markanläggningar	20 år
Maskiner och andra tekniska anläggningar	5-10 år
Inventarier, verktyg och installationer	3-10 år

För vissa av de materiella anläggningstillgångarna har skillnaden i förbrukningen av betydande komponenter bedömts vara väsentlig och skrivs av över deras respektive nyttjandeperiod.

Byggnader och mark består av ett antal komponenter med olika nyttjandeperioder. Ingen avskrivning sker på komponenten mark vars nyttjandeperiod bedöms som obegränsad.

Låneutgifter
Lånekostnader belastar resultatet i den period till vilken de hänför sig, oavsett hur de upplånade medlen har använts.

Nedskrivningar - materiella och immateriella anläggningstillgångar samt andelar i koncernföretag
Vid varje balansdag bedöms om det finns någon indikation på att en tillgångs värde är lägre än dess redovisade värde. Om en sådan indikation finns, beräknas tillgångens återvinningsvärde.

Återvinningsvärdet är det högsta av verkligt värde med avdrag för försäljningskostnader och nyttjandevärde. Vid beräkning av nyttjandevärdet beräknas nuvärdet av de framtida kassaflöden som tillgången väntas ge upphov till i den löpande verksamheten samt när den avyttras eller utrangeras. Den diskonteringsränta som används är före skatt och återspeglar marknadsmässiga bedömningar av pengars tidsvärde och de risker som avser tillgången. En tidigare nedskrivning återförs endast om de skäl som låg till grund för beräkningen av återvinningsvärdet vid den senaste nedskrivningen har förändrats.

Leasing
Alla leasingavtal redovisas som operationella leasingavtal.

Operationella leasingavtal
Leasingavgifterna enligt operationella leasingavtal, inklusive förhöjd förstagångshyra men exklusive utgifter för tjänster som försäkring och underhåll, redovisas som kostnad linjärt över leasingperioden.

Utländsk valuta
För poster som ingår i en säkringsrelation - se under rubriken "Säkringsredovisning".

Poster i utländsk valuta
Monetära poster i utländsk valuta räknas om till balansdagens kurs. Icke-monetära poster räknas inte om utan redovisas till kursen vid anskaffningstillfället.

Valutakursdifferenser som uppkommer vid reglering eller omräkning av monetära poster redovisas i resultaträkningen det räkenskapsår de uppkommer.

Varulager
Varulagret är upptaget till det lägsta av anskaffningsvärdet och nettoförsäljningsvärdet. Därvid har inkuransrisk beaktats. Anskaffningsvärdet beräknas enligt först in- först ut- principen eller vägda genomsnittspriser. I anskaffningsvärdet ingår förutom utgifter för inköp även utgifter för att bringa varorna till deras aktuella plats och skick.

I egentillverkade halv- och helfabrikat består anskaffningsvärdet av direkta tillverkningskostnader och de indirekta kostnader som utgör mer än en oväsentlig del av den sammanlagda utgiften för tillverkningen. Vid värdering har hänsyn tagits till normalt kapacitetsutnyttjande.

Finansiella tillgångar och skulder
Finansiella tillgångar och skulder redovisas i enlighet med kapitel 11 (Finansiella instrument värderade utifrån anskaffningsvärdet) i BFNAR 2012:1.

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Redovisning i och borttagande från balansräkningen
En finansiell tillgång eller finansiell skuld tas upp i balansräkningen när företaget blir part i instrumentets avtalsmässiga villkor. En finansiell tillgång tas bort från balansräkningen när den avtalsenliga rätten till kassaflödet från tillgången har upphört eller reglerats. Detsamma gäller när de risker och fördelar som är förknippade med innehavet i allt väsentligt överförts till annan part och företaget inte längre har kontroll över den finansiella tillgången. En finansiell skuld tas bort från balansräkningen när den avtalade förpliktelsen fullgjorts eller upphört.

Värdering av finansiella tillgångar
Finansiella tillgångar värderas vid första redovisningstillfället till anskaffningsvärde, inklusive eventuella transaktionsutgifter som är direkt hänförliga till förvärvet av tillgången.

Finansiella omsättningstillgångar värderas efter första redovisningstillfället till det lägsta av anskaffningsvärdet och nettoförsäljningsvärdet på balansdagen.

Kundfordringar och övriga fordringar som utgör omsättningstillgångar värderas individuellt till det belopp som beräknas inflyta.

Finansiella anläggningstillgångar värderas efter första redovisningstillfället till anskaffningsvärde med avdrag för eventuella nedskrivningar och med tillägg för eventuella uppskrivningar.

Räntebärande finansiella tillgångar värderas till upplupet anskaffningsvärde med tillämpning av effektivräntemetoden.

Andelar i dotterföretag, intresseföretag och gemensamt styrda företag redovisas till anskaffningsvärde minskat med ackumulerade nedskrivningar med tillägg för uppskrivningar. I anskaffningsvärdet ingår förutom inköpspriset även utgifter som är direkt hänförliga till förvärvet.

Värdering av finansiella skulder
Finansiella skulder värderas till upplupet anskaffningsvärde.

Säkringsredovisning
*Säkringsredovisning tillämpas endast då det finns en ekonomisk relation mellan säkrings-*instrumentet och den säkrade posten som överensstämmer med företagets mål för riskhantering. Dessutom krävs att säkringsförhållandet förväntas vara mycket effektivt under den period för vilken säkringen har identifierats samt att säkringsförhållandet och företagets mål för riskhantering och riskhanteringsstrategi avseende säkringen är dokumenterade senast när säkringen ingås.

(i) Säkring av fordringar och skulder i utländsk valuta
Vid säkring av fordringar och skulder i utländsk valuta med valutaterminer värderas den underliggande fordran eller skulden till terminskurs.

(ii) Säkring av bindande åtaganden och prognostiserade transaktioner i utländsk valuta
Resultatet av säkringar av bindande åtaganden och mycket sannolika prognostiserade transaktioner i utländsk valuta redovisas samtidigt som den säkrade transaktionen påverkar resultaträkningen. Vid säkring av inköp av varor eller materiella anläggningstillgångar i utländsk valuta inkluderas den ackumulerade värdeförändringen som är hänförlig till säkringsinstrumentet i anskaffningsvärdet för varulagret eller den materiella anläggningstillgången.

Ersättningar till anställda

Ersättningar till anställda efter avslutad anställning
Klassificering
Planer för ersättningar efter avslutad anställning klassificeras som antingen avgiftsbestämda eller förmånsbestämda.

Vid avgiftsbestämda planer betalas fastställda avgifter till ett annat företag, normalt ett försäkringsföretag, och har inte längre någon förpliktelse till den anställde när avgiften är betald. Storleken på den anställdes ersättningar efter avslutad anställning är beroende av de avgifter som har betalat och den kapitalavkastning som avgifterna ger.

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Vid förmånsbestämda planer har företaget en förpliktelse att lämna de överenskomna ersättningarna till nuvarande och tidigare anställda. Företaget bär i allt väsentligt dels risken att ersättningarna kommer att bli högre än förväntat (aktuariell risk), dels risken att avkastningen på tillgångarna avviker från förväntningarna (investeringsrisk). Investeringsrisk föreligger även om tillgångarna är överförda till ett annat företag.

Avgiftsbestämda planer
Avgifterna för avgiftsbestämda planer redovisas som kostnad. Obetalda avgifter redovisas som skuld.

Förmånsbestämda planer
Företaget har valt att tillämpa de förenklingsregler som finns i BFNAR 2012:1.

Planer för vilka pensionspremier betalas redovisas som avgiftsbestämda vilket innebär att avgifterna kostnadsförs i resultaträkningen.

I de fall pensionsförpliktelserna är uteslutande beroende av värdet på en ägd tillgång redovisas pensionsförpliktelsen som en avsättning motsvarande tillgångens redovisade värde.

I de fall förmånsbestämda pensionsplaner finansieras i egen regi redovisas pensionsskulden till det belopp som erhålls från PRI på oberoende företag som lämnat uppgiften.

Övriga långfristiga ersättningar till anställda
Skuld avseende övriga långfristiga ersättningar till anställda redovisas till nuvärdet av förpliktelsen på balansdagen.

Ersättningar vid uppsägning
Ersättningar vid uppsägningar, i den omfattning ersättningen inte ger företaget några framtida ekonomiska fördelar, redovisas endast som en skuld och en kostnad när företaget har en legal eller informell förpliktelse att antingen
a) avsluta en anställds eller en grupp av anställdas anställning före den normala tidpunkten för anställningens upphörande, eller
b) lämna ersättningar vid uppsägning genom erbjudande för att uppmuntra frivillig avgång.
Ersättningar vid uppsägningar redovisas endast när företaget har en detaljerad plan för uppsägningen och inte har någon realistisk möjlighet att annullera planen.

Skatt
Skatt på årets resultat i resultaträkningen består av aktuell skatt och uppskjuten skatt. Aktuell skatt är inkomstskatt för innevarande räkenskapsår som avser årets skattepliktiga resultat och den del av tidigare räkenskapsårs inkomstskatt som ännu inte har redovisats. Uppskjuten skatt är inkomstskatt för skattepliktigt resultat avseende framtida räkenskapsår till följd av tidigare transaktioner eller händelser.

Uppskjuten skatteskuld redovisas för alla skattepliktiga temporära skillnader, dock särredovisas inte uppskjuten skatt hänförlig till obeskattade reserver eftersom obeskattade reserver redovisas som en egen post i balansräkningen. Uppskjuten skattefordran redovisas för avdragsgilla temporära skillnader och för möjligheten att i framtiden använda skattemässiga underskottsavdrag. Värderingen baseras på hur det redovisade värdet för motsvarande tillgång eller skuld förväntas återvinnas respektive regleras. Beloppen baseras på de skattesatser och skatteregler som är beslutade före balansdagen och har inte nuvärdeberäknats.

Uppskjutna skattefordringar har värderats till högst det belopp som sannolikt kommer att återvinnas baserat på innevarande och framtida skattepliktiga resultat. Värderingen omprövas varje balansdag.

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Avsättningar
En avsättning redovisas i balansräkningen när företaget har en legal eller informell förpliktelse till följd av en inträffad händelse och det är sannolikt att ett utflöde av resurser krävs för att reglera förpliktelsen och en tillförlitlig uppskattning av beloppet kan göras.

Vid första redovisningstillfället värderas avsättningar till den bästa uppskattningen av det belopp som kommer att krävas för att reglera förpliktelsen på balansdagen. Avsättningarna omprövas varje balansdag.

Avsättningen redovisas till nuvärdet av de framtida betalningar som krävs för att reglera förpliktelsen.

Omstruktureringsreserv
En avsättning för omstrukturering av verksamhet redovisas när företaget måste fullfölja omstruktureringen till följd av legal eller informell förpliktelse vilket innebär att företaget har en fastställd och utförlig omstruktureringsplan och de som berörs har en välgrundad uppfattning om att omstruktureringen kommer att genomföras.

Eventualförpliktelser
En eventualförpliktelse är:
- En möjlig förpliktelse som till följd av inträffade händelser och vars förekomst endast kommer att bekräftas av en eller flera osäkra framtida händelser, som inte helt ligger inom företagets kontroll, inträffar eller uteblir, eller
- En befintlig förpliktelse till följd av inträffade händelser, men som inte redovisas som skuld eller avsättning eftersom det inte är sannolikt att ett utflöde av resurser kommer att krävas för att reglera förpliktelsen eller förpliktelsens storlek inte kan beräknas med tillräcklig tillförlitlighet.

Eventualförpliktelser är en sammanfattande beteckning för sådana garantier, ekonomiska åtaganden och eventuella förpliktelser som inte tas upp i balansräkningen.

Intäkter
Det inflöde av ekonomiska fördelar som företaget erhållit eller kommer att erhålla för egen räkning redovisas som intäkt. Intäkter värderas till verkliga värdet av det som erhållits eller kommer att erhållas, med avdrag för rabatter.

Försäljning av varor
Vid försäljning av varor redovisas en intäkt när följande kriterier är uppfyllda:
- De ekonomiska fördelarna som är förknippade med transaktionen sannolikt kommer att tillfalla företaget,
- Inkomsten kan beräknas på ett tillförlitligt sätt,
- Företaget har överfört de väsenliga riskerna och fördelarna som är förknippade med varornas ägande till köparen,
- Företaget har inte längre ett sådant engagemang i den löpande förvaltningen som vanligtvis förknippas med ägande och utövar inte heller någon reell kontroll över de sålda varorna, samt
- De utgifter som har uppkommit eller förväntas uppkomma till följd av transaktionen kan beräknas på ett tillförlitligt sätt.

Ränta, royalty och utdelning
Intäkt redovisas när de ekonomiska fördelarna som är förknippade med transaktionen sannolikt kommer att tillfalla företaget samt när inkomsten kan beräknas på ett tillförlitligt sätt.

Ränta redovisas som intäkt enligt effektivräntemetoden.

Royalty periodiseras i enlighet med överenskommelsens ekonomiska innebörd.

Utdelning redovisas när behörigt organ har fattat beslut om att utdelning ska lämnas.

Eftersom moderföretaget innehar mer än hälften av rösterna för samtliga andelar i dotterföretaget redovisas utdelning när rätten att få utdelning bedöms som säker och kan beräknas på ett tillförlitligt sätt.

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Aktieägartillskott
Aktieägartillskott som lämnas utan att emitterade aktier eller andra egetkapitalinstrument erhållits i utbyte redovisas i balansräkningen som en ökning av andelens redovisade värde.

Aktieägartillskott som erhållits utan att emitterade aktier eller andra egetkapitalinstrument lämnats i utbyte redovisas direkt i eget kapital.

Offentliga bidrag
Ett offentligt bidrag som inte är förknippat med krav på framtida prestation redovisas som intäkt när villkoren för att få bidraget uppfyllts. Ett offentligt bidrag som är förenat med krav på framtida prestation redovisas som intäkt när prestationen utförs. Om bidraget har tagits emot innan villkoren för att redovisa det som intäkt har uppfyllts, redovisas bidraget som en skuld.

Redovisning av bidrag relaterade till anläggningstillgångar
Offentliga bidrag relaterade till tillgångar redovisas i balansräkningen genom att bidraget reducerar tillgångens redovisade värde.

Not 2 Uppskattningar och bedömningar

Upprättandet av bokslut och tillämpning av redovisningsprinciper, baseras ofta på ledningens bedömningar, uppskattningar och antaganden som anses vara rimliga vid den tidpunkt då bedömningen görs. Uppskattningar och bedömningar är baserade på historiska erfarenheter och ett antal andra faktorer, som under rådande omständigheter anses vara rimliga. Resultatet av dessa används för att bedöma de redovisade värdena på tillgångar och skulder, som inte annars framgår tydligt från andra källor. Det verkliga utfallet kan avvika från dessa uppskattningar och bedömningar. Uppskattningar och antaganden ses över regelbundet.

Not 3 Nettoomsättning per rörelsegren och geografisk marknad

	2024	*2023*
Nettoomsättning per rörelsegren		
Plastgolv	2 785 135	2 858 881
Trägolv	772 715	788 008
	3 557 850	3 646 889
Nettoomsättning per geografisk marknad		
Sverige	1 047 006	1 084 444
Övriga Norden	906 523	879 475
Övriga Europa	1 065 649	1 036 899
Övriga marknader	538 672	646 071
	3 557 850	3 646 889

Rörelsegrenar
Bolaget består av följande rörelsegrenar:
Rörelsegren Plastgolv: Produktion av plastgolv samt försäljning av golvprodukter i plast, linoleum och textil.
Rörelsegren Trägolv: Produktion av trägolv samt försäljning av trägolv, laminat och sportgolv.

Rörelsegrenar utgör bolagets primära indelningsgrund.

Geografiska områden
Övriga marknader avser främst Nordamerika, Brasilien, Australien, Hongkong och Kina.

Not 4 Övriga rörelseintäkter

	2024	*2023*
Återbetalning Fora	491	113
Elstöd	–	20 000
Dröjsmålsränteintäkter	288	348
Övrigt	35	77
	814	20 538

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Not 5 Anställda, personalkostnader och arvoden till styrelse och revisorer

Medelantalet anställda

	2024	varav män	2023	varav män
Sverige	592	75%	602	75%

Redovisning av könsfördelning i företagsledningar

	2024-12-31 Andel kvinnor	2023-12-31 Andel kvinnor
Styrelsen	0%	0%
Övriga ledande befattningshavare	20%	20%

Löner och andra ersättningar samt sociala kostnader, inklusive pensionskostnader

	2024	2023
Löner och ersättningar	*351 292*	*339 940*
Sociala kostnader	*175 407*	*182 446*
(varav pensionskostnad) 1)	*(53 227)*	*(59 951)*

1) Av företagets pensionskostnader avser 2 259 tkr (f.å. 2 220 tkr) företagets ledning avseende 4 (4) personer. Företagets utestående pensionsförpliktelser till dessa uppgår till 230 tkr (f.å. 210 tkr).

Löner och andra ersättningar fördelade mellan styrelseledamöter m.fl. och övriga anställda

	2024		2023	
	Styrelse och VD	Övriga anställda	Styrelse och VD	Övriga anställda
Löner och andra ersättningar	8 311	342 981	8 380	331 560
(varav tantiem o.d.)	*(-)*		*(-)*	

Avgångsvederlag

Inga avtal har träffats med styrelse om avgångsvederlag eller liknande utan uppsägningstider enligt kollektivavtal gäller.

Arvode och kostnadsersättning till revisorer

	2024	2023
Forvis Mazars AB		
Revisionsuppdrag	558	500
Andra uppdrag	60	60

Kommentar

Med revisionsuppdrag avses lagstadgad revision av årsredovisningen och bokföringen samt styrelsens och verkställande direktörens förvaltning samt revision och annan granskning utförd i enlighet med överenskommelse eller avtal.

Detta inkluderar övriga arbetsuppgifter som det ankommer på bolagets revisor att utföra samt rådgivning eller annat biträde som föranleds av iakttagelser vid sådan granskning eller genomförandet av sådana övriga arbetsuppgifter.

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Not 6 Avskrivningar av materiella och immateriella anläggningstillgångar

	2024	*2023*
Avskrivningar enligt plan fördelade per tillgång		
Koncessioner, patent, licenser, varumärken	-6 812	-4 992
Byggnader och mark	-4 991	-4 928
Maskiner och andra tekniska anläggningar	-48 067	-42 092
Inventarier, verktyg och installationer	-18 357	-10 683
	-78 227	-62 695
Avskrivningar enligt plan fördelade per funktion		
Kostnad för sålda varor	-61 742	-53 960
Försäljningskostnader	-16 101	-8 137
Forsknings- och utvecklingskostnader	-384	-598
	-78 227	-62 695

Not 7 Operationell leasing

Leasingavtal där företaget är leasetagare

Framtida minimileaseavgifter avseende icke uppsägningsbara operationella leasingavtal	*2024-12-31*	*2023-12-31*
Inom ett år	30 115	27 078
Mellan ett och fem år	38 392	49 952
Senare än fem år	629	1 942
	69 136	78 972

	2024	*2023*
Räkenskapsårets kostnadsförda leasingavgifter	36 687	36 716

De leasade tillgångarna omfattar huvudsakligen lokaler, truckar, bilar och kontorsmaskiner

Not 8 Resultat från andelar i koncernföretag

	2024	*2023*
Utdelning	22 102	27 296
	22 102	27 296

Not 9 Övriga ränteintäkter och liknande resultatposter

	2024	*2023*
Ränteintäkter, koncernföretag	1 602	3 567
Ränteintäkter, övriga	822	535
	2 424	4 102

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Not 10 Räntekostnader och liknande resultatposter

	2024	2023
Räntekostnader, övriga	-100	-100
Ränta pensionsskuld	-7 890	-7 410
Kursdifferenser	-1 213	-1 711
Övrigt	-9 158	-8 908
	-18 361	-18 129

Not 11 Bokslutsdispositioner, övriga

	2024	2023
Skillnad mellan skattemässig och redovisad avskrivning		
- Byggnader och mark	1 911	1 852
- Maskiner och inventarier	-11 000	-29 000
	-9 089	-27 148

Not 12 Skatt på årets resultat

	2024	2023
Aktuell skattekostnad	-13 395	-20 315
Uppskjuten skatt	2 110	-2 061
	-11 285	-22 376

Avstämning av effektiv skatt

	2024		2023	
	Procent	*Belopp*	*Procent*	*Belopp*
Resultat före skatt		73 672		133 678
Skatt enligt gällande skattesats	20,6%	-15 176	20,6%	-27 539
Ej avdragsgilla kostnader	0,9%	-670	0,4%	-472
Ej skattepliktiga intäkter	-6,2%	4 561	-4,2%	5 635
Redovisad effektiv skatt	15,3%	-11 285	16,7%	-22 376

Not 13 Koncessioner, patent, licenser, varumärken samt liknande rättigheter

Licenser / Programvara / Patent	2024-12-31	2023-12-31
Ackumulerade anskaffningsvärden		
Vid årets början	41 414	30 872
Nyanskaffningar	1 679	10 788
Avyttringar och utrangeringar	-1 147	-246
Vid årets slut	41 946	41 414
Ackumulerade avskrivningar		
Vid årets början	-18 475	-13 619
Återförda avskrivningar på avyttringar och utrangeringar	1 110	136
Årets avskrivning	-6 812	-4 992
Vid årets slut	-24 177	-18 475
Redovisat värde vid årets slut	17 769	22 939

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Not 14 Byggnader och mark

	2024-12-31	*2023-12-31*
Ackumulerade anskaffningsvärden		
Vid årets början	175 001	174 156
Nyanskaffningar	69	–
Avyttringar och utrangeringar	-108	–
Omklassificeringar	5 099	845
Vid årets slut	180 061	175 001
Ackumulerade avskrivningar		
Vid årets början	-137 010	-132 082
Återförda avskrivningar på avyttringar och utrangeringar	108	–
Årets avskrivning	-4 991	-4 928
	-141 893	-137 010
Ackumulerade uppskrivningar		
Vid årets början	3 189	3 189
	3 189	3 189
Redovisat värde vid årets slut	41 357	41 180

Varav mark	*2024-12-31*	*2023-12-31*
Ackumulerade anskaffningsvärden	2 268	2 268
Ackumulerade uppskrivningar	3 189	3 189
Redovisat värde vid årets slut	5 457	5 457

Not 15 Maskiner och andra tekniska anläggningar

	2024-12-31	*2023-12-31*
Ackumulerade anskaffningsvärden		
Vid årets början	1 335 631	1 284 910
Nyanskaffningar	12 570	4 921
Avyttringar och utrangeringar	-23 480	–
Omklassificeringar	45 527	45 800
	1 370 248	1 335 631
Ackumulerade avskrivningar		
Vid årets början	-1 153 106	-1 111 014
Återförda avskrivningar på avyttringar och utrangeringar	22 839	–
Årets avskrivning	-48 067	-42 092
	-1 178 334	-1 153 106
Redovisat värde vid årets slut	191 914	182 525

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Not 16 Inventarier, verktyg och installationer

	2024-12-31	*2023-12-31*
Ackumulerade anskaffningsvärden		
Vid årets början	517 911	481 409
Nyanskaffningar	7 006	7 650
Avyttringar och utrangeringar	-14 089	-288
Omklassificeringar	22 394	29 140
	533 222	517 911
Ackumulerade avskrivningar		
Vid årets början	-463 477	-453 082
Återförda avskrivningar på avyttringar och utrangeringar	14 068	288
Årets avskrivning på anskaffningsvärden	-18 357	-10 683
	-467 766	-463 477
Redovisat värde vid årets slut	65 456	54 434

Not 17 Pågående nyanläggningar och förskott avseende materiella anläggningstillgångar

	2024-12-31	*2023-12-31*
Vid årets början	93 270	97 680
Omklassificeringar	-73 021	-75 785
Investeringar	71 311	71 375
Redovisat värde vid årets slut	91 560	93 270

Not 18 Andelar i koncernföretag

	2024-12-31	*2023-12-31*
Ackumulerade anskaffningsvärden		
Vid årets början	21 329	21 329
	21 329	21 329
Ackumulerade nedskrivningar		
Vid årets början	-17 234	-17 234
	-17 234	-17 234
Redovisat värde vid årets slut	4 095	4 095

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Tarkett AB

Org nr 556003-9967

Spec av företagets innehav av andelar i koncernföretag

Dotterföretag / Org nr / Säte	*Antal andelar*	*Andel i % i)*	*2024-12-31 Redovisat värde*	*2023-12-31 Redovisat värde*
Tarkett AS, 957854966, Drammen, Norge	10 000	100,0	637	637
Tarkett Oy, 0114751-4, Helsingfors, Finland	50 000	100,0	393	393
Tarkett A/S, 79203718, Greve, Danmark	1	100,0	3 065	3 065
			4 095	4 095

i) Ägarandelen av kapitalet avses, vilket även överensstämmer med andelen av rösterna för totalt antal aktier.

Not 19 Finansiella instrument och riskhantering

Finanspolicy

Bolaget är genom sin verksamhet exponerad för olika slag av finansiella risker.
Med finansiella risker avses fluktuationer i företagets resultat och kassaflöde till följd av förändringar i valutakurser, räntenivåer, refinansierings- och kreditrisker.
Bolagets finanspolicy för hantering av finansiella risker har utformats av styrelsen och bildar ett ramverk av riktlinjer och regler i form av riskmandat och limiter för finansverksamheten.
Ansvaret för koncernens finansiella transaktioner och risker hanteras centralt av moderbolagets finansavdelning. Den övergripande målsättningen för finansfunktionen är att tillhandahålla en kostnadseffektiv finansiering samt att minimera negativa effekter på bolagets resultat pga marknadsfluktuationer.

Ränterisker

Ränterisk är risken att värdet på ett finansiellt instrument varierar på grund av förändringar i marknadsräntor.

Räntebärande lån och placeringar är huvudsakligen koncerninterna med marknadsmässig ränta och kort räntebindningstid.

Kreditrisker

Kreditrisk är risken att en part i en transaktion med ett finansiellt åtagande inte kan fullfölja detta åtagande. Bolaget innehar inga väsentliga finansiella tillgångar utöver kundfordringar med sedvanliga kredittider samt fordringar hos moder- och koncernföretag.

Valutarisker

Valutarisk är risken för fluktationer i värdet på ett finansiellt instrument på grund av förändringar i valutakurser. Valutakursriskerna är relaterade till förändringar i förväntade och kontrakterade betalningsflöden (transaktionsexponering) samt finansiell exponering i form av valutarisker i betalningsflöden i lån och placeringar.

Transaktionsexponering

Bolagets transaktionsexponering är i huvudsakligen koncentrerad till EUR, DKK, NOK, AUD, PLN och GBP.

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Valutaderivat

För att säkra en del av flödesexponeringen i utländsk valuta har terminskontrakt tecknats.
Följande kontrakt per valuta hade ingåtts per 31 december 2024:

Valuta	Belopp i tusental	Valuta såld Valuta köpt	Termins-kurs	Marknadsvärde 2024-12-31	Marknadsvärde 2023-12-31
NOK		NOK SEK			
				–	–

För att säkra en del av flödesexponeringen i utländsk valuta har kombinerade optionskontrakt tecknats. Samtliga optionskontrakt förfaller under januari 2025-april 2026.

Följande optionskontrakt per valuta, innebärande att bolagets fordringar är säkrade till terminskursen samtidigt som motparten inte tillförsäkrats en eventuell ökning över terminskursen, hade ingåtts per 31 december 2024. Bolaget har för denna typ av option betalat en premie som periodiseras över kontraktets löptid:

Valuta	Belopp i tusental	Valuta såld Valuta köpt	Termins-kurs	Marknadsvärde 2024-12-31	Marknadsvärde 2023-12-31
NOK	249 500	NOK SEK	0,9510	3 553	3 102
				3 553	3 102

Av ovanstående valutakontrakt avser följande andel av kontrakten kundfordringar/leverantörsskulder som är redovisade till terminskurs per 31 december 2024:

Valuta	Valuta såld Valuta köpt	Orealiserad kursdifferens 2024	Orealiserad kursdifferens 2023
NOK	NOK SEK	–	18
		–	18

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Not 20 Uppskjuten skatt

	2024-12-31		
	Uppskjuten skattefordran	*Uppskjuten skatteskuld*	*Netto*
Väsentliga temporära skillnader			
Byggnader och mark	–	657	-657
Övriga avsättningar	5 507	–	5 507
Uppskjuten skattefordran/skuld	5 507	657	4 850
Uppskjuten skattefordran/skuld (netto)	5 507	657	4 850

	2023-12-31		
	Uppskjuten skattefordran	*Uppskjuten skatteskuld*	*Netto*
Väsentliga temporära skillnader			
Byggnader och mark	–	657	-657
Övriga avsättningar	3 397	–	3 397
Uppskjuten skattefordran/skuld	3 397	657	2 740
Uppskjuten skattefordran/skuld (netto)	3 397	657	2 740

Not 21 Andra långfristiga fordringar

	2024-12-31	*2023-12-31*
Ackumulerade anskaffningsvärden		
Vid årets början	311	311
	311	311
Redovisat värde vid årets slut	311	311

Not 22 Förutbetalda kostnader och upplupna intäkter

	2024-12-31	*2023-12-31*
Försäkringspremier	683	3 689
Hyror och leasingavgifter	4 183	4 612
Räntor och övriga finansiella kostnader	5 517	4 913
Övriga poster	4 914	6 956
	15 297	20 170

ank=20250703-20250707728476

Not 23 Disposition av vinst eller förlust

Förslag till disposition av företagets vinst eller förlust
Styrelsen föreslår att fritt eget kapital, tkr 94 279, disponeras enligt följande:

Utdelning	60 000
Balanseras i ny räkning	34 279
Summa	94 279

Not 24 Antal aktier och kvotvärde

	2024-12-31	*2023-12-31*
Aktieslag A		
antal aktier	16 125	16 125
kvotvärde	50	50
Aktieslag B		
antal aktier	843 875	843 875
kvotvärde	50	50

Not 25 Ackumulerade överavskrivningar

	2024-12-31	*2023-12-31*
Maskiner och inventarier	171 436	162 347
	171 436	162 347

Not 26 Avsättningar för pensioner och liknande förpliktelser

Företaget har en förmånsbestämd pensionsplan som finansieras i egen regi och administreras av PRI Pensionsgaranti. Samtliga avsättningar omfattas av tryggandelagen.

Pensionskostnad	*2024*	*2023*
Kostnaden redovisas i följande rader i resultaträkningen:		
Rörelseresultat	-17 562	-24 161
Finansiella kostnader	-7 890	-7 410
	-25 452	-31 571

ank=20250703-20250707284477

Not 27 Övriga avsättningar

	2024-12-31	2023-12-31
Garantiåtaganden	20 580	16 956
Övrigt	2 995	–
	23 575	16 956

Garantiåtaganden	*2024-12-31*	*2023-12-31*
Redovisat värde vid årets början	16 956	17 423
Avsättningar som gjorts under året[1]	6 634	2 714
Belopp som tagits i anspråk under året	-3 010	-3 181
Redovisat värde vid årets slut	20 580	16 956

1) Inkl ökningar av befintliga avsättningar.

Övrigt	*2024-12-31*	*2023-12-31*
Redovisat värde vid årets början	–	–
Avsättningar som gjorts under året[1]	2 995	–
Belopp som tagits i anspråk under året	–	–
Redovisat värde vid årets slut	2 995	–

1) Inkl ökningar av befintliga avsättningar.

Not 28 Checkräkningskredit

	2024-12-31	2023-12-31
Beviljad kreditlimit	20 500	20 500
Outnyttjad del	-20 500	-20 500
Utnyttjat kreditbelopp	–	–

Av beviljad limit avser 500 TSEK kreditlimit för garantier och av dessa har 495 TSEK (115 TSEK) ianspråktagits för lämnade garantier.

Not 29 Upplupna kostnader och förutbetalda intäkter

	2024-12-31	2023-12-31
Personalrelaterade skulder	76 916	68 095
Kundbonus	79 221	61 185
Övriga poster	16 874	13 406
	173 011	142 686

Not 30 Ställda säkerheter och eventualförpliktelser

	2024-12-31	2023-12-31
Ställda säkerheter	Inga	Inga
Eventualförpliktelser		
Garantiåtaganden, PRI	5 383	5 137

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Not 31 Betalda räntor och erhållen utdelning

	2024	*2023*
Erhållen utdelning	22 102	27 296
Erhållen ränta	2 424	4 102
Erlagd ränta	-100	-101

Not 32 Likvida medel

	2024-12-31	*2023-12-31*
Följande delkomponenter ingår i likvida medel:		
Banktillgodohavanden	4 219	6 618
	4 219	6 618

Ovanstående poster har klassificerats som likvida medel med utgångspunkten att:
- De har en obetydlig risk för värdefluktuationer.
- De kan lätt omvandlas till kassamedel.
- De har en löptid om högst 3 månader från anskaffningstidpunkten.

Not 33 Övriga upplysningar till kassaflödesanalysen

Justeringar för poster som inte ingår i kassaflödet m m

	2024	*2023*
Avskrivningar	78 227	62 695
Rearesultat försäljning av anläggningstillgångar	669	
Erhållen utdelning från dotterföretag	-22 102	-27 296
Avsättningar/fordringar avseende pensioner	12 266	19 767
Övriga avsättningar	6 619	-467
	75 679	54 699

Not 34 Hållbarhetsrapport

Tarkett AB upprättar ingen hållbarhetsrapport med hänvisningar till 6 kap. 11 a § ÅRL.
Företaget omfattas av en Hållbarhetsrapport upprättad av moderbolaget i Tarkett-gruppen, Tarkett (Société Anonyme reg. nr 352849327 RCS Nanterre) i Frankrike. Tarkett:s hållbarhetsrapport finns att tillgå hos Tarkett, Tour Initiale - 1 Terrasse Bellini, 92919 Paris la Défense samt hos Tarkett AB.

Tarkett AB

Org nr 556003-9967

Not 35 Koncernuppgifter

Företaget som utgör moderföretag för en koncern med dotterföretag enl not 17, upprättar ej koncernredovisning med hänvisning till reglerna i Årsredovisningslagen 7 kap. 2 §.

Företaget är helägt dotterföretag till Tarkett GDL SA med säte i Luxemburg.

Yttersta moderbolag i Tarkett-gruppen är Tarkett (Société Anonyme reg. nr 352849327 RCS Nanterre) i Frankrike. Tarkett:s koncernredovisning finns att tillgå hos Tarkett, Tour Initiale - 1 Terrasse Bellini, 92919 Paris la Défense samt hos Tarkett AB.

Inköp och försäljning inom koncernen
Av företagets totala inköp och försäljning mätt i kronor avser 54% av inköpen och 43% av försäljningen andra företag inom hela den företagsgrupp som företaget tillhör.

Ronneby den 14 april 2025

Niclas Wullt
Ordförande

Per Jansson

Conny Andersson
Metall-representant

Mikael Olsson
GS-representant

Boulos Aoun
Unionen-representant

David Håkansson

Vår revisionsberättelse har lämnats 2025- 05-06
Forvis Mazars AB

Andreas Brodström
Auktoriserad revisor

Undertecknad styrelseledamot i Tarkett AB intygar härmed, dels att denna kopia överensstämmer med originalet, dels att resultat- och balansräkning fastställts på ordinarie bolagsstämma den 16/6-2025. Stämman beslöt tillika godkänna styrelsens förslag till vinstdisposition.

Ronneby den 17/6-2025

David Håkansson

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REVISIONSBERÄTTELSE

Till bolagsstämman i Tarkett AB
Org. nr 556003-9967

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för Tarkett AB för år 2024.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av Tarkett AB:s finansiella ställning per den 2024-12-31 och av dess finansiella resultat och kassaflöde för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till företaget enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens ansvar

Det är styrelsen som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller på misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller på misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller på misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens uppskattningar i redovisningen och tillhörande upplysningar.
- drar vi en slutsats om lämpligheten i att styrelsen använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om huruvida det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.
- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

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Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens förvaltning för Tarkett AB för år 2024 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till företaget enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat styrelsens motiverade yttrande samt ett urval av underlagen för detta för att kunna bedöma om förslaget är förenligt med aktiebolagslagen.

Helsingborg 2025-05-06

Forvis Mazars AB

Andreas Brodström
Auktoriserad revisor

Consolidated financial statements

as of December 31, 2024

Tarkett

This document presents the consolidated financial statements of Tarkett as of December 31, 2024.

The statutory auditors' report appears on the page 60.

This document is a non-binding "free" translation from French in English as no legal value other than an informative one. Should there be any difference between the French and the English version, only the text in French language shall be deemed authentic and considered as expressing the exact information published by Tarkett.

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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)**

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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, amortization 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**

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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€

2 Notes to the consolidated financial statements

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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.

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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 recognized 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 recognized 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 recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed.
- when the excess is negative, a bargain purchase gain is recognized 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 recognized 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 recognized 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.

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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 recognized 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 recognized 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 recognized 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

Desso Sports Systems AS was liquidated in January 2023.

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.

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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 recognized 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 recognized 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 recognized 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 recognized as income over the lives of the assets by way of a reduced depreciation charge.

Grants are recognized when there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Other grants are recognized 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.

Research and development

Research and development costs are recognized as expenses when incurred, unless the criteria are met for them to be capitalized, as per Note 5.2.1.

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.

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 amortization 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 reorganizations, 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:					Dec. 31, 2024 adjusted
		Restructuring	Gains/Losses on asset sales/ impairment [1]	Business Combinations	Share-based payments	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	(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 amortization	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.

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(in millions of euros)	Dec. 31, 2023	Of which adjustments					Dec. 31, 2023 adjusted
		Restructuring	Gains/Losses on asset sales/ impairment	Business Combinations	Share-based payments	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	(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 amortization	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 Sufaces.

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).

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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 realizable 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 realizable 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 specialized 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.

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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.

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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 recognized 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 recognized 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**

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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) recognized 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) recognized 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**

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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.

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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 recognized 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).

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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 recognized as expenses when incurred, unless the criteria are met for them to be capitalized.

Patents

Patents obtained by the Group are stated at cost less accumulated amortization and impairment losses.

Capitalized costs for internally generated patents principally relate to the costs of legal counsel. Patents capitalized 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 amortization and impairment losses.

IFRS IC Decision concerning the costs of configuring and customizing 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 customization 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.

Amortization

Amortization 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 capitalized 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.

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> **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-capitalized 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 amortization 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, amortization, 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)**

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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 recognized whenever the carrying amount of a cash-generating unit exceeds its recoverable amount. Impairment losses are recognized in profit or loss.

Impairment losses recognized 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.

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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 recognized 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 recognized 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 recognized 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.

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(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 recognized 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 recognized 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 recognized 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 recognized in profit or loss.

Financial assets for which the cash flows do represent solely payment of principal and interest (SPPI) are recognized 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 recognized 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 recognized 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 recognized 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 recognized 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.

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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 recognized 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.

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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 recognized 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 authorization to remit dividends since the start of the war in Ukraine in 2021, 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:

(in millions of euros)	**Dec. 31, 2023**	**Cash-flows**	**Reclassification**	**Non-cash change**				**Dec. 31, 2024**
				Other [4]	**Acquisition [3]**	**Foreign exchange differences**	**Fair value change**	
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 2023
[4] including € 10.4 million euros for the partial disposal of Diamond W assets

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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, amortization 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 amortization *(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 categorized 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

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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**

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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 centralized 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 minimizes 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 amortization table and on the assumption of a crystallization 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**

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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.

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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 recognized 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 recognized 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 (C.V.A.E.)" 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 unrecognized 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 unrecognized 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 recognition of deferred tax assets in Poland.

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 (€1.9) million.

Other items

In 2024, this item includes:

- tax correction charges amounting to €5.4 million mainly in the United States for €11.2 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 2.7 million, including €3.0 million in the linked United States, €1.8 million in Russia and (€2.1) million in Luxembourg;
- tax provisions of €2.3 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 realization 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 capitalized 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 utilized.

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 recognized 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 categorized 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 analyzed 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).

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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 recognized as a deduction from shareholders' equity. When treasury shares are subsequently sold or reissued, the amount received is recognized 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.

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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. Auditor	KPMG S.A. Network	MAZARS Auditor	MAZARS 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	Pourcentage of interest as of December 31, 2024	Pourcentage 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%
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%

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Companies	Country	Consolidation method	Pourcentage of interest as of December 31, 2024	Pourcentage of interest as of December 31, 2023
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%	
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.

3 Statutory Auditors' Report on the Consolidated Financial Statements

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92066 Paris La Défense Cedex

Forvis Mazars
61, rue Henri Regnault
92075 Paris La Défense

Tarkett

Statutory auditors' report on the consolidated financial statements

For the year ended 31 December 2024
Tarkett
Tour Initiale – 1 Terrasse Bellini – 92919 Paris La Défense

KPMG S.A., société d'expertise comptable et de commissaires aux comptes inscrite au Tableau de l'Ordre des experts comptables de Paris sous le n° 143008010101 et rattachée à la Compagnie régionale des commissaires aux comptes de Versailles et du Centre.
Société française membre du réseau KPMG constitué de cabinets indépendants affiliés à KPMG International Limited, une société de droit anglais (private company limited by guarantee).

Société anonyme à conseil d'administration
Siège social :
Tour EQHO
2 avenue Gambetta
CS 60055
92066 Paris La Défense Cedex
Capital social : 5 497 100 €
775 726 417 RCS Nanterre

FORVIS MAZARS SA
SA d'expertise comptable et de commissariat aux comptes a directoire et conseil de surveillance.
SA au capital de : 8 320 000 euros – RCS :
Nanterre 784 824 153
SIRET : 784 824 153 00 232
APE : 6920Z
Siège social : Tour Exaltis, 61 rue Henry Regnault
La Défense 92400 Courbevoie

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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.

Tarkett

Tour Initiale - 1 Terrasse Bellini - 92919 Paris La Défense

Statutory auditors' report on the consolidated financial statements

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 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 Consolidated Financial Statements" section of our report.

KPMG S.A., société d'expertise comptable et de commissaires aux comptes inscrite au Tableau de l'Ordre des experts comptables de Paris sous le n° 143008010101 et rattachée à la Compagnie régionale des commissaires aux comptes de Versailles et du Centre.
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SIRET : 784 824 153 00 232
APE : 6920Z
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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

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 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 recognized 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.

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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 analyzed 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 recognized 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.

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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 Mazars.

As at 31 December 2024, KPMG and 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 consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated 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.

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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

Forvis Mazars

Romain Mercier
Partner

Anne-Laure Rousselou
Partner

Design and Production

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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).

1 *The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)*

General information (ESRS 2)

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.

General information (ESRS 2)

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

General information (ESRS 2)

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

General information (ESRS 2)

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.

General information (ESRS 2)

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.

General information (ESRS 2)

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.

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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.

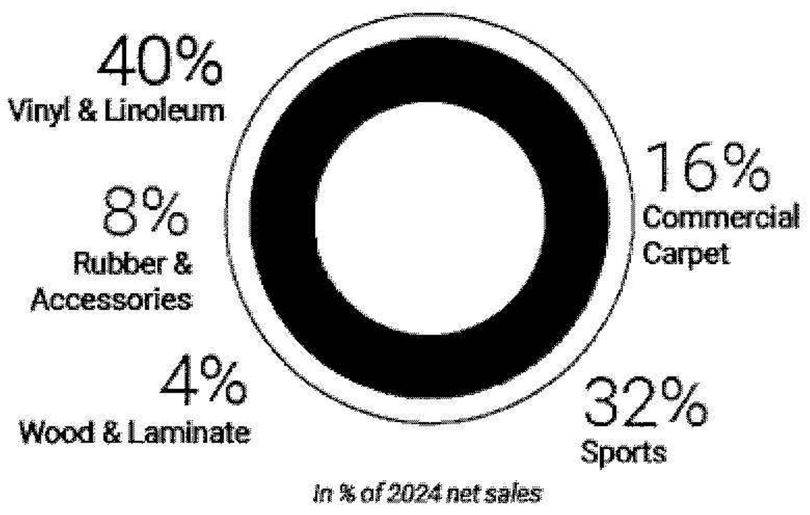
Headcount of Tarkett employees by geographical area is provided in the below table.

General information (ESRS 2)

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

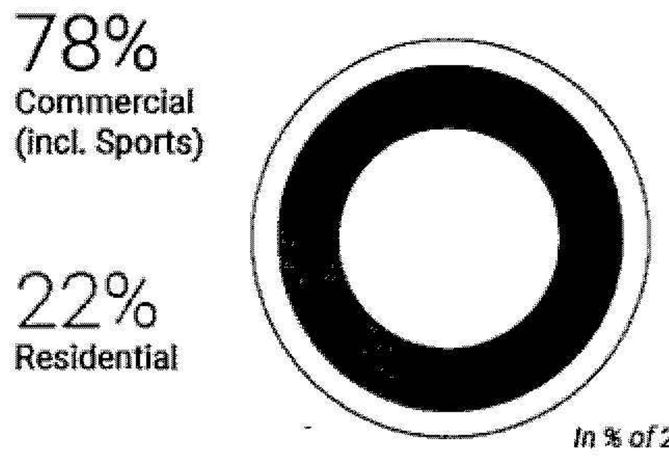
Total net revenue for 2024 amounted to 3,332 millions of euros (as disclosed in the consolidated financial statements as of December 31, 2024 – section 5.1 of the URD). The distribution of the 2024 net revenue per product category and per market is provided in the below graphs.

DISTRIBUTION OF 2024 NET REVENUE BY PRODUCT CATEGORY



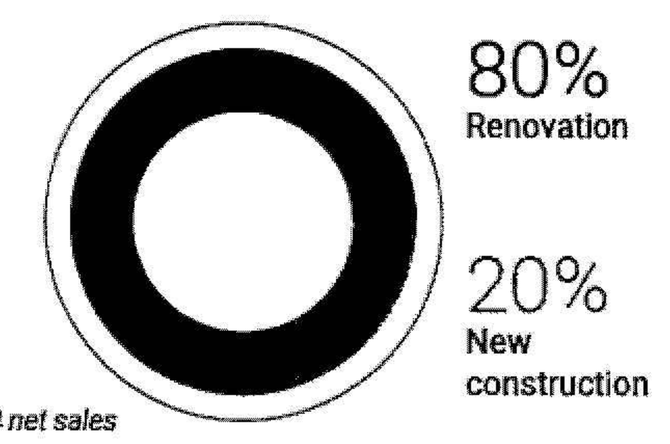
In % of 2024 net sales

ATTRACTIVE END-MARKET EXPOSURE



In % of 2024 net sales

SALES DRIVEN BY RENOVATION



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)

General information (ESRS 2)

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

General information (ESRS 2)

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]					
	Opportunity to source low-carbon materials to reduce the carbon footprint of Tarkett products.	O	Upstream	Short to Medium	• 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.	
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		

General information (ESRS 2)

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		

General information (ESRS 2)

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

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.*

General information (ESRS 2)

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.

General information (ESRS 2)

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.

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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).

General information (ESRS 2)

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...

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

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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

General information (ESRS 2)

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	

General information (ESRS 2)

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

General information (ESRS 2)

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

General information (ESRS 2)

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).

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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.

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).

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.

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.

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).

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

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.

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)

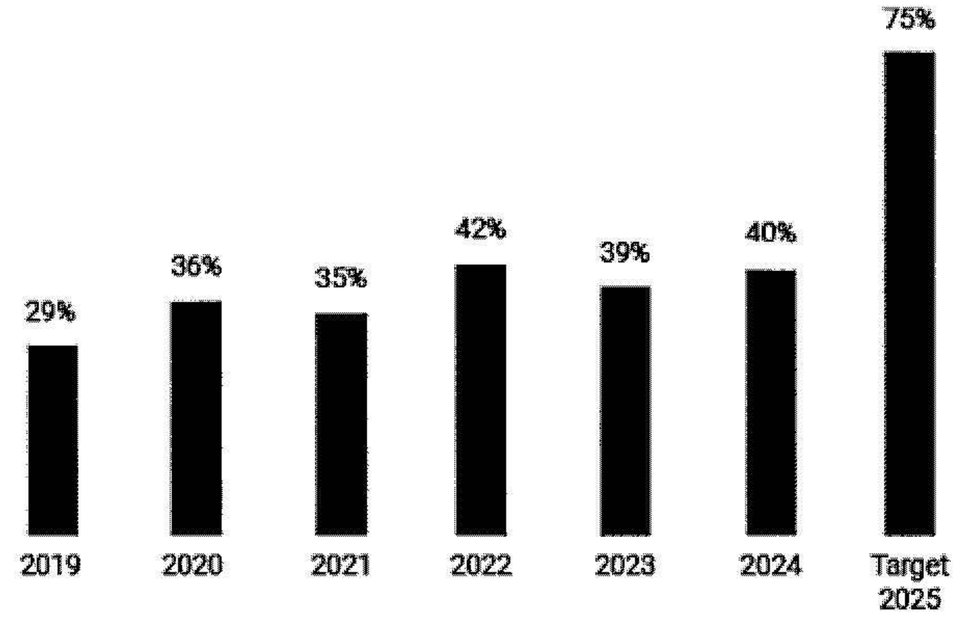
Pollution and water-related topics at supplier's level

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

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)*

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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.

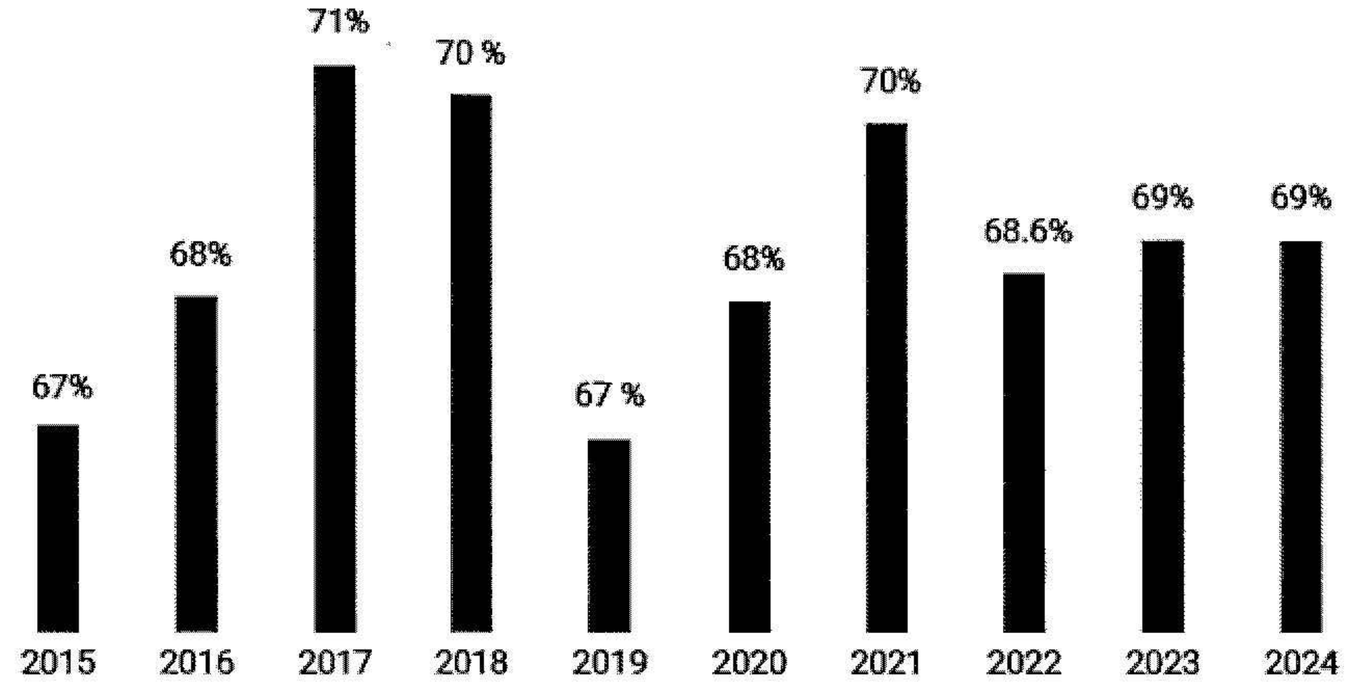
Materials not contributing to resource scarcity

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 (%)

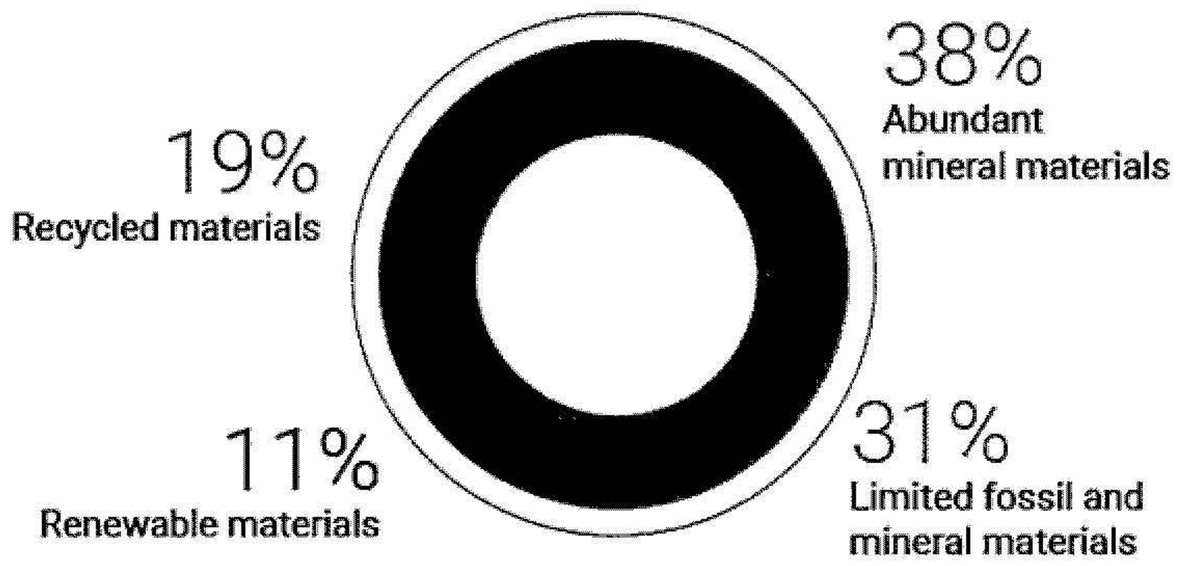


1 *Circular Carbon Footprint: according to the product specific Environmental Product Declarations (EPDs) S-P-13143, S-P-05827, S-P-08559, S-P-08561, S-P-09339, S-P-08952. Externally verified by Bureau Veritas, based on the total carbon footprint (Modules A-D) with a closed loop circular recycling scenario. 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.

Environmental information

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.

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Environmental information

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.

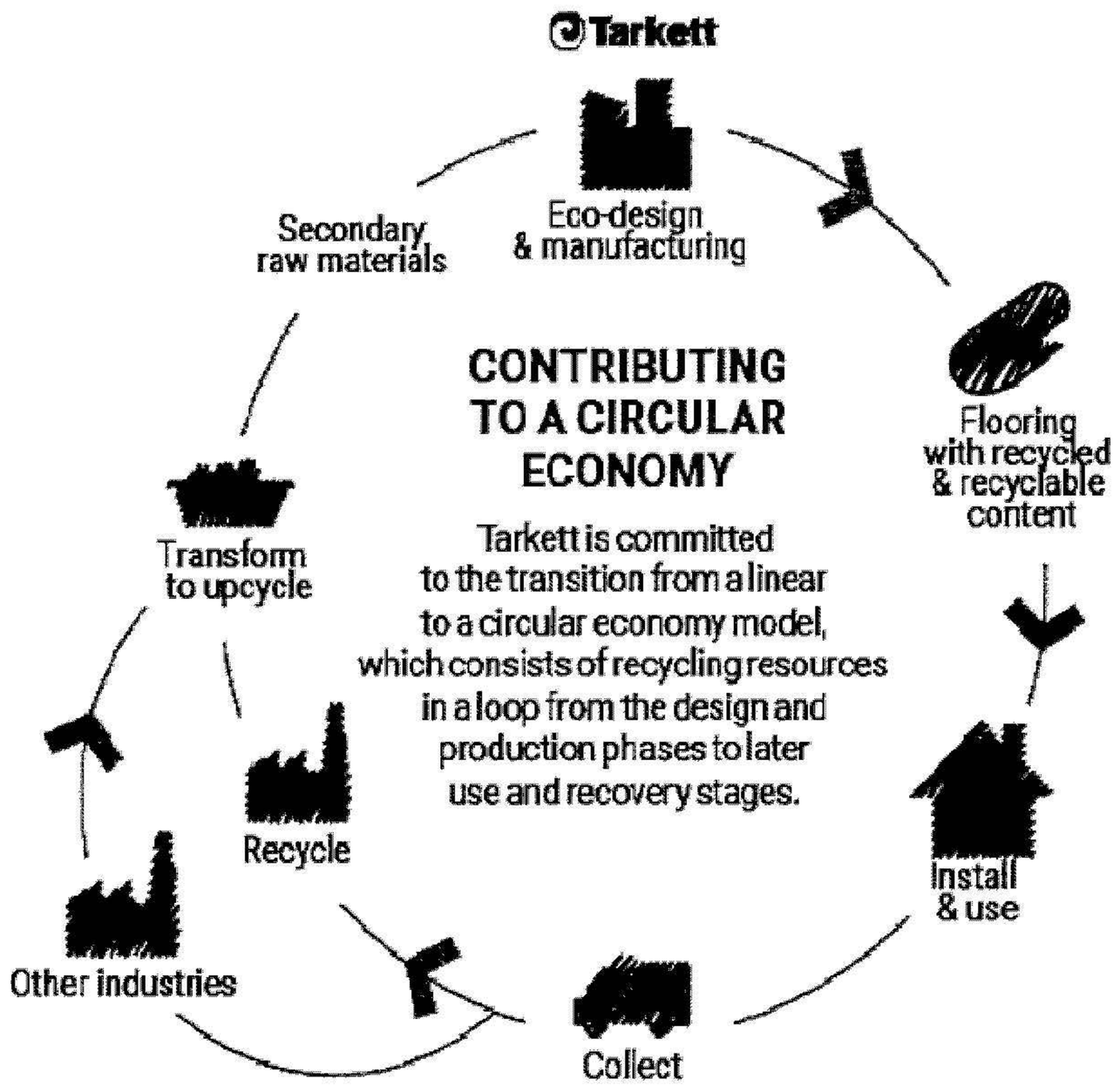
Main actions related to the design of circular products

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.

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

Environmental information



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™, 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.

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.*

Environmental information

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.

Environmental information

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.

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.

Environmental information

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%

Environmental information

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%

1 *This CapEx of 96 M€ refers to 2024 acquisitions of property, plant and equipment and intangible assets.*

Environmental information

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%

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

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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.

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.

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

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.*

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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.

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

1 *As a result of work-related injuries and work-related ill health*

Social information

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.

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.*

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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.

Governance information (ESRS G1)

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.

Statutory Auditor's Report on the Sustainability Statement

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 — Partner
Romain Mercier — Partner

Paris La Défense, February 27, 2025
Forvis Mazars
Anne-Laure Rousselou
Partner

ank=20250703-20250707728563

Bolagsverket

Angående ingivande av årsredovisning år 2024 för Tarkett AB
Org nr 556003-9967

Undertecknad får härmed

Ingiva avskrift av årsredovisning och revisionsberättelse avseende år 2024
Försedd med bevis om att resultat- och balansräkning fastställts samt uppgift
Beträffande vinst eller förlust.

Härvid fogas

Kopia av årsredovisning och revisionsberättelse jämte bevis

Kopia av protokoll från ordinarie bolagstämma

Kopia av koncernredovisning för Tarkett

Kopia av hållbarhetsrapport för Tarkett

Ronneby den 17 juni 2025

Vicktoria Petersson