

AUDITOR'S STATEMENT

Independent social auditors' report undertaken by Just Solutions at sites operated by East Raise, Fujian Province, China for Marshalls PLC during March 2009

Dates of audit: 9th -11th March 2009
Sites audited: 1. Chang Tai Bei Ji Guang Stone Product Co Ltd, Gang Yaun Development District, Chen Gang Town, Changtai
2. Jingiang Dong Xien Stone Enterprise, Yonghe Town, Dongxin, Jinjiang City
3. Ci Hu Industry, Zhangpu County

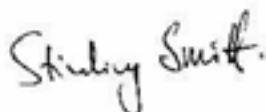
Auditors (and qualifications): Lead auditor Mr Stirling Smith former official of and current consultant to, the International Labour Organisation. Trained to audit to International Finance Corporation Performance Standards. Advisor Vikki Chan, of International Trade Union Hong Kong Liaison Office (IHLO). IHLO worked with European NGOs SOMO and Swedwatch to prepare a report on Improving Working Conditions at Chinese Natural Stone Companies (January 2008).

Audit Style: When Marshalls commissions social audits, it instructs the auditors to follow the good practice developed by ETI members (companies, trade unions and NGOs) working together. Just Solutions audits are undertaken using a standard operating procedure which includes physical inspection of the site, a document review, interviews with management and private interviews with workers. East Raise fully collaborated with the audit and provided all the information that was requested... Three audit reports were prepared by the Lead Auditor, one for each factory

Audit Findings & Recommendations:

- There was no evidence of forced labour, child labour, discrimination, abuse or harassment.
- There was no evidence of "audit fraud".
- Based on worker interviews, it is judged that:
 - Workers are regularly employed.
 - Workers' rights are respected.
 - Working hours may exceed Chinese Labour Law, but are within the standard of the relevant International Labour Convention (48 hours a week, with 12 hours overtime).
- East Raise agreed to implement a Corrective Action Plan to address inadequacies in the following areas:-
 - compliance with the relevant Chinese national legislation on contracts, recording accurate data on wages and working hours
 - make improvements, principally regarding training, the use of PPE and safety stops.
 - introduce comprehensive Human Resources systems to create the necessary data.
- A follow up and review audit should take place in 4th quarter 2009

Signed



Date 16th April 2009

Just Solutions is an SAI listed consultant and works to develop and extend the SA8000 standard and the ETI Base Code. It is not available for 'quick and dirty' audits, but relies upon the hard core of convinced companies to engage stakeholders and professionals together in an agreed programme. If you wish to contact us to discuss our findings, please feel free to e-mail to vic.thorpe@just-solutions-net.com

