

PARIS, September 20, 2018

FINANCIAL CONDITIONS RELATING TO THE CHANGE OF CHAIRMAN OF THE MANAGEMENT BOARD.

Financial conditions relating to Glen Morrison's departure

During the meeting of the Supervisory Board that was held on September 18, 2018, the corporate office of Glen Morrison as Chairman and member of the Management Board of Tarkett was terminated.

In accordance with the recommendations of the Nomination, Compensation and Governance Committee, and pursuant to the AFEP-MEDEF Code, the Supervisory Board took the following decisions:

- **2018 Mr Glen Morrison' base salary**

The Board had set Mr Glen Morrison's annual base salary at 650,000 EUR gross. His base salary will be paid pro rata temporis until September 18, 2018.

- **2018 Mr Glen Morrison' variable Compensation**

In accordance with the compensation policy approved by the general meeting on April 26th, 2018, the Board put in place a variable compensation composed of two parts, a quantifiable part and a qualitative part.

In accordance with the recommendation of the Nomination, Compensation and Governance Committee, the Board decided, during its meeting held on September 18, 2018:

- with regard to the quantitative part (representing 70% of the variable compensation), only once the Company's financial statements for the year ended 31 December 2018 have been closed (pro rata temporis) this amounts due will be calculated based on the predefined targets.
- with regard to the qualitative part (corresponding to 30% of the variable compensation), it was decided to award EUR 34,937.50 gross (on a pro rata temporis basis), corresponding to the achievement of his objectives equal to 25 %, this amount having been set in the light of the level of achievement of the qualitative objectives to date¹.

The payment of the variable compensation (for an amount calculated pro rata temporis on the date of departure of Glen Morrison) will be subject to the approval of the Company's general meeting.

¹ This qualitative part has been set based on criteria which will be described in the 2018 Registration Document.

- **Severance package of Mr Glen Morrison**

Mr Glen Morrison benefits from a severance indemnity, equal to a maximum of two years' gross fixed and variable compensation received during the twelve months preceding the departure for the term of office of the Chairman of the Management Board², subject to performance conditions.

Performance is measured by the rate of achievement of annual objectives and used to calculate variable compensation, and is equivalent to the average performance achieved by the Chairman of the Management Board over the three calendar years preceding his departure.

Consequently, the severance indemnity due to Mr. Glen Morrison is equal to EUR 931,645 gross taking into account an achievement rate of the objectives equal to 59.76% (corresponding to the achievement rate of the annual objectives for the financial year 2017)³.

- **Application of the non-competition clause**

In accordance with the recommendations of the Nomination, Compensation and Governance Committee, the Supervisory Board decided to waive the application of the non-competition clause.

- **Treatment of the performance shares granted to Glen Morrison**

In accordance with the terms and conditions of the relevant plans, Mr. Glen Morrison will lose the benefit of the performance shares granted to him under plans n°6, n°7 and n°8 as a result of his departure.

- **Benefits in kind**

Glen Morrison will keep the benefit of all benefits in kind until 31 January 2019 at the latest or when he will move abroad from France if this takes place earlier.

² e.g. a maximum of EUR 1,558,978 gross (corresponding to twice his fixed and variable compensation paid during the last twelve months).

³ As Mr Glen Morrison took up his duties as member of the Management Board on September 1, 2017 and the 2018 financial year is not yet complete.

Compensation of Fabrice Barthélemy as Interim Chairman of Management Board

- **Fabrice Barthélemy's base annual salary:**

Mr. Fabrice Barthélemy's annual base salary will be EUR 450,000 gross from 18th September 2018.

- **Exceptional annual compensation:**

An exceptional annual compensation of EUR 120,000 gross shall be paid to Mr. Fabrice Barthélemy (pro rata temporis), in respect of the additional responsibilities endorsed by Mr. Fabrice Barthélemy as Chairman of the Management Board during an interim period⁴. The payment of the annual exceptional compensation granted to Mr. Fabrice Barthélemy (pro rata temporis) will be subject to the approval at the Company's Annual general meeting.

- **Variable compensation:**

The variable compensation payable to Mr. Fabrice Barthélemy will be determined according to the compensation policy approved by the shareholders' meeting for the Chairman of the Management Board and will be divided into two sub-parts:

- 70% of his annual variable compensation is based on quantifiable objectives. Depending on the achievement level, a coefficient of between 0% to 200% is applied, such that he may receive up to 140% of his annual fixed compensation if the objectives are exceeded, based on a linear progression.
- 30% is based on qualitative objectives, representing 30% of the fixed annual remuneration if the objectives are fully met and is assigned a coefficient from 0% to 100% with no overachievement possibility.

Accordingly, Mr. Fabrice Barthélemy's variable compensation shall represent, pro rata temporis, 100% of his fixed compensation if the objectives are achieved⁵.

- **Employment contract:**

The employment contract of Mr. Fabrice Barthélemy is suspended during his term of office as Chairman of the Executive Board. This suspension is justified by the fact that Mr. Fabrice Barthélemy is expected to resume his employment duties at the end of the interim period during which he will hold the position of Chairman of the Management Board. The seniority of Mr. Fabrice Barthélemy in respect of his duties as Chairman of the Interim Executive Board would be taken into account and his annual fixed compensation will be maintained at EUR 450,000. This scheme shall be ratified by the next Tarkett general meeting in accordance with the provisions of Article L. 225-86 of the French Commercial Code.

⁴ Until the appointment of a new Chairman of the Management Board.

⁵ Cf. section 2.6.1.2 of the Registration Document.