

September 2021

Anticorruption Code of Conduct

Summary

Message from the Chairman of the Management Board 03

1

*Objective and scope of application
of the Anticorruption Code of Conduct*

04

2

Essential concepts

07

- Definition of an act of corruption
- Active/passive corruption
- Public/private corruption
- Direct/indirect corruption
- The meaning of "bribe"
- The meaning of "undue commission" fee
- The meaning of "extortion"
- The meaning of "conflict of interest"
- The meaning of "influence peddling"

3

*Preventing and fighting corruption:
Tarkett's internal rules*

12

3.1. Prohibited practices

13

- 3.1.1. Illegal payments
- 3.1.2. Facilitation payments
- 3.1.3. Political contributions

3.2. Supervised practices

15

- 3.2.1. Gifts and invitations
- 3.2.2. Donations to charities and sponsorship
- 3.2.3. Discounts, rebates and price reductions
- 3.2.4. Interest representation and lobbying

3.3. Required practices

21

- 3.3.1. Required practices internally
- 3.3.2. Required practices with our business partners
- 3.3.3. Required practices in public and private tenders
- 3.3.4. Required merger and acquisition practices

3.4. DISCIPLINARY SANCTIONS

25

4

Reporting violations

26

4.1. Whistleblowing systems

27

4.2. Others contacts

28

Appendix

Appendix 1 : Recommendations from the French Anticorruption Agency - Definitions 29

Appendix 2 : Anti-Bribery and Corruption Clause (all business partners except at risk intermediaries) 30

Appendix 3 : Anti-Bribery and Corruption Clause (at risk intermediaries) 31

Appendix 4 : Annual declaration of at risk intermediaries 33

Appendix 5 : Alert signals 34



MESSAGE FROM THE CHAIRMAN OF THE MANAGEMENT BOARD

FABRICE
BARTHÉLEMY

*Chief Executive
Officer*



Dear colleagues,

As employees of Tarkett, we all have a role to play in maintaining our high standards for ethics and integrity and protecting one of our most important assets: our reputation as an ethically sound company.

At Tarkett, we are committed to conducting business with the utmost integrity and full transparency; we will not tolerate any form of bribery or corruption.

Our Corruption Prevention Program provides a framework to define our expectations across Tarkett globally. For the Program to be successful, we need each of us to be sure that our behavior is guided by our company values and our commitment to ethical business practices every day.

This new Tarkett Anticorruption Code of Conduct is the cornerstone of the Corruption Prevention Program.

It provides detailed examples of corruption and bribery, making it easier for us to understand, identify and prevent corrupt behavior. It also defines clear guidelines on how we expect you to behave to comply with rules and regulations and how you can avoid inappropriate situations.

This is a business critical issue. We expect every Tarkett employee to read the Tarkett Anticorruption Code of Conduct carefully, and ensure that he or she understands how to detect and avoid corrupt situations.

On behalf of the whole Executive Committee and Management Board, thank you for your leadership and dedication in ensuring Tarkett maintains the highest standards of respect, integrity and ethical practices worldwide.

Fabrice Barthélemy
Chief Executive Officer



1

*Objective and scope
of application
of the Anticorruption
Code of Conduct*



1

As a signatory to the United Nations Global Compact, Tarkett will not tolerate corruption in any form, and actively supports all initiatives in the fight against it.



Tarkett's commitment: Tarkett is committed to conducting all of its activities with legality, integrity and transparency, as well as to developing and maintaining specific policies, procedures and internal controls to prevent and detect corruption and influence peddling. The Anticorruption Code of Conduct is one of the tools in the Tarkett compliance program dedicated to the prevention and fight against corruption and influence peddling (hereinafter the "**Anticorruption Compliance Program**").

Objective of the Anticorruption Code of Conduct: the Anticorruption Code of Conduct aims to guide all Tarkett employees in their daily activities, by providing knowledge of required practices and by explaining how to act in compliance with these practices.

Conflict with other regulations or practices: as Tarkett is a global group, its employees carry out their activities in many countries where the culture and regulations regarding the prevention and fight against corruption may be more or less restrictive. Tarkett considers, however, that the rules set out in the Anticorruption Code of Conduct represent good business ethical practices that transcend national boundaries. Should local regulations be less restrictive than the provisions in this code, the Anticorruption Code of Conduct shall prevail. If local regulations however are more restrictive than the provisions in this Code, the more restrictive local regulations shall prevail.

Conflict with other internal rules: the Anticorruption Code of Conduct supersedes and replaces all earlier versions of the Tarkett Anticorruption Policy, whether in electronic or paper format. While the Anticorruption Code of Conduct is translated into several languages¹, in the event of doubt over the construction of any one provision, the original French version shall prevail.

Human Resources: the Anticorruption Code of Conduct applies in a mandatory and consistent manner to all Tarkett Group entities², unless local laws impose more restrictive requirements.

➤ For the French entities of Tarkett Group, the Anticorruption Code of Conduct has been incorporated into the Internal Rules of Tarkett, Tarkett France (in La Défense and Sedan) and FieldTurf Tarkett, and has been submitted for opinion to the CHSCT and Works Councils of the above-mentioned entities on 23 May 2018 and 12 June 2018 (Tarkett France in La Défense), 20 June 2018 and 26 July 2018 (Tarkett France in Sedan) and 6 & 8 August 2018 (FieldTurf Tarkett). The Code, together with the said opinions, were forwarded to the Labor Inspectorate (Inspection du Travail) on 11 May 2018 (Tarkett), 15 June 2018 (Tarkett France La Défense), 20 September 2018 (Tarkett France Sedan) and 12 September 2018 (FieldTurf Tarkett). For Tarkett Group entities located abroad, the Anticorruption Code of Conduct shall be communicated to all employees of the concerned entities, and will apply to all activities conducted by them.

¹ [The Anticorruption Code of Conduct is accessible into the following 17 languages:](#) German, English, Chinese (simplified), Danish, Spanish (EU), Finnish, French, Italian, Dutch, Norwegian, Polish, Portuguese (Brazilian), Russian, Serbian, Swedish, Turkish and Ukrainian.

² Thus, any reference to "Tarkett" must be understood as any entity of the Tarkett Group, irrespective of its location.



- › The Anticorruption Code of Conduct thus applies to all Tarkett employees, irrespective of their activity, country or job position. Each employee acknowledges that a copy of the Anticorruption Code of Conduct has been submitted to him/her by Tarkett³. He/she commits to carrying out all his/her tasks in accordance with the rules listed therein and is fully informed that non-compliance with any one of these provisions may give rise to disciplinary sanctions including dismissal.
- › Tarkett employees holding managerial positions have the additional responsibility of setting an example through their own behavior, by ensuring that the employees in their teams have received all the information needed to allow them to comply with Tarkett's requirements, and by promoting a working environment in which the said employees feel comfortable about raising any questions or concerns.
- › The Anticorruption Code of Conduct will be complemented and illustrated by a range of training sessions (in-persons and/or through e-learning) provided specifically to the Tarkett employees who are the most exposed to the risks of corruption and influence peddling. Training program registers will be kept by the Legal Department. This mandatory training program will enable the employees the most likely to be exposed to the risks of corruption and influence peddling to anticipate, identify and manage these risks.

Vérifications: control and compliance audits focusing on the execution and deployment of the Anticorruption Compliance Program are planned to assess the proper understanding and performance of this Code and the Program's effectiveness. Remediation actions will be applied if required.

Updates: the Anticorruption Code of Conduct may be subject to updates or amendments. In any such event, the amendments and/or updates will be clearly communicated to all Tarkett employees.

³ The ways and means used to communicate the Anticorruption Code of Conduct to the employees are as follows: **Tarkett employees who hold a Tarkett email address** have received the Anticorruption Code of Conduct via a communication sent directly on their Tarkett email address. They can also access the Anticorruption Code of Conduct, at any time on Tarkett Group Intranet: <http://tarkett-inside/> (Section Company Information >> Compliance >> Anticorruption). **For Tarkett employees who do not hold a Tarkett email address**, the Anticorruption Code of Conduct has been displayed to them on official boards.



2

Understanding corruption



General definition of an act of corruption

Corruption relates to **the offer, promise, donation, acceptance or solicitation of an undue advantage of any value** (financial or non-financial), **directly or indirectly**, whatever the location, in violation of applicable laws, **to encourage or reward a person for acting or not acting within the scope of his/her functions.**

What is an undue advantage?

An "**undue advantage of any value**" may be a sum of money, a gift, an invitation to lunch or to an event, an excessive reduction, the supply of all types of services, etc.

■ Examples of acts of corruption

- › Offering a customer an invitation to spend a leisure weekend in Paris with all travel and accommodation costs paid, in exchange for an order placed for Tarkett products.
- › Giving a sum of money or a gift to a customs officer to obtain (or thank for) faster customs clearance for Tarkett products.
- › Offering an external auditor the supply of free Tarkett products in order to obtain (or speed up) fire resistance certification.
- › Offer a gift to an employee of an international sports federation to have them certify a Tarkett product.

 An act of corruption may be active or passive, be committed by or with public officers or private individuals, directly by a company manager or employee or via an intermediary. Further details are provided below.

Active / passive corruption

There is **active corruption** when the corrupt person takes the initiative of the act of corruption, i.e. by offering or proposing an undue advantage for which the contact grants a favor related to his/her function in return.

There is **passive corruption** when the corrupt person receives any gift or other undue advantage in exchange for a favor, whether or not he/she does not complete an act in exchange.



! Both active and passive corruption are sanctioned. They are sanctioned in the same way.

■ Examples of active corruption

- > Scenario 1 > A supplier offers a Tarkett purchaser a luxury watch, so that his/her company is selected as Tarkett supplier.
- > Scenario 2 > A salesperson invites a prospect to spend a leisure weekend in Paris, with all travel and accommodation costs paid, so that the prospect will place orders for Tarkett products.

■ Examples of passive corruption

- > The Tarkett purchaser asks for a luxury watch from his/her supplier so that the latter is selected by Tarkett.
- > The prospect requests such an invitation, by implying that this would encourage him/her to take a favorable decision for Tarkett.

■ Examples of active corruption

- > Scenario 3 > The employee of a transporter to which Tarkett assigns delivery of its products offers a sum of money to a customs officer with the aim of obtaining faster customs clearance for Tarkett products.
- > Scenario 4 > A Tarkett employee offers to renovate the apartment of an employee of an international sports federation with Tarkett flooring, aiming to secure a contract.

■ Examples of passive corruption

- > A customs officer requests a sum of money in cash, whilst indicating that this payment would guarantee faster customs clearance for Tarkett products.
- > The employee of an international sports federation suggests that Tarkett offers to renovate the floor of his/her apartment, hinting that this would enable Tarkett to win the contract.

Public / private corruption

We refer to **public corruption** when the act of corruption involves a **public agent or officer**, whatever his/her level of seniority.

We refer to **private corruption** when the act of corruption does not involve a public agent or officer.

! The concept of public agent or officer must be interpreted broadly to include family members or the close friends of an agent, quasi-governmental organizations and their employees. For example, an architect in Germany is considered to be a public agent if he/she answers a public tender. **Whether the act of corruption occurs in the public or private sector is irrelevant. In most jurisdictions, both forms of corruption (public and private) are punished.**

■ Examples of public corruption

- › Offering to renovate the floor of the professional premises of a public agent's wife in the hope that her husband will speed up an administrative procedure.
- › Offering dinner in a top restaurant to an architect who exercises a public function in an urban development office, so that the said architect chooses Tarkett products to fit out a building under construction.
- › Offering an internship at Tarkett to the son of a tax inspector in order to avoid a tax adjustment.

■ Example of private corruption

- › Proposing to the buyer from a private company to overcharge Tarkett products to the company and then pay back a percentage of the generated sales to the buyer, with the aim of being selected as supplier.

Corruption directe / indirecte

We talk about **direct corruption** if the acts are directly committed by the person looking for a favor. There is in this case a direct exchange between the corrupting party and the corrupt person.

We talk about **indirect corruption** if the acts are committed by an intermediary on behalf of the person benefiting from the undue advantage, including if the beneficiary of the advantage is unaware that an act of corruption has been committed.



! Both types of corruption are strictly prohibited. A company may be prosecuted for indirect corruption, even if it was unaware of the acts of corruption committed by the intermediary. It is essential, therefore, to ensure that intermediaries likely to represent Tarkett are selected carefully, and undertake to comply with the Tarkett Anticorruption Code of Conduct. Further information on intermediaries can be found in sub-section 3.3.2. of this Code.

■ Example of direct corruption

- › A Tarkett employee offers a sum of money or a gift to a customs officer, to obtain faster customs clearance for Tarkett products.

■ Example of indirect corruption

- › The employee of a transporter to which Tarkett assigns delivery of its products offers a sum of money or a gift to a customs officer with the aim of obtaining faster customs clearance for Tarkett products.

The meaning of "bribe"

A **bribe** is a generic term for a payment carried out in return for a favor or unjustified service. It may take different forms, for example, the payment of a sum of money, a gratuity, pulling strings to get something, etc

■ Example of bribe

- › Payment of a sum of money in cash to a tax inspector so that he/she drafts an audit report that does not lead to neither tax adjustment measure, nor fine.

The meaning of "undue commission" fee or "kickback"

An **undue commission** is a specific type of bribe where the corrupt person is rewarded with an advantage obtained thanks to the corrupt person, generally consisting of the payment of a percentage of the undue gains obtained.

■ Example of undue commission / kickback

› Proposing to the purchaser from a company to overcharge Tarkett products to the company and then pay back a percentage of the generated sales to the purchaser.

The meaning of "extortion"

Corruption becomes **extortion** when the request for an undue advantage is accompanied by the use of violence, threats of violence or coercion.

■ Example of extortion

› A customs officer who unduly solicits the payment of additional taxes, threatening to destroy the products if the payment is not made.

The meaning of "influence peddling"

Influence peddling is remuneration of the undue exercise of an influence that the official has or claims to have over a third party, for the purpose of obtaining a favorable decision.

Whereas the corrupted person acts, or refrains from doing so, in performing his/her own duties, the perpetrator of influence peddling uses his/her influence on the person who has the power to act or refrain from doing so.

■ Examples of influence pedding

- › Peter's brother is the mayor of Tarkett City. Peter promises an architect that his brother will choose him to renovate the floors in the Tarkett City Hospital if the architect accepts to take on Peter's son for an internship in his department.
- › A legal director of a flooring company asks several Members of Parliament not to adopt a law banning the presence of certain carpet product components. In exchange, the legal director ensures that the company for which he/she works, regularly invites the accommodating the Members of Parliament to sporting events that the company sponsors.

The meaning of "conflict of interest"

A **conflict of interest** exists when the personal interest of a Tarkett employee (and/or the interests of one or more of their close family) is likely to influence the decision of the said employee, and consequently interfere with Tarkett's interests.

An interest is defined as a benefit of any kind, tangible or intangible, commercial, financial, professional or personal.

The existence of a conflict of interest may affect the judgement of the person who finds him/herself in such a situation and influence his/her decisions

■ Examples of conflicts of interest

- › At the end of a tender process, a manager working in the Communications Department of Tarkett wishes to select a press relations agency in which his/her brother-in-law is a partner.
- › As part of proceedings brought against Tarkett, an in-house lawyer of Tarkett, who is responsible for the case, wants to assign case follow-up to a law firm in which his/her spouse is a colleague.
- › A candidate for recruitment to Tarkett fails to mention that his/her brother works for a direct competitor of Tarkett, in a similar position to the one being applied for.
- › A Tarkett employee acquires shares in the company of a Tarkett competitor, supplier or customer without prior approval.



3

Preventing and fighting against corruption: Tarkett's internal rules





Tarkett expects each one of its employees to reflect, through his/her behavior and decision making, Tarkett's commitment to scrupulously comply with all applicable rules governing the prevention and fight against corruption.

Compliance with the internal rules indicated in this Chapter is therefore mandatory for all Tarkett employees. Failing such compliance, Tarkett employees are fully informed that they may be subject to disciplinary sanctions, including dismissal.

3.1. PROHIBITED PRACTICES

3.1.1. Illegal payments

Tarkett expects its employees to systematically and categorically refuse all requests or offers of bribes, irrespective of their amount or value, by clearly stating the position and commitment of Tarkett regarding the prevention and fight against corruption.

Types of illegal payments

- › It does not matter whether a contentious payment is:
 - proposed/carried out before or after obtaining the undue advantage; and/or
 - carried out with the person of influence or one of his/her family members or associates (e.g.: colleagues, friends, family members).
- › Payments of all types (in value or money), whether they are received, promised, proposed or offered, by or from all public or private persons, in order to obtain an undue advantage, are strictly forbidden.

Do's and don'ts



DO'S

- › **ASK FOR** a detailed invoice (products purchased, services provided, etc.) to justify all payments by Tarkett.
- › **INDICATE** precisely on the invoices prepared by Tarkett the quantity of products supplied and all other information required by law.



DON'TS

- > **DO NOT MAKE** payments and **DO NOT OFFER** gifts or other services with the aim of obtaining a contract or a business.
- > **DO NOT OFFER** end-of-year discounts or commissions based on purchases of Tarkett products to a company that you have not invoiced (e.g., a general contractor).
- > **DO NOT MAKE** payments or financial arrangements, in cash or by bearer check, to companies or individuals.
- > **DO NOT MAKE** payments in favor of a person of influence at the time a contract or purchase decision, for which the said person is responsible, is about to be signed.
- > **DO NOT MAKE** payments, and **DO NOT PAY** commissions to an offshore bank account or to someone other than the recipient.

3.1.2. Facilitation payments

What are they?

A facilitation payment is a payment granted with the aim of accelerating, ensuring or facilitating the performance of a usual and non-discretionary regulatory task, for example, the issue of a license of exploitation, customs clearance of goods or issue a certification on the origin of the wood.

Why does Tarkett prohibit them?

Facilitation payments are considered to be a form of corruption in many countries.

It is for this reason that Tarkett strictly forbids such payments within all its Group entities. You must not, therefore, grant any facilitation payments, including payments carried out by intermediaries, even if they may be permissible under the law in the country in which you operate.

3.1.3. Political contributions

What are they?

A political contribution is a direct or indirect contribution for the purpose of providing support to a political party or movement, a candidate or an elected official. This contribution may be the payment of money or any other advantage including gifts, payment of travel expenses, provision of services, partisan support actions, fund-raising or advertising.

Why does Tarkett prohibit them?

Tarkett wishes to retain full neutrality and independence towards public decision-makers and political figures.

It is for this reason that Tarkett forbids political contributions. No political contributions may be paid or carried out by any Tarkett entities, nor carried out on behalf of Tarkett, by any employee.

Tarkett employees may, however, personally support political figures and causes, as long as this support is not linked to Tarkett and does not affect the behavior and decisions that may be taken within the scope of a person's functions. Political views may be expressed only on a personal level and shall not reflect any position held by Tarkett.

3.2. SUPERVISED PRACTICES

The line between acceptable and unacceptable practices is often thin. This is why Tarkett sets internal rules to help you exercise this judgement and protect yourself against risks of corruption.

3.2.1. Gifts and invitations

What are they?

Gifts and invitations are part of business life and it is the responsibility of Tarkett employees to know how to identify when they are in a situation where gifts or invitations may be offered or received.

Gifts and invitations can take many different forms, such as:

■ Examples of gifts

- › Supply of Tarkett products and/or goods.
- › Free provision of services.
- › Travel, upgrades.
- › Bottles of wine, chocolates, flowers, gift cards, etc.

■ Examples of invitations

- › Invitations to lunch or dinner.
- › Invitations to cocktails or social events (for example: exhibitions, concerts, film premières, symposiums, conferences, seminars, etc.).
- › Invitations to sports events, etc.

Why gifts and invitations may expose you to a risk of corruption?

Gifts and invitations offered as a reward (either for a previously granted favor or a future favor) may affect the judgement of their recipient and influence transactions.

Offering a gift may create a sort of obligation towards the recipient, who is thus encouraged to change his/her behavior in a favorable way towards the person who has offered the gift or invitation. Offering a gift or invitation may also raise the hope of obtaining something in return.

Here are a few (non-exhaustive) examples of gifts and invitations likely to influence the behavior and decision-making of the people on the receiving end:

■ Examples of inappropriate gifts

- › Offering a luxury watch to a customer.
- › Receiving a case of wine from a software publisher.
- › Offering to renovate the personal home of an architect with Tarkett flooring.

■ Examples of inappropriate invitations

- › Inviting a customer to lunch or dinner every week.
- › Inviting a customer to a sporting event, and paying – in addition to the tickets for the event – three days in a luxury hotel, with all meals paid plus travel in business class.

Do's and don'ts

Before giving or accepting a gift or an invitation, you must be sure that the following **cumulative conditions** have been respected:

- (i) the value of the gift or invitation complies with Tarkett rules;
- (ii) the frequency of gifts or invitations complies with Tarkett rules;
- (iii) the gift or invitation is not likely to influence the behavior of the person receiving it.

Regarding the value of the gift or invitation, Tarkett considers that gifts and invitations with a value of less than €100 (or 100 US dollars) are reasonable if they fall within the standards of conduct listed in this sub-section. Any gift or invitation must however be subject to a prior authorization. Gifts and invitations that exceed €100 (or US\$100) must be authorized by someone at a higher level. Please, refer to the Gift/Invitation Policy applicable in your Division and comply with the approval procedure to seek which level of authorization is required.

As regards the frequency of gifts and invitations, they must be occasional occurrences and not be offered just before or immediately after the completion of a project in favor of Tarkett in which the beneficiary is involved.

Regarding the potential influence a gift or invitation may have on decision making:

- › The thresholds of amount or value and frequency of gifts and invitations are not the only criteria for whether or not to accept a gift or invitation.
- › To assess this risk, you must use common sense by asking yourself the following questions:
 - Would I be embarrassed if my colleagues or the media learned and revealed the existence of these gifts or invitations?
 - What is the aim of this gift or invitation? For what purpose is it given?
 - Is there another intention behind this gift or invitation?
 - Can the recipient of this gift or invitation influence the signature of transactions for the benefit of the person or company that has offered the gift or invitation?
- › Travel, trips⁵, accommodation and meals are authorized if the conditions of value, frequency and absence of influence are met, and subject to expenses taking place (i) during a factory visit or work meeting, (ii) in the presence of a Tarkett employee and (iii) if they are directly linked to the promotion, demonstration or explanation of Tarkett products.

■ Examples of acceptable gifts

- › Small souvenirs;
- › Pens;
- › Diaries;
- › Small promotional objects/goodies with the Tarkett brand and/or logo.

■ Examples of acceptable invitations

- › Invitation of a private prospect to a soccer match for a reasonable amount.

The table below also provides other examples of standards of conduct:

	DO'S		DON'TS
	› MAKE gifts with a reasonable value and spaced out over time.		› NEVER MAKE gifts in cash or cash equivalent such as gift cards (except with prior approval from your managers, and to reward past business performance).
	› REFRAIN from offering a gift or invitation to your business partner if a decision on the granting of a contract or business to Tarkett is expected in the near future.		› NEVER MAKE/NEVER ACCEPT costly gifts or invitations.
	› ATTEND the event to which you have invited a third party and ONLY ACCEPT invitations when the person inviting you is present.		› NEVER MAKE/NEVER ACCEPT frequent gifts or invitations.
	› INFORM your business contacts about Tarkett's internal rules governing gifts and invitations.		› NEVER ACCEPT any gifts or invitations that would be difficult to justify to your colleagues or the media.
			› NEVER ACCEPT any gifts or invitations that could influence an imminent decision.



It is sometimes difficult to refuse a gift or an invitation. In some countries, business gifts and invitations are not seen as corruption, and refusal may even be offensive. You must be tactful in the way you refuse them. The Anticorruption Code of Conduct can help you to justify your refusal: Tarkett employees can refuse an offer by indicating that accepting such a gift or invitation would be a violation of company rules.

⁵ Invitations to a trip as a reward for business performance are subject to a prior approval of your Legal Department.

Procedure to be followed

All gifts and invitations must be made in an open and transparent way. They must be correctly reported to your manager and recorded by Tarkett.

Before giving or accepting a gift or invitation, you must ensure that all required approvals have been granted, by submitting, if appropriate, a written approval request, in which you describe:

- › the gift or invitation received or offered;
- › its approximate value (if appropriate, the cumulated value of gifts and invitations to the same contact during the year in progress);
- › the reasons that have motivated the gift or invitation;
- › all elements demonstrating its disinterested nature; and
- › all other details useful for prior authorization.

You must ensure that the gift or invitation offered or received has been correctly recorded by Tarkett (please refer to the Anticorruption Accounting Controls Procedure for more information).



DO'S

- › **RECORD** gifts and invitations made in Tarkett's accounting books and registers, indicating the type, value and date of the transaction and providing the prior approval form.



DON'TS

- › **NEVER OFFER ANY** gifts or invitations before receiving the corresponding authorization.
- › **DO NOT USE** personal funds to offer a gift or invitation which would be forbidden under the Anticorruption Code of Conduct.

3.2.2. Donations to charities and sponsorship

What are they?

A **donation** is a payment (in cash or in kind) with nothing expected in return. Patronage, which is a type of disinterested support to a generally artistic, cultural or humanitarian cause, must be characterized as a donation.

Sponsorship is material support, for example financial, to a person, event, product or organization, for which one of the main aims is to obtain advantageous advertising exposure.

■ Examples of donations

- › Payment of a sum of money to an association to help provide housing in impoverished areas.
- › Collection of gifts for under-privileged children.
- › Voluntary assistance to clean a beach.
- › Financing for an advertising campaign for a charity work and/or coverage of document printing costs.
- › Free supply of Tarkett flooring to populations supported by a charity association.

■ Examples of sponsorship

- › Supply of a sports surface to a stadium, for free or at a reduced price, in exchange for exposure offered by the stadium for one or several Tarkett Group brands.
- › Financial support provided to a skipper for a yacht race, in exchange for highlighting the Tarkett brand featured on the yacht.

Why donations and sponsorship may expose you to a risk of corruption?

Donations to charity associations or works as well as sponsorship may be used as a means to corrupt a person likely to influence a decision in a transaction. This is particularly the case if there is a conflict of interest, for example, if a person of influence has a personal and/or family interest in the organization receiving the donation or sponsorship.

There is a risk that the judgement of the said person could be influenced by the donation or sponsorship.

5 Invitations to a trip as a reward for business performance are subject to a prior approval of your Legal Department.

Do's and don'ts

Before paying a donation or running a sponsorship operation, you must make sure that (i) the amount of the planned donation or sponsorship complies with Tarkett's delegations of authority and that (ii) the beneficiary of the donation or sponsorship is not in a position to act or make a decision that could favor Tarkett.

As regards the beneficiary of the donation or sponsorship, it is of the utmost importance to investigate the person in order to ensure that the organization is legitimate and honest and show that no links can be established with a person of influence who has a power of decision or influence over Tarkett's business projects.



DO'S

- > **CHECK** that the organization is not directly or indirectly linked to one of your business partners (customers, suppliers, etc.).
- > **ASK** the organization to confirm any relations that its members may have with public agents or officers.
- > **CHOOSE** organizations whose corporate purpose is compatible with the causes supported by Tarkett (e.g. environmental protection, fight against poverty, etc.).
- > **CHECK** the organization's authenticity before any contribution, by checking its legal existence and by analyzing the different business reports it has published.
- > **ASK** the organization to send you a written receipt indicating precisely how the donation will be used and guaranteeing that it will not be directly or indirectly used for any goal other than that initially specified.



DON'TS

- > **DO NOT MAKE** a donation or organize sponsorship if there is a conflict of interest likely to affect the transaction's transparency.
- > **DO NOT GRANT** donations or sponsorships to physical persons.
- > **DO NOT MAKE** donations or sponsorships at the request of customers or persons of influence, and certainly not if the organizations receiving these donations or sponsorship have been chosen by the latter.
- > **DO NOT GRANT** donations or sponsorships to organizations having direct or indirect ties with political parties.
- > **DO NOT MAKE** donations or sponsorships that pass through the hands of intermediaries.



DO'S

- > **ENSURE** that the donation or sponsorship you conduct is not aimed at influencing an imminent project in Tarkett's favor.



DON'TS

- > **DO NOT MAKE** donations or sponsorships to influence a project in Tarkett's favor (e.g. commercial agreement, visit by authorities or certification organizations).

As regards the time at which the donation or sponsorship occurs, you must ensure that it is not suspicious and not, therefore, likely to affect its disinterested nature. A donation or sponsorship that occurs just before or after the completion of a project in Tarkett's favor may be suspicious and should be avoided.

Procedure to be followed

Before any payment, ask for approval from the person having authority under Tarkett's delegations of authority as well as the procedure for incurring expenses in respect of donations and sponsorships, by submitting an authorization in writing, in which you describe:

- > the planned donation or sponsorship;
- > the reasons behind this donation or sponsorship;
- > its disinterested nature;
- > all information that you have obtained about the beneficiary organization; and
- > any other detail useful for validation.

You must ensure that the donation or sponsorship made has been properly reported (please refer to the Anticorruption Accounting Controls Procedure for further details).

**DO'S**

- > **ASK** the organization to provide proof that the payments have been used for the intended purposes.
- > **RECORD** the donations and sponsorships carried out in Tarkett's accounting books and registers indicating the type, value and date of the transaction and providing the prior approval form.

**DON'TS**

- > **DO NOT PAY ANYTHING** before you have received a prior authorization for the donation or sponsorship.



Specific rules for donations and sponsorship may exist in your Division. Please, take contact with your Legal Department before starting up the process.

3.2.3. Discounts, rebates and price reductions

What are they?

Like many companies, Tarkett occasionally offers reductions, rebates and discounts to its customers as part of its sales strategy.

A discount is a reduction in the sale price granted on an ad hoc basis for commercial purposes (sales, promotions etc.) or in consideration of the customer's profile (loyal or important customer).

A rebate is a commercial reduction calculated on the overall turnover generated by a customer. It is usually calculated at the end of the year.

A price reduction is an exceptional reduction on the initial selling price in the event of a defect in a product delivered or a service provided.

Why discounts, rebates and price reductions can expose you to a risk of corruption?

Discounts, rebates and price reductions are not by nature prohibited transactions, but may in certain circumstances mask corruption.

Like gifts and invitations, discounts, rebates and price reductions may be considered undue benefits.

An exceptional and unreasonably large discount, rebate, or price reduction that is different to Tarkett's usual sales practices is therefore a warning signal requiring us to verify whether or not a potential act of corruption exists.

Procedure to follow

Tarkett employees must ensure, in all circumstances, that discounts, rebates and price reductions granted to customers are not used for corruption purposes.

To do so, you must ensure that the discounts, rebates and price reductions we offer:

- > are reasonable and consistent with our normal business practices;
- > have been approved by people with the necessary authority;
- > are based on genuine sales of products or services;
- > are not paid in cash;
- > are paid to the customer who ordered the products or services directly rather than to an intermediary, an individual (e.g. the purchasing manager) or another third party;
- > are correctly accounted for in our accounting books and ledgers.

Therefore, you cannot provide a third-party company with a year-end rebate if the company has not purchased products or services from Tarkett. No contractual basis can justify granting this rebate. Generally, any payment must be justified by the supply of a good or service.

**DO'S**

- › Before granting any discount, rebate or price reduction, **ASK** for prior authorization from the person with authority to authorize it.
- › **RECORD** discounts, rebates and price reductions in Tarkett's accounting books and ledgers indicating the invoices on which they are based.

**DON'TS**

- › **DO NOT GRANT** any discounts, rebates or price reductions to a legal entity to which you have not sold any products or services.

3.2.4. Interest representation and lobbying**What are they?**

Interest representation or lobbying actions relate to activities designed to influence the decisions or directives of a government or institution towards a specific decision or cause.

Why interest representation and lobbying actions may expose you to a risk of corruption?

Lobbying and interest representation actions promote enhanced dialogue with public decision-makers whilst protecting the company's interests.

However, they may constitute acts of corruption or influence peddling if the person responsible for these actions offers (or accepts) the payment (or granting) of undue advantages to a person of influence (or close family member/friend), in order to encourage the person to support a law, regulation and/or decision favorable to the company (or detrimental to competitors).

Do's and don'ts

Transparency and responsibility are key to guaranteeing that any interest representation or lobbying actions carried out by Tarkett are conducted legally.

**DO'S**

- › **CHECK** with your Legal Department if the approach that you wish to make to a public decision-maker or elected official is likely to constitute an interest representation or lobbying action.
- › If local regulations so require, **DECLARE** (in agreement with your Legal Department) the interest representation or lobbying activities that you are conducting.
- › **SECURE APPROVAL** for invitations to receptions, visits or events involving public decision-makers or elected officials, irrespective of their value.

**DON'TS**

- › **DO NOT PROSPECT** a public decision-maker or elected official without prior approval from Tarkett (line manager, your Communication and Legal Departments).
- › **DO NOT INDULGE IN ANY** gifts, invitations, donations or sponsorship with the aim of influencing a public decision-maker or an elected official.

Procedure to be followed

Interest representation activities may be subject to declarative obligations with competent local authorities, such as the Haute Autorité française pour la Transparence de la Vie Publique (French Higher Authority for Transparency in Public Life).

Please, check with your Legal Department whether the missions that you are carrying out for Tarkett are likely to be considered as interest representation or lobbying activities, in order to identify any declarations you may need to make.



Other specific rules for interest representation and lobbying activities may exist in your Division. Please, ask for any advice with your Legal Department.

3.3. REQUIRED PRACTICES

3.3.1. Required practices internally

Proper and exact accounting, bookkeeping and recording

The transparency of the transactions carried out or received by Tarkett is essential, since acts of corruption often go hand in hand with the false or imprecise retention of documents and information on transactions.

When the authorities are unable to penalize companies for specific acts of corruption (for example, due to lack of evidence), they can initiate proceedings based on the violation of applicable rules in terms of record-keeping or for false accounting entries.

Tarkett expects each of its employees to commit to providing all the transparency required for the transactions recorded by Tarkett.

Specifically, you must:

■ For Tarkett Finance Services teams

- › **KEEP UP TO DATE** all the detailed and precise accounting books and registers.
- › **RETAIN** the information on payments made or received by Tarkett, clearly indicating: payment amount, recipient, reason for payment, currency used, exact date of payment, etc.
- › **KEEP** with care and accuracy all the authorizations required by the rules set out in this Code.
- › **NEVER MAKE** a payment that is not recorded in the accounting books, nor make arrangements or false entries into the accounting books.

■ For all Tarkett teams

- › **ASK** your business contacts for all relevant details for the correct bookkeeping of Tarkett's accounting books and registers.
- › **PROVIDE** all information collected to your Finance Department.
- › **DO NOT USE** expense reports to cover inaccurate payments or false entries.

Any Tarkett employee who makes (or attempts to make) a false entry, or who violates their duty to inform about Tarkett's payments or assets, will be exposed to disciplinary sanctions, including dismissal.

Declaration of conflicts of interest

Conflicts of interest are presented in Chapter 2 of this Code and in the Code of Ethics of Tarkett.

To avoid issues of probity relating to a Tarkett employee, all real or potential situations of conflict of interest must be immediately reported to Tarkett.

On recruitment, all Tarkett employees must complete and sign a declaration of conflict of interest which will be kept in their personal file. Any change in the personal situation of an employee with regards to Tarkett that may lead to a conflict of interest must also be immediately reported to the Human Resources Department.

3.3.2. Required practices with our business partners

The choice by Tarkett of its business partners, for example, of its suppliers, services providers, distributors, sub-contractors, customers or intermediaries, must take into account quality, needs, performance, costs and commitments by the latter in terms of business ethics and probity.

During negotiations with our business partners, each employee is responsible for defending Tarkett's best interests, in compliance with applicable laws and our internal rules, while excluding any favoritism based on friendship, or a real or perceived influence that a partner may exercise.

The practices specified in this sub-section are essential and will enable Tarkett to comply with these commitments.

Anti-bribery and corruption ("ABC") clauses

All written contracts signed with a business partner must include the ABC clauses indicated in Appendix 2 of this Code, pursuant to which the business partner commits to complying with all applicable laws governing the prevention and fight against corruption, and with Tarkett's requirements on this subject.

This clause also indicates that any violation of these commitments regarding the prevention and fight against corruption would constitute a legitimate reason to terminate commercial and contractual relations with this partner

Implementation of due diligence procedures

Tarkett implements assessment procedures for its business partners (hereinafter “Due Diligence Procedures”), with the aim of ensuring that Tarkett begins or conducts business relations with honest third parties known for their integrity.

The said Due Diligences Procedures result in the implementation of an integrity assessment for business partners, in order to assess the level of risk induced by business relations.

Tarkett distinguishes between two types of Due Diligence Procedures:

› **Prior Due Diligence** Procedures that assess the level of integrity of a business partner before the signature of any agreement with Tarkett;

and

› **Monitoring Due Diligence Procedures**, which enable the regular re-assessment of the standard of integrity of a business partner during the business and contractual relation that it has with Tarkett.

The checks carried out under Due Diligence Procedures vary depending of the level of risk inherent with the business partner, which is assessed according to a range of criteria, such as:

- › the type of relations with the business partner (e.g. supplier, sub-contractor, distributor, agent, architect, joint venture partners, etc.);
- › the geographical area in which the trading partner does business;
- › potential interactions between business partners and public agents;
- › the sector of activity concerned (sports surfaces or otherwise).

Use of intermediaries

What are they?

Intermediaries relate to all individuals or third party entities that act on behalf of or on orders from Tarkett⁶.

.....
⁶ The other companies in Tarkett Group are not considered as intermediaries, even if they act in the name of and on behalf of a Group company

■ Examples of intermediaries:

- › Commercial agents and business providers.
- › Service providers such as lawyers, accountants or companies offering services to obtain visas, work permits or other certifications.
- › Joint venture partners.
- › Distributors (if they provide services to Tarkett in addition to the purchase or resale of products).

Some intermediaries are considered by Tarkett as particularly “at risk”, notably:

- joint venture partners;
- third parties identified as agents and representing Tarkett for the sale of goods. This includes commercial agents responding to tenders or signing contracts on behalf of Tarkett, and for whom Tarkett makes available some of its goods and services;
- business providers
- architects likely to propose products manufactured by Tarkett to project managers



“At risk” intermediaries have been identified based on an estimation of potential risk. The risk may be re-assessed at any time by analyzing, with the Division CEOs and Legal Directors, the criteria and alert signals identified in Appendix 5 of this Code, according to the countries concerned, the sector of activity and other factors.

Why the use of intermediaries may expose you to a risk of corruption?

Intermediaries may present a more significant risk of corruption due to their form of remuneration and/or a lack of clarity in ascertaining the missions assigned to them.

Tarkett must ensure that intermediaries act in compliance with the rules listed in the Anticorruption Code of Conduct, which expressly forbids all types of promises or undue payments – including when made indirectly – with the aim of obtaining contracts (or other benefits).

Very special attention must be paid when the intermediary:

- acts “on behalf” of Tarkett in order to obtain sales or contracts;
- is authorized to sign agreements in the name or on behalf of Tarkett;
- is paid as a percentage or on commission.



Tarkett may be criminally liable for the conduct of its intermediaries, even if the illegal acts they may have committed are unknown to Tarkett. Entrusting the performance of services to a third party and/or “turning a blind eye” to illegal practices will never absolve Tarkett from liability.

■ Examples of inappropriate behaviors and practices:

- › A company missioned by Tarkett to carry out the formalities to obtain a work permit for a Tarkett employee, and which would pay a bribe to the authority responsible for issuing the permit in order to accelerate the procedure (including if the bribe is paid by the intermediary out of his/her own fees).
- › A Tarkett agent who would invite a potential customer to gourmet dinners in order to entice him/her to order Tarkett products.
- › The Sports Director of a city who would request the payment of a sum of money from Tarkett distributor if it wishes to be selected from amongst the companies that have responded to the tender to install artificial turf in the city’s new stadium. Tarkett would then agree to sell the products to the distributor with a 10% discount, so that he/she has sufficient margin to agree to the Sports Director’s demand.

Relationship with architects

Tarkett promotes its products towards numerous architects by presenting them the products’ technical specifications, qualities and performances.

Tarkett shall however not in any case offer, pay or promise to pay or promise to offer anything of value to an architect (including offering Tarkett products for the architect’s personal premises) in breach of the applicable law.

Promotion of Tarkett’s products through the architect shall always:

- rely on the technical and economical performances of the products and their qualities, assessed independently by the architect,
- be conducted in compliance with potential professional obligations that would apply to the architect in its country of registration,
- rely on the architect’s independent decision whether or not to recommend or offer the Tarkett products, whenever he considers them as fit for the needs and requirements of the investment,
- be conducted in a transparent manner, and
- be conducted on a non-exclusive basis (i.e. the architect shall be free to promote other manufacturers’ products).

Do’s and don’ts

Agreements signed between Tarkett and intermediaries must contain:

- › a precise description of the missions assigned by Tarkett and the services provided by the intermediary;
- › a precise description of the intermediary’s conditions of remuneration, with a specific framework for the payment of any advances or merit fee;
- › provisions to clarify the conditions under which Tarkett will be informed of the missions and tasks accomplished by the intermediary (e.g. meeting minutes, summary notes, etc.);
- › if an “at risk” intermediary is used, a contract signed by the intermediary containing the ABC clauses, reproduced in Appendix 2 of this Code.



DO'S

- › **DESCRIBE** the reasons that justify the selection of an intermediary.
- › **JUSTIFY** the reasons that have led you to select one intermediary rather than another.
- › **CHECK** that the remuneration is reasonable and balanced with the services and tasks carried out by the intermediary.
- › **DEMAND** that the intermediary prepare reports on his/her activities, if necessary by conditioning the payment of his/her remuneration on the preparation of these reports.
- › **KEEP** all the documents specific to the intermediary’s activity throughout the mission.



DON'TS

- › **DO NOT HIRE** an intermediary when there is no business reason to do so.
- › **DO NOT HIRE** an “at risk” intermediary without first asking your Legal Department to conduct Due Diligence.
- › **DO NOT WORK** with an “at risk” intermediary without having previously drawn up a written contract with the latter reviewed by your Legal Department.

For agreements signed between Tarkett and “at risk” intermediaries, a written contract must be systematically signed and contain:

- › ABC tougher clauses when it comes to the fight against corruption, in Appendix 3 of this Code;
- › a provision whereby the intermediary accepts to provide Tarkett with the annual declaration in Appendix 4 of this Code; and
- › a provision whereby the intermediary accepts to submit to the Monitoring Due Diligence Procedures.

3.3.3. Necessary practices in public and private tenders

A tender is a process whereby a potential buyer asks different suppliers to submit a technical and business proposal that is costed in response to the detailed formulation of its needs for products or services.

Invitations to tender sometimes result in behavior that may be similar to corruption or influence peddling, such as:

- › paying a sum of money or granting an undue advantage to a buyer's representative or someone from his/her close family or friends;
- › improperly influencing, in return for remuneration, the buyer's appreciation of its product and/or service needs or the drafting of its specifications in order to favor a particular supplier;
- › requesting the disclosure of confidential information about the current tender in exchange for money.

Whether a call for tenders is public or private, you cannot provide any undue advantage in order to influence the outcome of the tender process (payment of money, gifts, invitations, etc.). This rule applies even if the undue advantage is granted by a third party acting on behalf of Tarkett (e.g. joint venture partner or commercial agent). Indeed, in such a case, Tarkett's liability may also be sought, in the same way as if the benefit had been granted by Tarkett directly.

Procurement regulations generally include specific rules regarding the schedule and process of securing tender information and documents and you must ensure that you act in accordance with these rules.

In the event of an illegal payment request, you must take the following actions:

- › explain that Tarkett's ethical rules do not allow you to respond favorably to this request;
- › recall that such payment could expose the requesting party, the employee and the company to severe penalties, criminal in particular;
- › notify the customer's manager, informing him/her that this request may call into question the go-ahead of the project, and that he/she must intervene to put an end to it;
- › inform your Legal Department.

When Tarkett initiates a tender procedure, you must never favor a tenderer for personal reasons, i.e. unrelated to the quality and/or price of the products or services offered. You must establish clear and precise specifications, conduct the tender process transparently and declare any conflict of interest.



- | | |
|---|---|
| <ul style="list-style-type: none"> › STRICTLY ADHERE to the tender process and rules. › ASK your Legal Department to explain the local regulations if you are unsure. | <ul style="list-style-type: none"> › DO NOT OFFER money, gifts or invitations to influence or reward an action in a tender. › DO NOT CONSULT with competing companies on tenders to be submitted. |
|---|---|

3.3.4. Necessary merger and acquisition practices

In the course of its development, Tarkett may acquire new companies, activities, or various assets and create joint ventures with external partners.

Joint ventures and mergers and acquisitions are strategic operations that can entail significant risks. Tarkett could thus be held liable for actions that occurred within a target company even before the effective date of the merger or acquisition.

This liability of the new owner may result in Tarkett being ordered to pay heavy fines which may reduce the company's value, disrupt its operations and have a negative impact on its reputation.

Tarkett may also be held liable for the actions or behavior of its partners in the context of partnerships.

In order to provide protection against this type of risk, you must therefore implement the following measures:

- › ask your Legal Department to conduct a thorough assessment of the probity, reputation and history of the target companies in the case of mergers and acquisitions and all potential partners in the case of partnerships;
- › conduct a similar due diligence on the beneficial owners and main directors of the target companies and partners;
- › assess the anticorruption program established by the target companies;
- › integrate the appropriate guarantees into the share purchase agreements;
- › report any suspected violations of our Anticorruption Code of Conduct and anti-bribery laws and regulations to the Group Compliance Officer.

After an acquisition, merger or creation of a joint venture, integration of the new company should be organized as soon as possible, in particular implementation of the Group's anticorruption program and more generally its Compliance program.

3.4. DISCIPLINARY SANCTIONS

Tarkett underlines the importance of compliance with the internal rules for the prevention and fight against corruption, defined in this Chapter 3.

For this reason, every employee concerned is fully informed that non-compliance with any one of the provisions listed in this Chapter 3 may give rise to disciplinary sanctions, including dismissal.



DO'S

- › **ASK** your Legal Department to assess the probity of the target company or joint venture partner and their officers and beneficial owners.
- › **ASK** your Legal Department to assess the anticorruption measures established by the target company.



DON'TS

- › **DO NOT COMPLETE** a merger or acquisition if a high risk of corruption has been detected in the targeted company without first checking with your Legal Department what actions can be taken to reduce this risk.



4

Reporting violations

Ask a Question
If you have an ethics or compliance question or an inquiry regarding a company policy, you can ask anonymously and confidentially.

Example Question:
Can I accept a gift from a vendor our organization is considering doing business with?

Report an Incident
This system makes it easy to report an incident about workplace issues like financial and auditing concerns, harassment, theft, substance abuse and unsafe conditions.

1 Select your location
Select one

2 Where did the incident occur?
Select one

Check Status
You can check the status of your report or question using the access number and password you created when you submitted the report or question.

Access Number Password

Forgot your password?

Call Us
If you would prefer to speak to someone confidentially, call us and one of our representatives would be happy to assist you.
(800) 461-9330

Tarkett Policies and Procedures
Code of Ethics
Competition Policy
Anticorruption Code of Conduct
Whistleblowing procedure

Message of Tarkett Executive Committee
At Tarkett, we are committed to demonstrating the highest standards of business ethics.
Our Code of Ethics and Compliance Policies and Processes define our business principles and provide standards that guide our day-to-day activities, ensuring we are conducting business with the utmost integrity.

4.1. WHISTLEBLOWING SYSTEMS

Tarkett implements whistleblowing platforms to enable reporting violations in total confidentiality and with a protection of whistleblowers.

You can report any violation through one of these channels:

› You are based in the **USA or in Canada** or the violation you intend to report to Tarkett refers to an entity or activities of Tarkett or of Tarkett Sports in North America⁷:

- You can use the « Ethics Hotline », accessible in English, French and Spanish, by clicking on this URL:

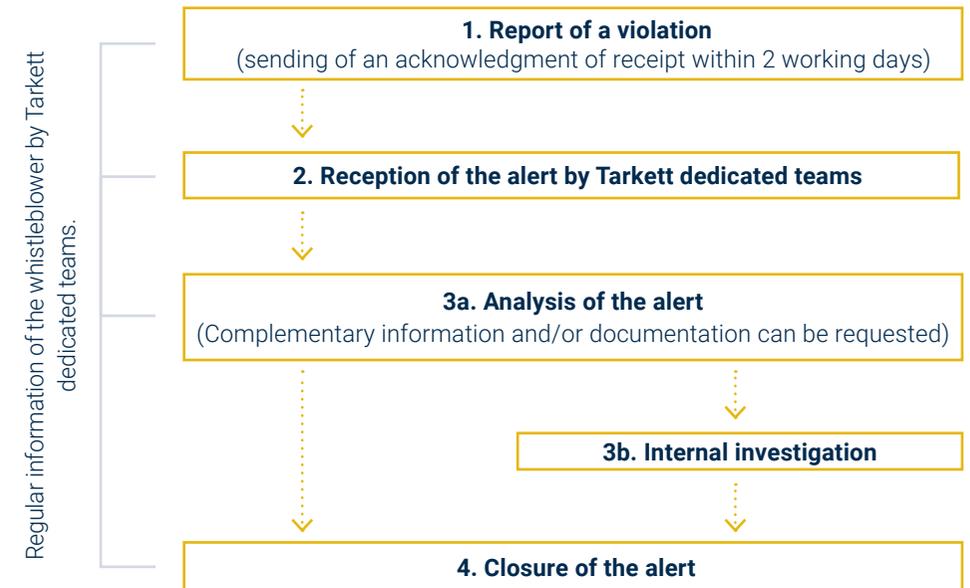
<https://secure.ethicspoint.com/domain/media/en/gui/44974/index.html>.

- A FAQ is available on the home page of the Ethics Hotline, to help you making a report.

› You are based in **any other country** or the violation you intend to report to Tarkett refers to an entity or activities of Tarkett or Tarkett Sports in countries other than those in North America⁸:

- A whistleblowing system, accessible in more than 200 languages and dialects via a web platform and a phone hotline (the “Compliance Hotline”) is accessible to you. Any precisions enabling to connect to the whistleblowing system will be provided in the Tarkett Alert Procedure⁹, which will be available on Tarkett official website: www.tarkett.com (Section: « Contact us » Compliance Hotline ») or the Tarkett Group Intranet: <http://tarkett-inside/> (Section « Company Information » Compliance » Compliance Hotline »). The Compliance Hotline is also accessible directly on: <https://app.convercent.com/en-us/LandingPage/c339d8a4-0f59-e811-80da-000d3ab0d899>

The processing for reporting a violation or suspected violation can be summarized as follows:



7 / 8 USA or Canada.

9 The Tarkett Alert Procedure has been communicated to all Tarkett employees. It is also accessible on the home page of the Compliance Hotline.

4.2. OTHER CONTACTS

The alert system is an additional, optional procedure to the other information channels made available to employees to report dysfunctions or inappropriate conduct.

In the event of doubts or questions, you may also contact the people listed in the table below, who will be able to help you confidentially.

■ TARKETT LEGAL TEAMS

- › CORPORATE
 - Group General Counsel
 - Compliance Officer

- › EMEA – LATAM
- ANZ
 - Legal Director

- › TNA - TSP
 - Senior Vice President Legal & Acquisition

- › TEE – APAC
(EXCEPT ANZ)
 - Legal Director

■ CONTROL AND INTERNAL AUDIT

- Group Internal Audit Director

These people have been trained to listen attentively to your questions and concerns, help you collect the additional information required and guide you if an alert needs to be triggered.



APPENDIX 1

RECOMMENDATIONS FROM THE FRENCH ANTICORRUPTION AGENCY

DEFINITIONS

> **CONCUSSION** is defined as the action whereby a person holding public authority or responsible for a public service mission receives, demands or orders the payment in rights or contributions, public taxes or charges, of an amount that the person knows should not be due, or exceeds the amount due (article 432-10 of the French Criminal Code).

> **ILLEGAL ACQUISITION OF INTEREST** is defined as the action whereby a person holding public authority or responsible for a public service mission or a person holding a public elective mandate, takes, receives or retains, directly or indirectly, an interest in a company or in a transaction in which he/she at the time of the act, is responsible, in whole or in part, for ensuring the monitoring, administration, liquidation or payment (articles 432-12 and 432-13 of the French Criminal Code).

> **MISAPPROPRIATION OF PUBLIC FUNDS** is defined as the action whereby a person holding public authority or responsible for a public service mission, a public accountant, a public trustee or one of his/her subordinates destroys, misappropriates or subtracts a deed or a title, or public or private funds, or instruments, items or titles, in lieu thereof, or any other object given to him/her due to his/her functions or mission (article 432-15 of the French Criminal Code).

> **FAVORITISM** is defined as the action whereby a person holding public authority or responsible for a public service mission, or holding a public elective mandate or exercising the functions of representative, administrator or agent of the State, local authorities, public establishments, semi-public national interest companies responsible for a public service mission and local semi-public companies or any other person acting on behalf of one of the above mentioned, procures or attempts to procure an unjustified advantage from another person through an action contrary to the legislative or regulatory provisions that guarantee the freedom of access and equality of candidates in public contracts and public service delegations (article 432-14 of the French Criminal Code).



APPENDIX 2 ABC CLAUSES (all business partners except at risk intermediaries)

- XX.1** *[Name of partner]* hereby certifies that he/she has been made aware of Tarkett's rules as regards the prevention and fight against corruption in particular, those contained in its Anticorruption Code of Conduct, available on its website (tarkett.com). He/she undertakes to comply with the rules listed therein, and more generally to comply with all applicable laws and regulations relating to the fight against corruption.
- XX.2** *[Name of partner]* undertakes to cooperate fully with Tarkett, by responding in an honest, transparent and satisfactory way to due diligence questionnaires sent to him/her by Tarkett. Tarkett reserves the right to check whole or part of the information provided in these questionnaires.
- XX.3** Tarkett reserves the right to access and audit whole or part of the accounts, registers and other relevant documents of *[name of partner]*. Such controls may be carried out directly by Tarkett or by a third party mandated for this purpose by Tarkett, subject to a notice period of five days. Such controls shall be limited to the information necessary for Tarkett and shall be protected by a confidentiality obligation for Tarkett (or the third party mandated by Tarkett) towards the *[name of partner]*.
- XX.4** *[Name of partner]* is fully informed that compliance with all the provisions in this article **[XX]** is essential for Tarkett and that a violation of any one of these provisions would constitute for Tarkett a right to terminate this agreement, immediately and without compensation, through the sending of a registered letter with return receipt requested.

Should such a case arise, *[name of partner]* is fully informed that:

- › Tarkett will suspend all payments to *[name of partner]*, including for the services defined in this agreement, even if they have already been provided;
- › all commissions, payments or fees paid to *[name of partner]* in respect of this agreement relating to the breach of the rules stated in Article **XX.1** must be promptly repaid to Tarkett; and
- › *[name of partner]* must indemnify and hold Tarkett harmless from all liability in respect of losses, costs, claims or damages linked to or resulting from the breach of the obligations, guarantees and/or cancellation of this agreement.

Any clauses that would vary from the above-mentioned ABC clauses, and that would be suggested by a business partner to Tarkett in replacement of Tarkett's clauses, shall be submitted to the prior approval of your Legal Department.



APPENDIX 3 ABC CLAUSES (at risk intermediaries)

- XX.1** [Name of partner] certifies that he/she he/she has been made aware of Tarkett's rules as regards the prevention and fight against corruption in particular those contained in its Anticorruption Code of Conduct, which can be found on its website (tarkett.com).. He/she undertakes to comply with the rules listed therein, and more generally to comply with all applicable laws and regulations related to the fight against corruption. Compliance with these rules must be certified each year by [name of partner], using the detailed annual declaration in Appendix 4 of Tarkett's Anticorruption Code of Conduct.
- XX.2** [Name of partner] undertakes to cooperate fully with Tarkett, by responding in an honest, transparent and satisfactory way to due diligence questionnaires sent to him/her by Tarkett. Tarkett reserves the right to check whole or part of the information provided in these questionnaires.
- XX.3** Tarkett reserves the right to access and audit whole or part of the accounts, registers and other relevant documents of [name of partner]. Such controls may be carried out directly by Tarkett or by a third party mandated for this purpose by Tarkett, subject to a notice period of five days. Such controls shall be limited to the information necessary for Tarkett and shall be protected by a confidentiality obligation for Tarkett (or the third party mandated by Tarkett) towards the [name of partner].
- XX.4** Specifically, [name of partner] undertakes to comply strictly with the following obligations:
- XX.4.1** When [name of partner] is required to interact with third parties as [role to be specified] of Tarkett, he/she undertakes to expressly inform the third party of the existence of this agreement.
- XX.4.2** [Name of partner] certifies that none of its executives, managers, employees, agents or representatives has a status of government official, or has relations with government officials or other public representatives who may exercise any influence in the performance of this agreement. If this is not the case, [name of partner] undertakes to inform Tarkett prior to the signature of this agreement. Similarly, in the event of a change in the information indicated in this paragraph during the performance of this agreement, [name of partner] undertakes to inform Tarkett immediately in writing.
- XX.4.3** [Name of partner] shall not use money or any other form of compensation paid by Tarkett for illicit purposes. Whilst performing the missions defined in this agreement, [name of partner] as well as its managers, directors, employees, agents or representatives shall refrain from paying, offering, promising or authorizing the direct or indirect payment of any type of advantage whatsoever, in order to influence another person to act in a certain way in favor of [name of partner] and/or in favor of Tarkett. In the event where [name of partner] or one of its managers, directors, employees, agents or representatives has knowledge of inappropriate practices in connection with this agreement, or suspects the commissioning of such practices, he/she undertakes to inform Tarkett immediately.
- XX.4.4** [Name of partner] acknowledges that all payments that he/she shall receive from Tarkett (i) shall be sent to him/her directly and may not, under any circumstances, be made to a third party¹⁰, (ii) shall be made in a country where [name of partner] exercises the missions stipulated in this agreement. Moreover, Tarkett shall not make any payments in cash, whatever the mission.
- XX.4.5** [Name of partner] shall not sub-contract any one of the missions listed in this agreement, without obtaining prior written approval from Tarkett. This approval will be subject to the prior response from the sub-contractor, in an honest, transparent and satisfactory way to the due diligence questionnaires that will be sent to him/her by Tarkett.

¹⁰ Unless otherwise approved in advance by your Legal Department.



APPENDIX 3 ABC CLAUSES (at risk intermediaries)

XX.5 *[Name of partner]* is fully informed that compliance with all the provisions in this article **XX** is essential for Tarkett and that a violation of any one of these provisions would constitute for Tarkett a right to terminate this agreement, immediately and without compensation, through the sending of a registered letter with return receipt requested.

In such an event, *[name of partner]* is fully informed that:

- › Tarkett will suspend all payments to *[name of partner]*, including for the services defined in this agreement, even if they have already been provided;
- › all commissions, payments or fees paid to *[name of partner]* in respect of this agreement relating to the breach of the rules stated in Article **XX**.1 must be promptly repaid to Tarkett; and
- › *[name of partner]* must indemnify and hold Tarkett harmless from all liability in respect of losses, costs, claims or damages linked to or resulting from the breach of the obligations, guarantees and/or cancellation of this agreement.

Any clauses that would vary from the above-mentioned ABC clauses, and that would be suggested by a business partner to Tarkett in replacement of Tarkett's clauses, shall be submitted to the prior approval of your Legal Department.



APPENDIX 4 ANNUAL DECLARATION OF AT RISK INTERMEDIARIES

The information provided by intermediaries to the due diligence questionnaires and those related to the contractual provisions with regards the fight against corruption must be certified by completing the annual declaration below.

1. Identification of the intermediary:

.....
.....

2. I confirm that I am duly qualified and authorized by the intermediary stated above to issue the declarations contained in this document.

3. I certify that I have received, read and understood Tarkett's Anticorruption Code of Conduct;

4. I certify that I am and remain in full compliance with the provisions of the above-mentioned code, the terms of the agreement of [date], and more generally, all applicable laws and regulations for the fight against corruption;

5. In working in the name and/or on behalf of Tarkett, I certify that neither the intermediary stated above, nor any of its managers, directors, employees, agents or representatives will pay, offer, promise to pay or authorize the direct or indirect payment of any advantage whatsoever, in order to influence any person to act in a certain way, in favor of the intermediary indicated above or in favor of Tarkett;

6. I certify that no payments, authorizations, promises, gifts, invitations or donations described in the paragraph above have been made before this date;

7. I certify that neither the intermediary stated above, nor any of its managers, directors, employees, agents or representatives will commit an act constituting a violation or involving Tarkett in the violation of an applicable law in a jurisdiction in which Tarkett conducts business activities. This includes, without limitation, the OECD Convention, the Foreign Corrupt Practices Act, the United Kingdom Bribery Act and French Law N°. 2016-1691 of 9 December 2016 on transparency, the fight against corruption and the modernization of economic life (known as "Sapin 2 Law").

Signed at _____, on _____

Name: _____

Functions: _____

Signature + compagny stamp: _____



APPENDIX 5 ALERT SIGNALS

This Appendix 5 provides a non-exhaustive list of alert signals that should always catch the attention of Tarkett employees. The triggering of one of these signals does not necessarily indicate an ongoing act of corruption. However, Tarkett employees must be vigilant and analyze whether legitimate business reasons justify the acts under consideration, assess the level of risk and act accordingly.

Geographical alert signals

PROHIBITED PRACTICES

- › Payment to a tax haven or an “offshore” country, different from the intermediary's place of residence or activity or different from the place where the service is provided.

PRACTICES TO CONTROL

- › Activities carried out in a country in which corruption is widespread and/or where bank transparency is low (tax havens).
- › For an assessment of corruption risk per country, please consult: <https://www.transparency.org/>

Alert signals relating to projects

PRACTICES TO CONTROL

- › Selection of projects whose selection criteria are imprecise and subjective (for example, responding to a call for tender where the project is not-for-profit and to which Tarkett would not normally respond given the offer price).
- › Projects requiring the use of intermediaries.
- › Projects involving public agents or political leaders.

Alert signals relating to mergers & acquisitions

PRACTICES TO CONTROL

- › Joint ventures/consortiums: a partner may be guilty of acts of corruption. The risk is even more significant if the applicable regulations for the fight against corruption are not particularly restrictive.
- › Mergers & acquisitions: the company that buys another company inherits the criminal liability for acts committed by the acquired company, including before the merger or acquisition transaction.



APPENDIX 5 ALERT SIGNALS

Alert signals relating to transactions

PROHIBITED PRACTICES

- › Payment in cash or bearer checks to companies or individuals.
- › Unjustified budget lines (for example, “miscellaneous expenses” without any additional explanation).
- › Payment of a donation to a charity before the signature of a contract over which the said person may have an influence.
- › Payment or commission paid to an offshore bank account or to a person other than the commission recipient.
- › Excessive payment or commission demands from third parties (for example, above market rates), or demands that are disproportionate to the value of the service provided.

Alert signals relating to documents

PROHIBITED PRACTICES

- › Overcharging, or invoicing that does not precisely reflect the services for which payment is requested (for example, invoices indicating unspecified expenses).
- › Lack of a formal contract with so-called “at-risk” intermediaries.
- › Invoices from third parties without a purchase order or proof that the service was performed or the product delivered.
- › Several invoices for the same service or services not provided for in the contract

PRACTICES TO CONTROL

- › Systematic or significant differences in inventory.
- › Sales below cost price.
- › Product donations.
- › Unexplained or undocumented budget changes.
- › Demands for advances or early payment from intermediaries.

PRACTICES TO CONTROL

- › Invoices whose form does not comply with the expected standards (for example, pre-dated invoices, invoice copies on non-headed paper, lack of legal statements).



APPENDIX 5 ALERT SIGNALS

Alert signals relating to intermediaries

PROHIBITED PRACTICES

› Use of an intermediary who has previously been convicted for acts of corruption.

PRACTICES TO CONTROL

- › Non-essential intermediaries or several intermediaries carrying out the same missions for which the service provided is not clearly defined.
- › Use of inexperienced intermediaries or intermediaries that do not seem to have the abilities required for the services requested.
- › Use of an intermediary who could be in a situation of conflict of interest or whose family or relations may influence a decision.
- › Use of a “strongly recommended” or imposed intermediary.
- › Intermediaries who refuse to reveal information about their managers or actual beneficiaries.
- › Intermediaries who do not comply with the policies or procedures in the fight against corruption or who refuse to sign clauses relative to the fight against corruption.
- › Not “at risk” intermediaries who refuse to sign a written contract.

Other alert signals

PRACTICES TO CONTROL

› An unusual lifestyle or a change in the behavior of a manager or employee.

