

Tarkett

2021 Investor Day



WENDEL

Investing for the long term

2021





€222m
equity invested since 2021⁽¹⁾

23.4%
equity stake

**Tarkett, a worldwide leader
in innovative flooring &
sports surface solutions**

- A prime example of family entrepreneurship
- Long-term potential of internal and external growth
- C. 65% cash conversion⁽²⁾
- Currently managing challenging market conditions due to inflation in raw materials and freight costs

(1) Share of equity owned by Wendel as of 10.28.2021. Stake held via the company Tarkett Participation as part of the partnership with the Deconinck family.

(2) Defined as (EBITDA – Capex) / EBITDA; average over 2013-2021

— Fabrice Barthélemy - CEO of Tarkett



F. Barthélemy joined the Group in 2008 as Chief Financial Officer also in charge of IT and Legal

He was President of the EMEA-LATAM Division from February 2017 to September 2019

He previously worked 13 years at Valeo & started his career at Safran

Graduated from ESCP Europe business school



W E N D E L

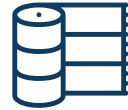
— Business model

A global leader in the flooring industry

€2,633m
sales
in 2020

10.6%
adjusted EBITDA margin
in 2020

Product categories



46% Vinyl & Linoleum



22% Sports



17% Commercial Carpet



7 % Wood & Laminate



8 % Rubber & accessories

Sales by region

in 2020



45% North America
35% EMEA
20% CIS, APAC & LATAM

Sales by end markets

in 2020



80% Renovation
20% New construction
70% Commercial
30% Residential

Well-balanced geographical & end-use segment exposure

Highly recognized brands

Diversified product portfolio

Local manufacturing footprint and logistics

Resilient cash flow generation through cycles

Health & Aged Care

Tarkett Human-Conscious DesignG helps create a healthy environment, holding up to the most demanding infection control standards

Shriners' Children Hospital, Boston, US
Vinyl, iQ Natural

Tarkett – Presentation to Wendel - December 2021



Education

Tarkett Human-Conscious DesignG supports clean, durable & inspiring environments where all students and faculty can focus on learning

Snowflake Kindergarten Fužine, Croatia
Linoleum - VENETO xf²™, ETRUSCO xf²™ 14,000 m²

Tarkett – Presentation to Wendel - December 2021



Hospitality

Tarkett Human-Conscious DesignG creates unique guest experiences by providing stylish solutions that contribute to a clean and healthy space

7 Cedars Casino Sequim, WA, USA
Carpet - Custom Tufted Broadloom - 4,400 m²

Tarkett – Presentation to Wendel - December 2021



Workplace

Tarkett Human-Conscious DesignG enables people to flourish at work through healthier indoor environments, where teams collaborate, innovate and drive performance

Pernod Ricard HQ Paris, France
Carpet, LVT, Stairs solutions – 13,000 m²

Tarkett – Presentation to Wendel - December 2021



Sports

Led by an obsession for Tarkett Human-Conscious Design®, Tarkett Sports' athlete-centric surfaces focus on safety, performance, durability, sustainability, & unmatched service providing aspirational offerings & the best value for communities

Channel Islands high school, USA
Beynon - BSS 300 system - 8-lane track
FieldTurf - CORE and CoolPlay system - 7,400 m²

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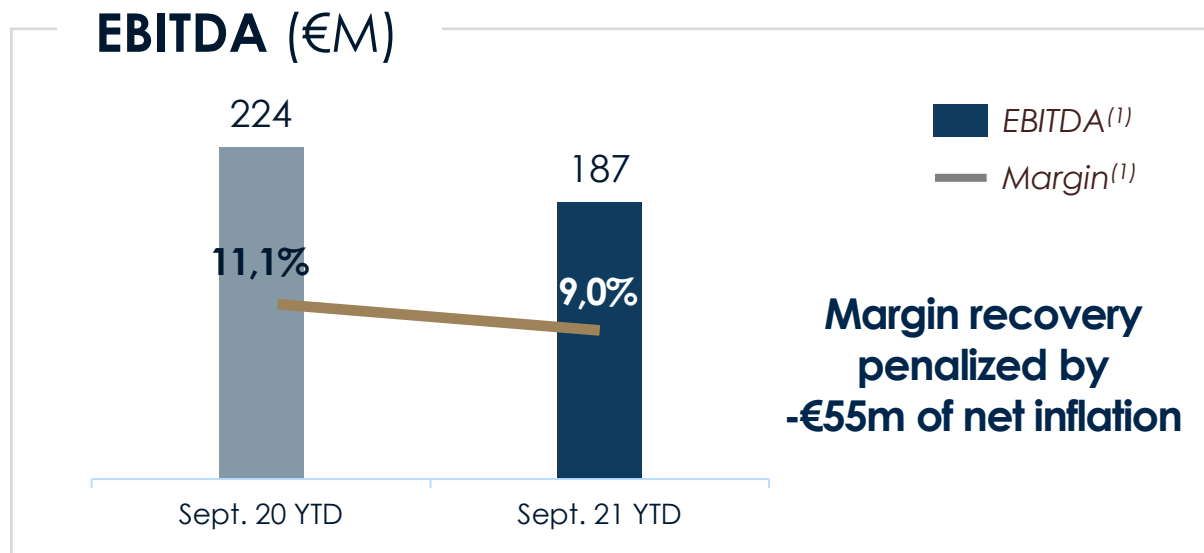
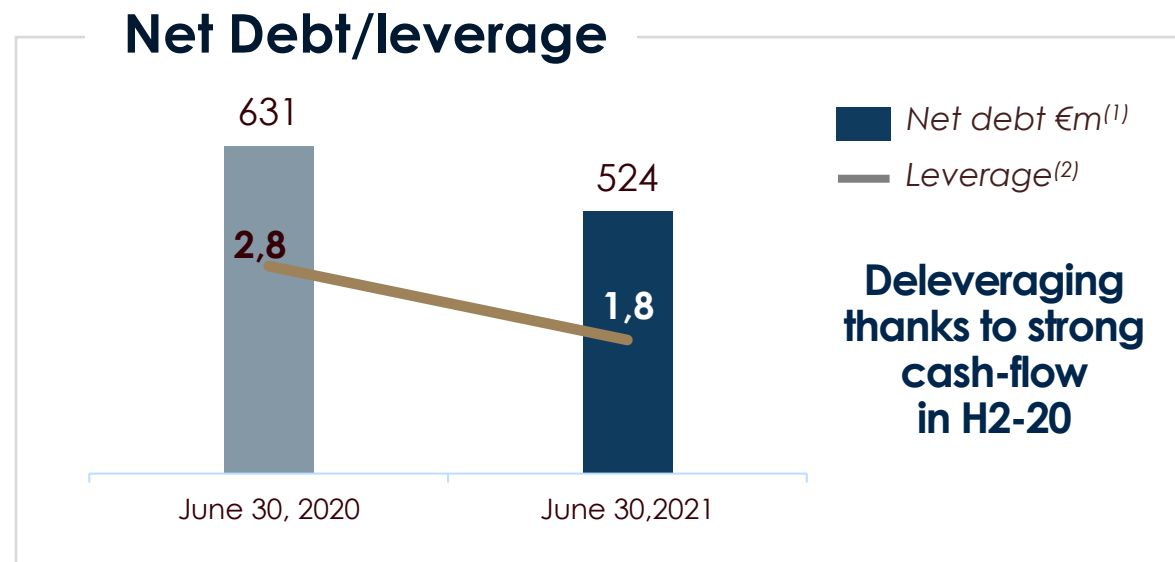
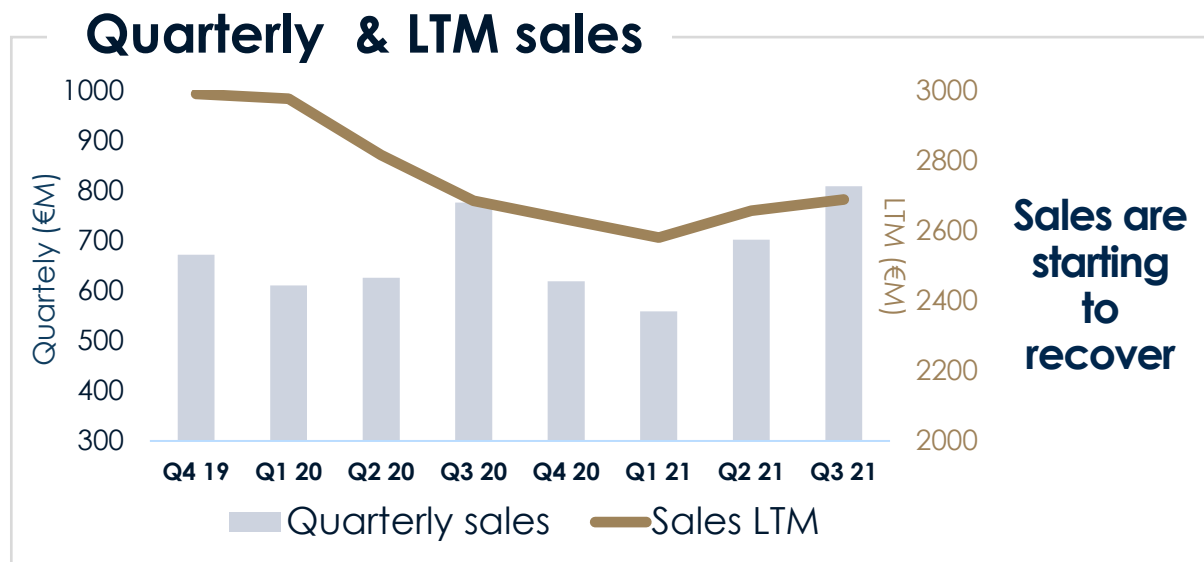
Residential

Tarkett Human-Conscious Design[®] offers a complete choice of stylish, healthy and enduring solutions, providing the best value for your home

Merinhill, Belgrade, Serbia
Wood, Step Oak Baron Copper, 10,000 m²



— Performance challenged by unprecedented inflationary environment



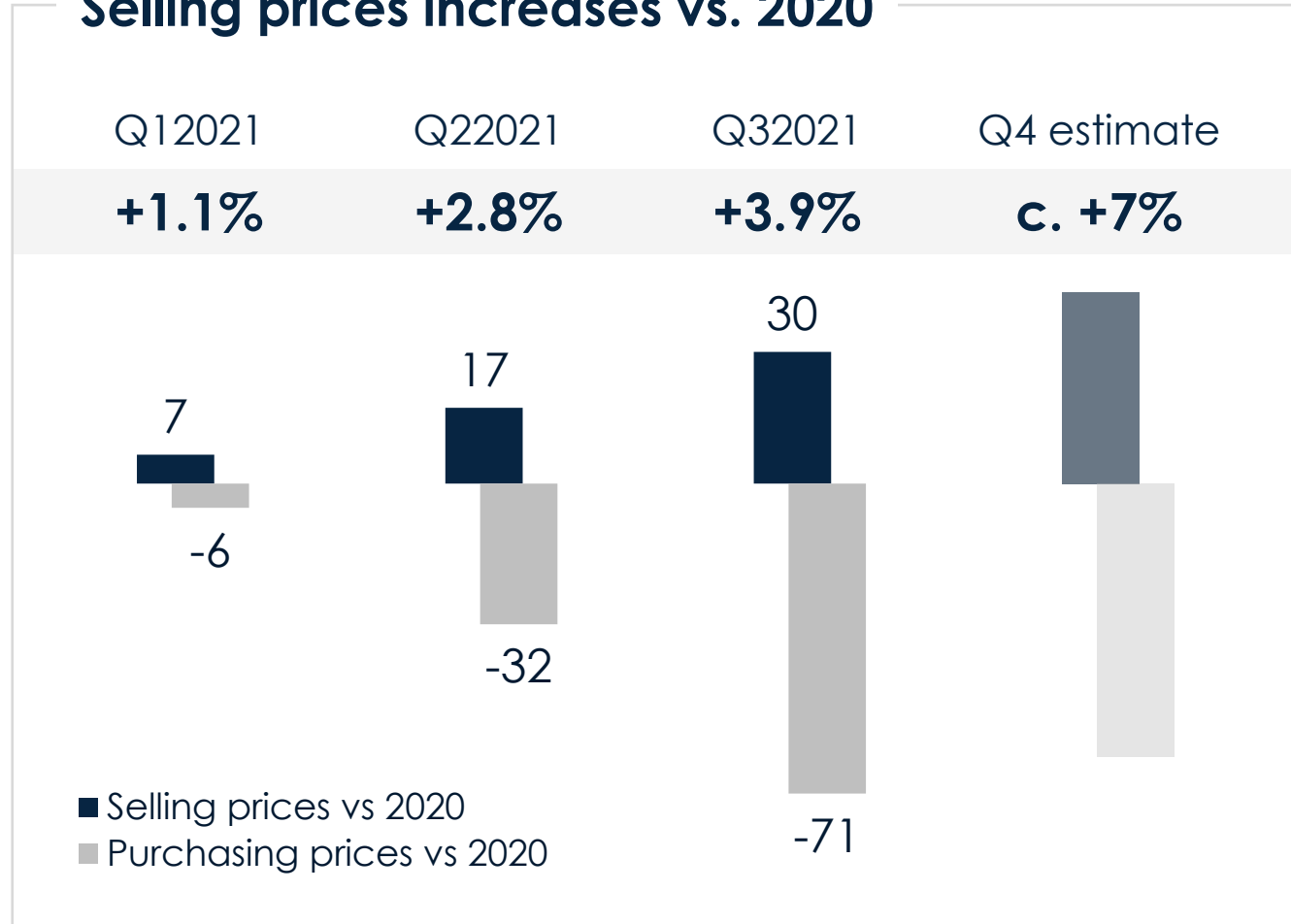
- Solid activity in Residential, growth in Healthcare & Education
- Softer demand in Workplace and Hospitality
- Sports recovery started in Q3, strong backlog
- Deleveraging thanks to strong reduction in working capital in H2 2020
- Acceleration of raw material and freight cost inflation
- Unprecedented selling price increases being deployed

(1) After IFRS 16. Adjusted EBITDA.

(2) Financial Net debt to Adjusted EBITDA. Tarkett standalone.

— Selling price increases deployed to mitigate raw materials & freight inflation

Selling prices increases vs. 2020



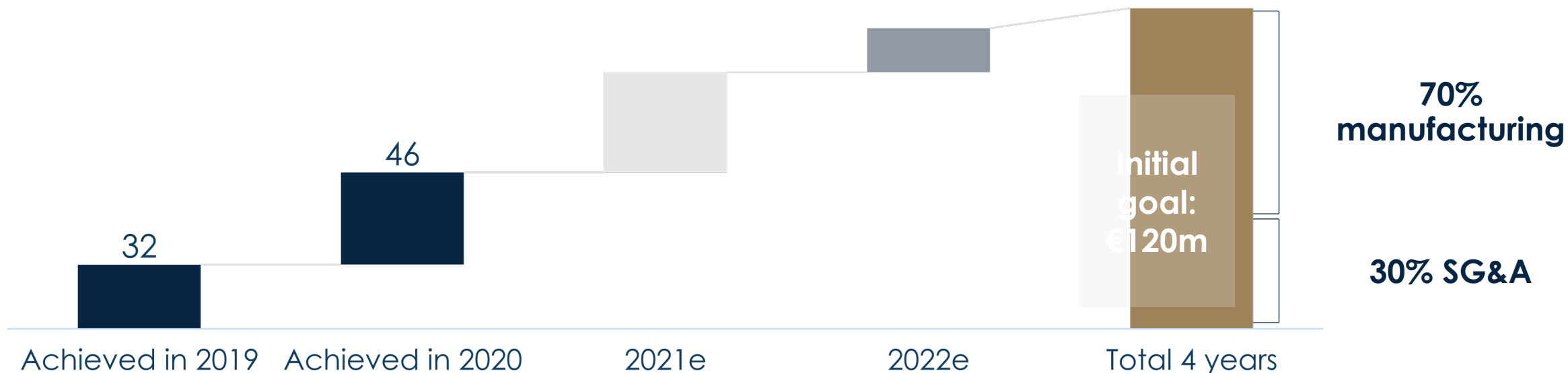
FY2021 Estimate

Purchasing price increases	-€170m
Selling price effect	+€100m
Net inflation balance	-€70m

Objective: fully offset 2022 inflation impact

— Significant cost savings achieved since 2019

As of September 2021, €128m have been executed, above initial cost savings objective of €120m (2019-2022)



Productivity plans

- WCM (World-Class Manufacturing) program
- Automation (packaging, quality control, warehousing)
- Turn around low performing businesses

Footprint review

- 4 manufacturing sites closed
- Consolidate production of growing categories in best-in-class plants
- Simplify product flows & reduce logistic costs

SG&A efficiency

- Focus on EMEA, NA & corporate functions
- Return to leaner corporate organization
- Reduce SG&A costs

— What will make us stand out in the market



Sustainability

Our customers want true circular solutions that improve **their** carbon footprint

Tarkett has recognized expertise & solid track record



Innovation

Innovative designs, performing, easy to maintain, durable products

Solutions that fit the need of each segment & client



Digital & customer experience

Interaction with customers from product enquiry to order placement and delivery tracking



Teams and organization

Local teams close to the customers in each market and segment

Strength of a global company (R&D, sustainability, manufacturing technologies)

— Reduction of GHG emissions & circular economy are pillars of Tarkett strategy

Our ambition by 2030



Scope 1, 2 & 3



— Implementing circular economy with Customers

(Scope 1,2 & 3)



We collect our products for recycling at the end of use

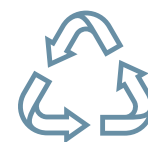


We reduce CO₂ emissions by using recycled materials



75% of our carbon footprint comes from raw material **processing & incineration** (Scope 3)

In 2020, we avoided 253,000 tons of CO₂e (127,000 tons of recycled materials)



30% of our raw materials will be recycled materials transforming waste into high quality resources in 2030 (vs 13% in 2020)



9 recycling centers in our production sites



109,000 tons⁽¹⁾ of flooring collected via our ReStart® program – 2010 – 2020

(1) Equivalent to 11 Eiffel tower

— Early commitment to sustainability recognized



B rating (Management level)



— Key takeaways

Short-term resilience



Resilience during 2020 : margin improvement & strong cash flow



Cost reduction plan well advanced and savings ahead of targets



Acceleration of inflation calling for unprecedented selling price increases

Long-term potential



Strong franchises
(Sport, Eastern Europe, EMEA
Healthcare, Education & Workplace)



Strong entrepreneurial culture



Well invested assets base



Sustainability and circular economy
as a differentiating factor