

Environmental Statement

Ronneby - 2006



INTELLIGENT FLOORING SOLUTIONS

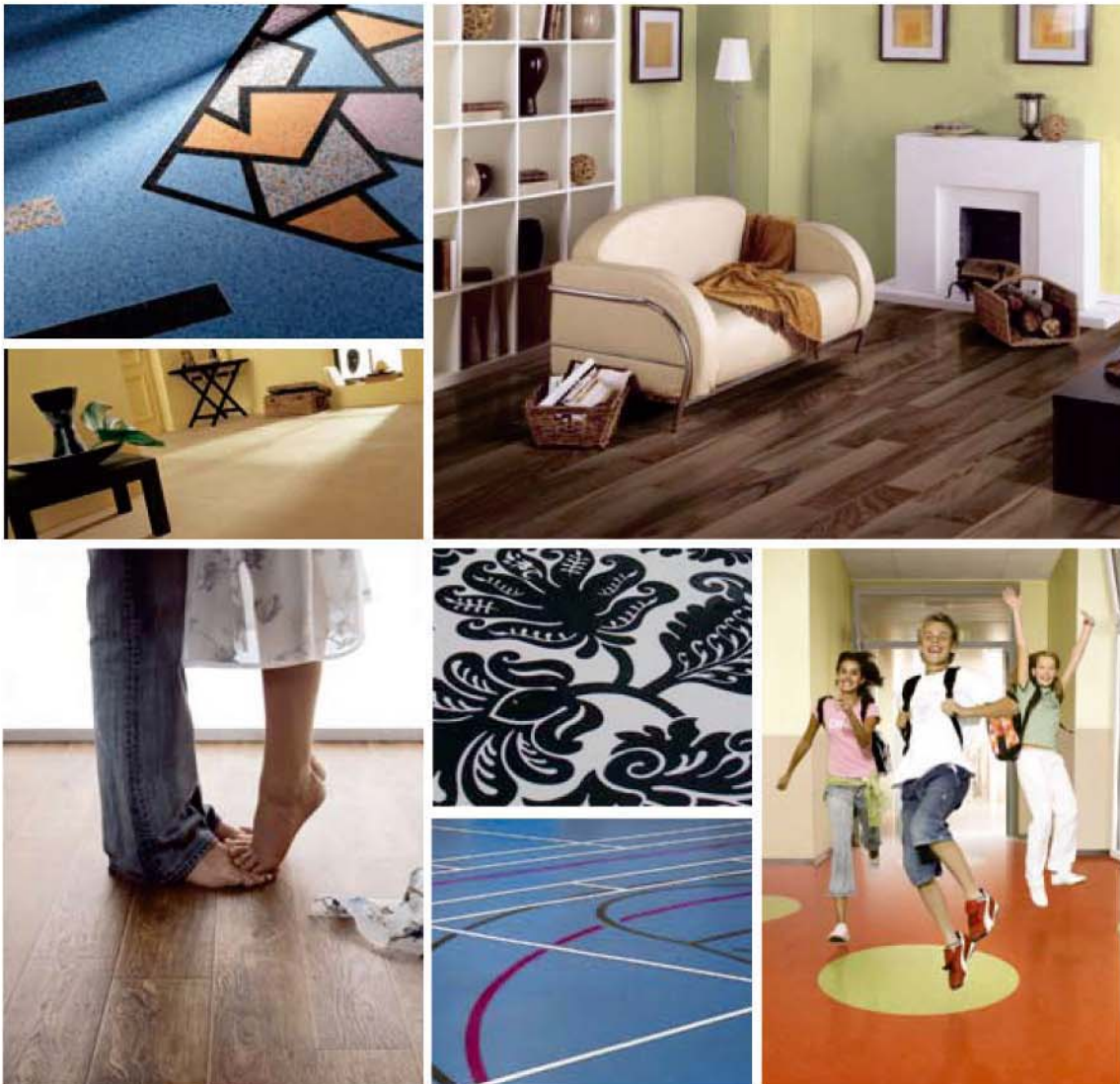




More than a century in the flooring industry

Tarkett is not only one of the world's largest flooring producers, but has also led development in design, function, the environment and manufacturing for many years. Tarkett's long-term research and development has resulted in numerous innovations in the flooring industry. Today the company manufactures resilient, wood, linoleum, rubber and laminate floorings for both contract and domestic applications. It also produces purpose-designed flooring and underlays for special

areas such as sports facilities and industry. The head office is in Nanterre in France, from where an organisation that extends across the whole world is managed. Tarkett is represented in over 50 countries, and has 28 manufacturing units in 10 different countries. There are 16 manufacturing units and more than 30 sales companies in Europe. In 2006, approximately 300 million square metres of flooring was produced. Sales amounted to approx € 1.9 billion and there were just over 7,500 employees.





Policies for the environment and quality

Tarkett has two different policies. One is an overall environmental policy for the whole of the Tarkett group. The other, which we present here, is a quality and environmental policy specially developed to control and support

the activities at the factory in Ronneby. Together with our knowledge and experience, our policies are vital tools for ensuring high quality, efficiency and, not least, good environmental care.

Policy for Tarkett AB in Ronneby

Our vision is to make Tarkett Ronneby the obvious choice of flooring supplier by meeting customers' expectations best. Quality and efficiency are the driving forces behind all our work. Our precepts are:

Profitability

Profitability is a precondition of our long-term survival and an absolute imperative for our ability to make future investments.

Commitment

We consolidate, develop and strengthen our position through immense commitment. Commitment permeates every aspect of our entire business.

Consideration

We demonstrate consideration to each other, to customers and to suppliers by being honest and by giving feedback that improves the organisation. We work continuously on measures that ensure a safe workplace.

Our undertaking means:

- each co-worker can and will influence his/her work situation.
- we take preventative measures to stop accidents occurring.
- our work will at the very least comply with laws, regulations and agreements.

- we will work with our customers and suppliers towards constant improvements in every business area.
- we take a long-term approach to all activities, with the focus on a life-cycle perspective.
- we take responsibility for our products, services and actions.
- we prevent and minimise the negative environmental impact of the company's activities.
- we constantly improve our competence to meet the demands of today and the future.

Our excellent results are achieved by following and guiding the business towards the objectives set in all parts of the company. We report these results and our objectives for the future in this environmental statement.

Lars Petersson
General Manager, Tarkett Ronneby
Ronneby, April 2007



2006 – efficiency and the environment go hand in hand

Tarkett's Ronneby unit manufactures homogeneous resilient flooring for contract applications such as schools, hospitals and shops. The flooring is produced in rolls and as tiles. Homogeneous resilient flooring is characterised by very good wear resistance that enables it to withstand the high loads and special demands imposed on contract flooring. The most important requirements include durability, good cleaning economics and environmentally friendly cleaning methods. Also manufactured here are special-purpose floorings such as static dissipative flooring and slip-resistant flooring. New products are also researched and developed at the Ronneby unit, which is the world's largest factory in its sector. There are currently approx. 650 employees at Ronneby, under the management of General Manager Lars Petersson.

Investment for higher efficiency

During 2006, efficiency increased by 8% and the total energy use per m² fell by approx. 13%. Investments in improvements in health, the environment and safety accounted for 31% of all investment. Following fine-tuning of the new furnace, discharges of carbon dioxide (CO₂) fell by 30%, which is a very good result from our efforts to reduce the discharge of so-called greenhouse gases. In many projects our endeavours for higher efficiency go hand in hand with environmental improvement measures. One example of this was that production increasingly took place on-line in one step to improve the production flow and make even more economical use of resources. Another example was a new project to install several individual electricity meters to enable us to measure

electricity consumption better at various points along the production line. This enables the identification of the sources of the highest energy consumption and the establishment of a programme of measures to reduce energy consumption. A new production cooling system was also installed to increase efficiency. The new burners that were installed in the furnace also contributed to higher efficiency.

Resources for Russia

The pace of development in Ronneby during the year has been rather slower than usual. No major development projects have been carried out. One of the reasons for this is that personnel resources were on loan to Russia, where an entirely new Tarkett factory is under construction in the town of Otradny. The factory, like the Ronneby unit, is for the production of homogeneous resilient flooring. The Ronneby unit has supported the start-up of production with unique expertise and experience in flooring production.

Measures to reduce transportation

A new intermediate warehouse for tiles was erected at the Ronneby unit in 2006. The warehouse was previously situated in Nättraby, approx. 15 km outside Ronneby. The new warehouse, together with an improvement to the fork-lift truck group's methods of co-operation, helped reduce internal transportation by approx. 25% per m². During the year there was also investment in new, more efficient, electric-powered fork-lift trucks designed for internal transportation in the factory area.





Raw materials a vital part

Tarkett imposes extremely high demands on its raw materials, which play a vital part in the high-quality products that are produced in Ronneby. There is continuous research and development aimed at replacing existing raw materials with new ones that impose a smaller load on the environment. The furnace runs on biofuel in the form of wood chip. This is being changed this year to a better kind of chip that burns more efficiently and gives higher energy.

During the year a new storage tent was procured to give better protection to raw materials. This better storage environment improved the structure of the raw material flow and the quality of the raw materials.

Improved internal environment

The internal environment in what is known as the 3-4 hall was improved by means of new partitions, which reduce and restrict noise, and by installing new, more efficient, ventilation on the production line. A new ventilation plant has improved the environment in the approx. 30 work places in the office area, which is directly connected to the factory.

Improved internal safety

To improve internal safety in the factory area, a project was carried out during the year to improve the safety of pedestrian and fork-lift truck traffic. A safer factory environment was created by means of new procedures and by clearly marking the pedestrian paths, crossings and demarcations. New high-visibility vests have also been procured to increase the safety of staff in the factory area.

A new-generation Eminent

Eminent is one of Tarkett's all-time most popular floorings. It was launched back in 1987 and quickly became a best-seller, thanks to its innovative design and excellent functionality. In 2006, the new Eminent – also a high-quality contract flooring for heavy traffic areas – was launched. The new Eminent has a non-directional pattern in a total of 26 colours: 24 small-patterned base colours with accent colours running through, and two multi-colours. The previous version of Eminent was

produced in two stages, whereas the new Eminent is now produced on-line in one stage, which is more efficient and reduces the environmental load.

ISO-certified occupational health care

Tarkett believes it is important to be able to help personnel enjoy better health. Occupational health care is therefore a high-priority part of the business. In 2006, our occupational health care obtained ISO 9001 quality certification, and now has established procedures for investigations, documentation and follow-up. The procedures will be reviewed regularly every year from now on. The occupational health care staff have also undergone training during the year to gain competence in assessing, preventing and managing stress among the workforce. Exercise is now an activity that qualifies for a bonus. Through the Motionera Mera (Exercise More) project, employees can accumulate points for every 30 minutes per day they exercise. A health and fitness allowance is paid to all employees for physical activities such as aerobics, swimming, gym workouts and qigong. Activities such as attending WeightWatchers courses, dancing and choir singing also qualify for the allowance. The factory area also has a heated swimming pool and gym that are available to all employees.

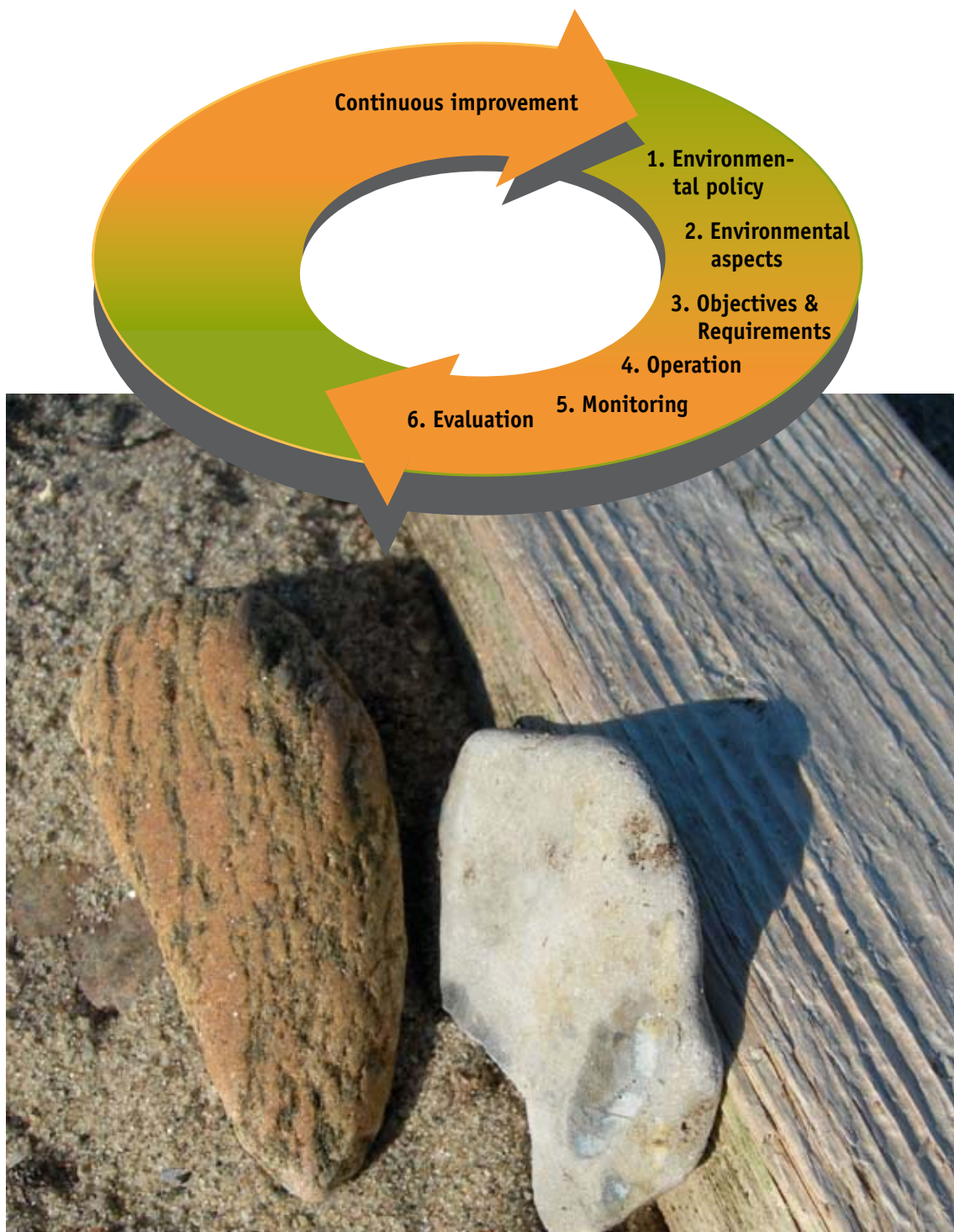
We take environmental issues seriously

Tarkett takes environmental issues seriously, and does something about them. As part of our environmental policy, we also want to promote an open dialogue on environmental issues. If you would like to know more about Tarkett and our business, please contact us.

Reduced environmental impact through constant improvement

An important aspect of Tarkett's environmental programme is that not only the management, but also the organisation as a whole, is involved in working towards constant improvement. To aid us we have our Business System, which facilitates a systematic programme targeting quality, the environment and the working environment. The environmental programme is run in accordance with ISO 14001,

which is an international standard for environmental management. The standard defines six main areas that together constitute vital tools for our environmental impact reduction programme. The main areas are: Policy, Environmental Aspects, Objectives and Requirements, Operation, Monitoring and Evaluation.





Permits and demands from the County Administrative Board

The permit for running our business is issued by the Blekinge County Administrative Board. The County Administrative Board is also Tarkett's supervisory authority. The permit currently valid was issued in 1999. It specifies, among other things, the maximum production volume at the Ronneby unit. The permit covers these main areas:

- We are permitted to produce up to a maximum quantity (in m² terms) of flooring
- We have restrictions on our discharges to air from processes and energy production
- We must deal with waste appropriately
- We must restrict external industrial noise

Internal and external transportation is made more efficient

Tarkett is carrying out several different projects to investigate the feasibility of finding transportation routes that are more efficient and impose a lower load on the environment. Transportation is the principal source of greenhouse gases, of which carbon dioxide (CO₂) is the most important. Because the operation in Ronneby requires large quantities of raw materials, their extensive transportation is therefore indirectly a significant environmental aspect for us. The majority of external transportation within the Nordic countries is currently by road, whilst products going further

afield are shipped by sea via the ports in Helsingborg and Gothenburg.

A new intermediate warehouse for tiles was erected at the Ronneby unit in 2006. The warehouse was previously situated in Nättraby, approx. 15 km outside Ronneby. The new warehouse contributed to a reduction in internal transportation. Another project that has reduced transportation is the Customer Plus project, a result of which is that products are now to a greater extent shipped direct to certain countries without intermediate storage.

The environmental aspects of the business

Our control procedures identify the environmental aspects that result from our activities at the Ronneby unit. The environmental aspects are then evaluated using a special points system that takes into account quantity and environmental loads. The environmental aspects are classified on the basis of their points score: significant and not significant. To minimise risks and reduce the impact in these areas, clear roles and areas of responsibility, written procedures and instructions have been drawn up. This approach enables us to run the business operation within the frameworks that we and the authorities have set up. We report here the figures for 2006, including the most significant environmental aspects.

Input raw materials – 76,676 tonnes

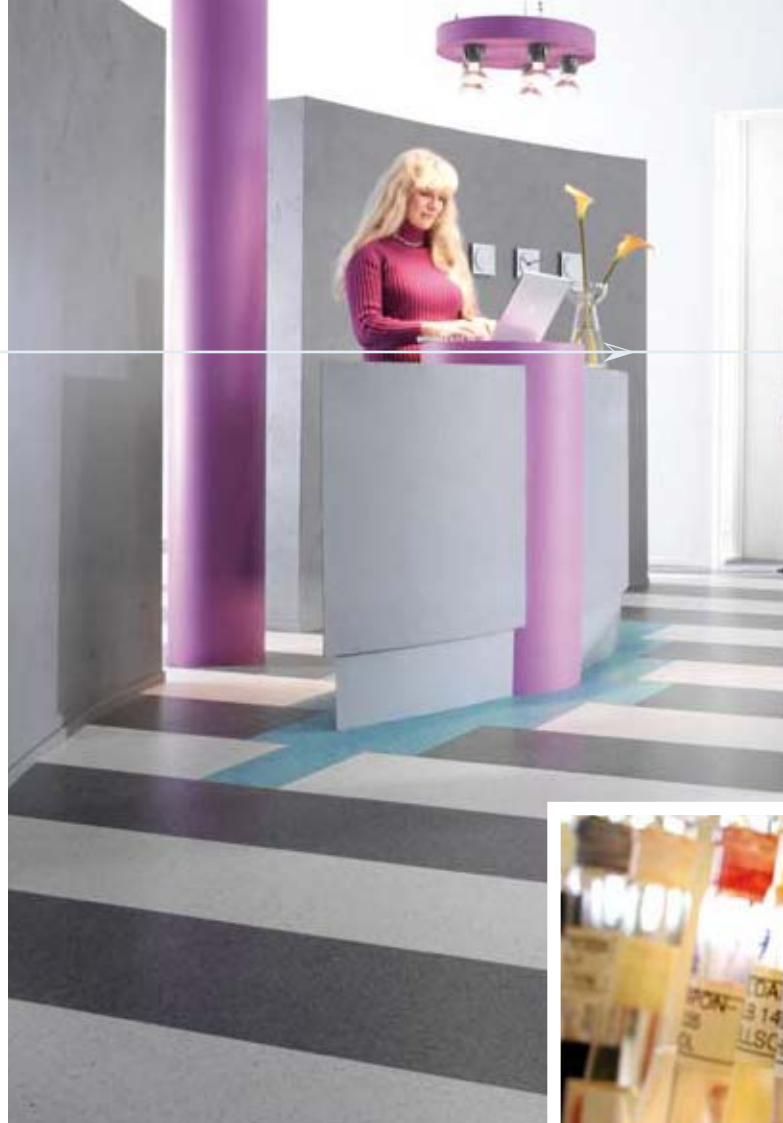
The quantity of raw materials input increased during the year due to an increase in production volume. Of the total input of raw material, 17% was recycled material. This is a reduction from the previous year and a result of higher efficiency. We aim to recycle as much of our production waste as possible. The basic raw materials are PVC, fillers and plasticisers. These account for 94% of our total raw material consumption. Raw materials are an environmental aspect because they are a drain on resources. Our raw materials impact mainly on oil extraction and mining. All raw materials used in production are rigorously inspected and tested. We also impose tough demands on our suppliers.

Energy use – 86.4 GWh

Electricity	59.6 GWh
Fuel oil	20.6 GWh
Biofuel	6.2 GWh

The total energy use increased due to an increase in production volume. Biofuel (wood chip) totalled 9,012 m³. This is a reduction of 11% compared with the previous year and is due to adjustments to the new furnace. The new furnace is more efficient and will substantially reduce discharges of carbon monoxide (CO) and carbon dioxide (CO₂). The consumption of fuel oil fell by 6%, which reduced the discharge of carbon monoxide (CO).

Energy use is one of our environmental aspects because of the associated discharges of nitrogen oxides (NOX), sulphur (S) and carbon dioxide (CO₂). Discharges of nitrogen oxides and carbon dioxide during the year totalled 9.21 tonnes and 4,489 tonnes respectively. It is notable that carbon dioxide (CO₂) discharges fell by 30% due to the new, more efficient, furnace. Sulphur discharges totalled 1.1 tonnes. With the exception of the nitrogen oxides (NOX) discharges, these amounts are below the requirements imposed by the supervisory authority.





Discharges to air of volatile organic compounds (VOC) – 5.03 tonnes

Our main discharges are of volatile organic compounds to air. They are well below current permitted levels, but increased in 2006 due to increased production volumes. Tarkett works actively to reduce discharges to the air, for example through product development and new, more efficient, technology for cleaning process air.

Water consumption – 39,537 m³

Water consumption increased during the year due to abnormally high consumption in connection with Legionella decontamination. The total water consumption includes consumption from cooling in the manufacturing process as well as water consumed by showers, toilets and the factory's heated swimming pool, for example.

No discharges to water

There are no discharges to water from the manufacturing process at the Ronneby unit.

Waste – 1,514 tonnes

To recycling	1,264 tonnes
To landfill	36 tonnes
Hazardous waste	214 tonnes

The amount of waste reduced by approx. 9% in 2006. More efficient processes, improved sorting at source and better local production recycling are some of the reasons. By recycling, we mean both energy recovery and material recycling. The waste that we cannot recycle as flooring material is used for additional energy.

Simulation and analysis of noise

Existing noise sources are identified and remeasured regularly. The noise sources that disturb the built-up area close to the site are prioritised, so that measures are taken to reduce the noise. In the case of new building projects, simulations can be carried out at the initial design stage that enable the calculation of the future noise values of different options and the selection of the most suitable design options.

Environmental and investigative objectives

To improve continuously and to ensure that our environmental policy is followed, we are required to work towards clearly defined objectives. In Tarkett we have two types of objectives. One is the environmental objective, which involves a quantified reduction of environmental impact. The other is the investigative objective, which may involve acquiring information and knowledge that subsequently

leads to environmental improvements and new, revised environmental objectives. It is the management's responsibility to formulate, monitor, update and revise the objectives, on the basis of the environmental aspects, the demands of the authorities, technical possibilities, economic conditions, commercial considerations and the views of interested parties that govern our business activities.

Environmental objectives achieved in 2006

Environmental objective 1

Less material sent to energy recovery

Environmental objective 1 has been achieved. The objective was that material sent to energy recovery should total a maximum of 13% of the 1998 level. The result was 13%, which corresponds to 455 tonnes.

Environmental objective 2

Reduction of external noise

Environmental objective 2 has not been achieved. The objective was to reduce the average external noise from transportation and processes from 45 dB(A) to 44.7 dB(A). The result was 45.6 dB(A).

Environmental objective 3

Reduction of energy consumption

Environmental objective 3 has been achieved. The objective was to reduce energy consumption per produced m² from 4.70 to 4.50 kWh/m². The result was 4.10 kWh/m².





Current environmental objectives for the external environment in 2007

Environmental objective 1

Less material sent to energy recovery

Environmental objective 1 concerns a further reduction in the quantity of material sent to energy recovery. Plastic waste from production is to be recycled as material if possible. The actual target has been made more stringent: max. 10% (13% for 2006) of the amount of material sent to incineration in 1998 is to be sent in 2007. This corresponds to max. 336 tonnes for the year. The environmental objective does not cover non-PVC material.

Environmental objective 2

Reduction of external noise

Environmental objective 2 is that we are to reduce the external noise from processes and transportation. The actual target is to implement measures during 2007 that aim to reduce the average external noise at night from 45.6 dB(A) to 44.7 dB(A) and for it never to exceed 45 dB(A) during the same period.

Environmental objective 3

Reduction of energy consumption

Environmental objective 3 is that we are to continue to reduce our environmental impact in the form of energy consumed in our processes. To achieve our objective, the total energy consumption expressed in kWh/produced m² is to be reduced from 4.10 to 3.80 kWh/m² in 2007.

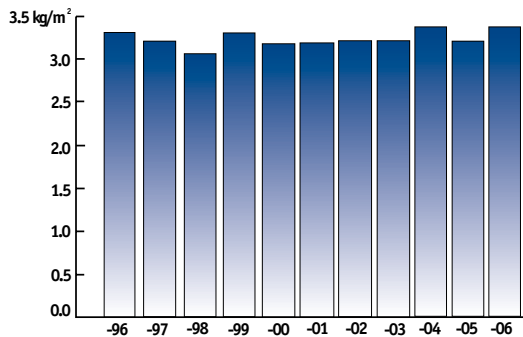


Environmental effects at the Ronneby unit 2006

Environmental audits are carried out at the Ronneby unit every year to ensure that our Business System fulfils the requirements imposed by ISO 14001. In addition, the effects of our business operation on the environment are regularly measured and accounted for. This applies to energy use, raw material consumption and the amounts of waste and discharges, among other things, which are shown in the chart below. Furthermore, the efficiency of the system is checked against

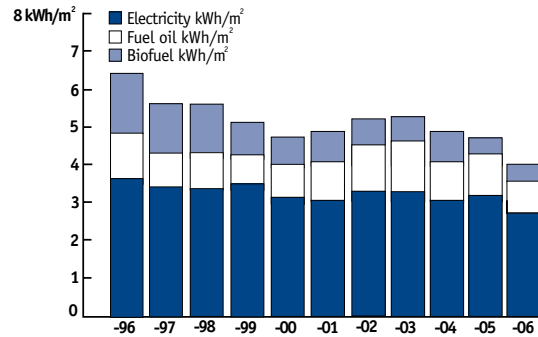
the desired results and the plant is inspected to verify it is in good condition. External audits are carried out regularly, and the management continuously follows up efforts to find potential improvements to the system. This may lead to investment in new environmentally friendly technology, new objectives or modified procedures, etc.

Input raw materials per m²



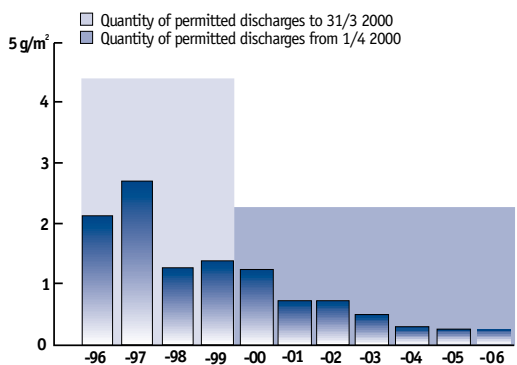
The quantity of raw materials input per m² increased marginally during the year.

Energy use per m²



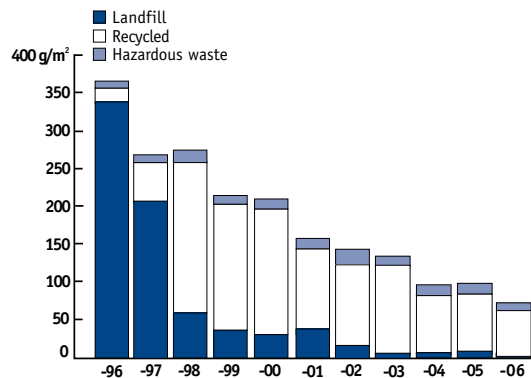
The total energy use reduced by approx. 13%. The use of biofuel reduced by 25%, while the use of fuel oil reduced by 17%. The figures relate to use per m².

Discharges of volatile organic compounds (VOC)



The quantity of VOC discharges was at the same level as the previous year.

Waste per m²



The amount of waste sent to recycling reduced due to more efficient production.

Noise measurements

With a few exceptions, Tarkett met the Swedish National Environmental Protection Agency's guidelines for external industrial noise. Noise was measured regularly in accordance with a comprehensive control programme. The result showed that Tarkett falls within the permitted values with the exception of two measurements that were taken at night. At the initial design stage Tarkett checks the future noise values of different design options. This means that we can always choose the most suitable options with the assurance that the values will be within the stipulated limits.

The evolution of resilient flooring at the Ronneby unit



- 2006 Launch of new Eminent
- 2005 Megalit, with a new construction and a non-directional design
- 2004 Blekinge Institute of Technology's "Årets ledare i hållbar utveckling" (Leader in sustainable development of the year) award
- 2004 Third-generation PUR
- 2004 Electrically conductive PUR
- 2004 The world's first homogeneous wall-covering with PUR
- 2003 BRE (Building Research Establishment) certification
- 2002 On-line production on the new production line commences
- 2001 The world's first homogeneous vinyl safety flooring
- 2001 Extension of the new production line completed
- 2001 Changeover to the new plasticiser DINP
- 2000 From liquid to powder-based stabilisers
- 1998 The municipality of Ronneby's environmental diploma
- 1998 Certification according to ISO 14001 and EMAS registration
- 1997 Swedish Better Environment Award for Industry (SBEAFI)
- 1997 Recycling plant opened
- 1996 Recycling system
- 1996 SuperNova, chlorine-free flooring
- 1995 New production line
- 1993 Nova, chlorine-free flooring
- 1989 Chlorinated paraffins eliminated
- 1987 Stabilisers containing solvents eliminated
- 1980 Life Cycle Cost (LCC) concept
- 1980 Cadmium eliminated
- 1978 Tarkett Loose Laying System
- 1977 Fire-rated vinyl flooring
- 1975 PUR
- 1974 Asbestos eliminated
- 1965 Vinyl wallcovering
- 1964 Foam backing
- 1960 Sheet vinyl flooring
- 1956 Recycling programme for installation waste from tiles
- 1947 Vinyl tiles

Contacts and Glossary

You can get more information about our environmental programme from Tarkett in Ronneby. We will, of course, also answer questions, and you are always welcome to telephone us on +46 (0)457-710 00.

The people who can help answer your questions are: General Manager, Environmental Co-ordinator and Environmental Information Officer.

BIOFUEL

fuel from renewable material, e.g. wood and woodchips.

DEHP

diethylhexylphthalate is a plasticiser in PVC. Phthalates is the collective name for a large group of substances that are all diesters of phthalic acid.

DINP

diisononylphthalate is a plasticiser in PVC. Phthalates is the collective name for a large group of substances that are all diesters of phthalic acid.

BRE

Building Research Establishment, a UK certification body that carries out environmental assessments of building products based on a life cycle perspective.

EMAS

(Eco Management & Audit Scheme) The EU's voluntary scheme for environmental management and audit.

RENEWABLE ENERGY

e.g. from the sun, wind and water power, and quickly renewed naturally.

ISO 14001

the International Standards Organisation's standard for environmental management systems.

LCC

Life Cycle Cost, a calculation that shows the cost of a flooring over its whole life cycle.

LIFE CYCLE

encompasses all phases of a material's or a product's life from raw materials to recycling.

SOLVENTS

liquids used to dissolve or carry oils, paints or dirt. Usually volatile organic compounds.

ENVIRONMENTAL ASPECTS

According to ISO 14001, environmental aspects means "elements of an organisation's activities, products or services that can interact with the environment". A thorough examination of the organisation to find the significant environmental aspects is essential for running an effective environmental programme.

ENVIRONMENTAL MANAGEMENT SYSTEM

tool for an effective environmental programme, involving a systematic and goal-oriented environmental programme applying to the whole business operation and everyone in the organisation.

ENVIRONMENTAL AUDIT

check on whether a company's operations satisfy the environmental demands imposed.

PUR

polyurethane, a thermosetting plastic used among other things as a wear layer reinforcement for resilient flooring to achieve better cleanability.

PVC

polyvinyl chloride, a plastic containing chlorine.

UV-PUR

water-based polyurethane that is hardened using UV light.

VOC

abbreviation for Volatile Organic Compounds.

RECYCLING

using a product in a form other than the original, e.g. as raw material for a new process or for energy recovery.

The year's launch:

New Eminent – an iQ flooring with the best life cycle cost

New Eminent is a high-quality homogeneous resilient flooring with excellent wear resistance and low maintenance costs. The construction and third-generation PUR surface reinforcement mean it is classified as one of Tarkett's iQ floorings. No wax or polish is needed throughout the flooring's life, only dry buffing. Eminent has a unique non-directional pattern and is available in 24 colours plus one multi-coloured décor pattern in two colourways.

- Highest quality raw materials
- Third-generation PUR
- Construction that gives superior cleaning characteristics
- No polish. No wax. Throughout the floor's entire lifetime!
- Best life cycle cost



INTELLIGENT FLOORING SOLUTIONS



SYSTEM

Providing not just a product, but a complete functional solution designed to fully meet customer needs.

SERVICE

Supporting customers from first consultation to product installation, and throughout its service life.

SAVINGS

Finding materials, construction and solutions that minimise maintenance requirements, and achieve best life cycle costs.

STYLE & DESIGN

Contributing to atmosphere, state of mind and emotion, to efficiency and a sense of well-being.

SUSTAINABILITY & ENVIRONMENT

Taking the lead in promoting measures to help preserve a sustainable environment.

- Sales Offices
- Production Sites
- Recycling Plants



TARKETT SALES COMPANIES

www.tarkett-commercial.com

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