



Marshalls

Transforming Britain's Landscapes

Waste

Waste Reduction

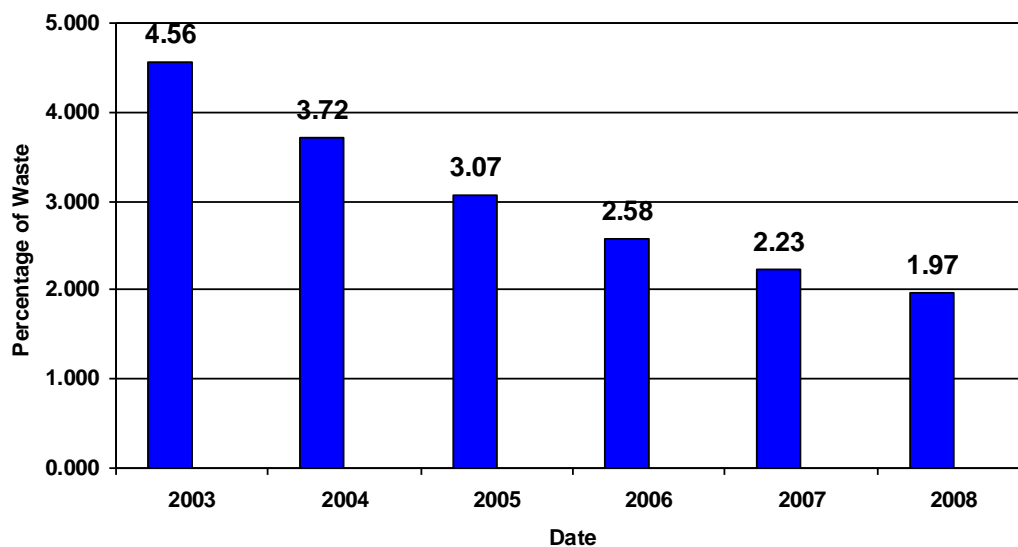
Marshalls uses waste products from other industries in the manufacturing process such as china clay waste, steel slag waste, recycled waste and concrete waste.

The Group recycles over 82% of its waste and, in partnership with a single waste contractor, we aim to further improve Marshalls' performance in increasing recycling and minimising waste – especially waste going to landfill.

In most cases, Marshalls products can be easily recycled at the end of their very long life, either to be used again in the case of most paving, or after crushing as a secondary aggregate or other form of recycled material.

In 2008, 90% of Marshalls' waste was reused or recycled (2007: 82%) with only 10% going to landfill (2007: 18%). Marshalls' target for 2008 was to reduce the proportion of waste material going to landfill to under 15%, and Marshalls out-performed against this target, with only 10% of its waste material being sent to landfill. In 2009, Marshalls is aiming for a further 3% reduction.

**Percentage of Waste Including Material for Recycling
Leaving Site as a Percentage of Total Production Output**



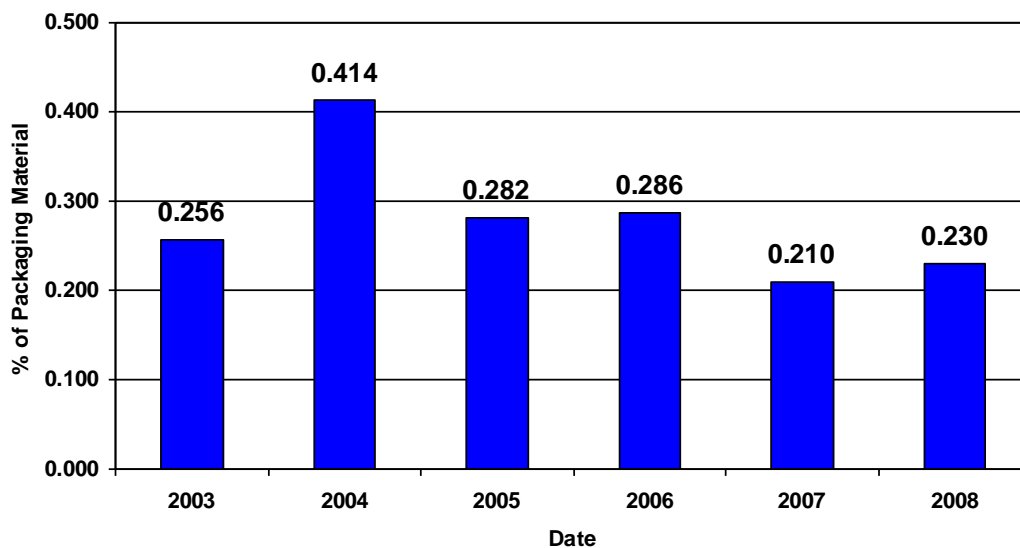
Packaging

Marshalls uses packaging only to the extent appropriate, for example, to ensure safe handling, storage and transport of its products and to minimise damage to the product. Packaging principally comprises timber pallets and polythene, both of which remain a focus for packaging reduction without compromising on safety or customer expectation.

Marshalls carefully monitors the sourcing of timber by its timber pallet suppliers. In 2008, 60% of the timber used by Marshalls came from UK sources, with most of the remainder coming from Latvia.

There was a 15% year-on-year reduction in timber pallet and packaging use in 2008, resulting in a saving of over 1,250 tonnes of wood, and a reduction in polythene packaging of 11.2%. Marshalls is seeking to reduce the use of timber pallets by 5% and to reduce the tonnage of polythene packaging used by 5% in 2009.

Percentage of Packaging Material Bought as a Percentage of Total Production Output



Producer Responsibility Obligations (Packaging Waste) (Amendment) Regulations 2008

The European Directive on Packaging and Packaging Waste sets recovery and recycling targets for all packaging materials (steel, aluminium, paper, plastic, glass and wood) and covers all types of domestic, commercial and industrial packaging.

The UK Government set out its own Producer Responsibility Obligations (Packaging Waste) Regulations based on the Directive. Amended in 2008, the regulations apply to

any UK business which manufactures, fills or sells packaging or packaging materials in excess of 50 tonnes per year and has an annual turnover in excess of £2 million.

Marshalls is committed to the guidelines of The Producer Responsibility Obligations (Packaging Waste) Regulations 2008. Defra (Department for Environment, Food and Rural Affairs) sets out the regulations as follows:

The Producer Responsibility Obligations (Packaging Waste) Regulations are intended to encourage the minimisation of packaging and packaging waste, incentivise re-use and increase the recovery and recycling of packaging waste.

The packaging regulations place an obligation on certain businesses who satisfy two threshold tests to recover and recycle specified tonnages of packaging waste each year.

The amount each business has to recover is determined by three factors:

- *The amount of packaging the business handles*
- *The business recovery and recycling targets for the year*
- *The activity the business carries out on packaging*

On 14 March 2008, the new Producer Responsibility Obligations (Packaging Waste) Regulations (Amendment) 2008 came into force. The 2008 Packaging Regulations update the 2007 regulations with new business targets for 2008-10.

For more information on The Producer Responsibility Obligations (Packaging Waste) Regulations (Amendment) 2008, please refer to

<http://www.defra.gov.uk/ENVIRONMENT/waste/topics/packaging/regulations.htm>

Marshalls also holds Packaging Recovery Notes (PRNs) which are documents that provide evidence that Marshalls' legal responsibility to recover and recycle has been fulfilled.