



Marshall's

United Nations Global Compact
Communication on Progress 2009





The United Nations Global Compact (UNGC) was launched in 2000 to harness the power of collective action in the promotion of responsible corporate citizenship. The Compact is a framework for businesses that are committed to aligning their operations and strategies with the ten universally accepted principles in the areas of human rights, labour, the environment and anti-corruption.

As the world's largest global corporate citizenship initiative, the Global Compact is concerned with demonstrating and building the social legitimacy of business and markets.

The Global Compact is a purely voluntary initiative with two objectives:

1. To mainstream the ten principles in business activities around the world
2. To catalyse action in support of broader UN objectives, such as the Millennium Development Goals

Marshalls plc became a signatory of the UNGC in January 2009 and a member of the UK Network later in the same year. This is the company's first Communication on Progress and outlines how Marshalls is aligned with the ten principles and how, throughout 2010, the plc intends to develop its activities in support of the framework laid out by the UNGC.

UNGC Ten Principles

Human Rights

Principle 1:

Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2:

Make sure that they are not complicit in human rights abuses.

Labour

Principle 3:

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4:

The elimination of all forms of forced and compulsory labour;

Principle 5:

The effective abolition of child labour; and

Principle 6:

The elimination of discrimination in respect of employment and occupation.

Environment

Principle 7:

Businesses should support a precautionary approach to environmental challenges;

Principle 8:

Undertake initiatives to promote greater environmental responsibility; and

Principle 9:

Encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10:

Businesses should work against all forms of corruption, including extortion and bribery.



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Foreword and Future Focus

Chris Harrop, Group Marketing Director

Welcome to all readers of Marshalls' first Communication on Progress (COP) detailing the advances that we made during 2009.

Marshalls was delighted to be accepted by the United Nations Global Compact (UNGC) in 2009. In the UNGC, Marshalls has found its natural home, a forging framework and the support that we need as we drive forward with our sustainable business strategy.

The leadership offered by the UNGC UK Network is most welcome by us, in particular as we embark in 2010 on a four year programme of assessing our human rights impacts throughout our global operations.



Chris Harrop - Carbon Trust
business ambassador and
Building's Green Guru 2009

Foreword and Future Focus

Marshalls’ sustainability model is fundamental to the way in which the company operates and this approach drives actions throughout the business.

All employees at Marshalls are aware of our commitment to sustainable business practice and they all participate in a range of initiatives and activities aimed at achieving our collective goals.

Sustainability for Marshalls is based on three elements; economic, environmental and social. This means that we aim to operate a successful and profitable business whilst minimising our impact on the environment and looking after the people and communities we work with both in the UK and overseas.



Foreword and Future Focus

Marshalls’ Sustainability Model incorporates our membership of the UNGC and FTSE4GOOD, and our continued commitment to Integrated Management Systems.

The sustainability model is embraced by the organisation and championed by Chief Executive Graham Holden and Chief Operating Officer David Sarti and is driven by myself, Group Marketing Director Chris Harrop, and a group of managers throughout the business with special responsibilities including Head of Sustainability David Morrell and Group Corporate Social Responsibility Manager Neil Davidson.

As a matter of course, Marshalls seeks verification from third party organisations which include non-governmental organisations and independent auditors. During 2009 we achieved our second Biodiversity Benchmark from the Wildlife Trusts and became the first company in the world to carbon label over 2000 of our products with the Carbon Trust’s Carbon Labelling Company in order to help our customers to make informed choices.

Throughout this, our first COP, we want to share with you the strides that we have made to uphold the UNGC principles during 2009 and to make clear how we will seek to make further progress in the face of the challenges that lie ahead in 2010.

Progress is monitored thoroughly and on an ongoing basis against internal measures.



Chief Executive
Graham Holden



Chief Operating Officer
David Sarti



Head of Sustainability
David Morrell



Group Corporate Social
Responsibility Manager
Neil Davidson

Focus for 2010

We are aiming to build on the successes that we have achieved during 2009 guided by our approach to sustainable business practice which is itself guided by the principles of the UNGC.

As you read through this report you will see that we have also committed to make further progress in relation to the principles and have set targets for each.

I have highlighted here three specific programme areas for development during 2010: Human Rights Impact Assessment, Ethical Supply Chain and Climate change.

Human Rights Impact Assessment

In 2008 Marshalls undertook research with an academic institution partner based in Wales, which involved a systematic review, ecology report and livelihood research in the quarrying region of Kota, India. In 2010, we will begin a new four year programme focusing upon the human rights impacts of our operations in India, China, other quarrying regions across the globe where Marshalls is involved to a lesser extent, and finally the UK.

The focus for 2010 will be the quarries and quarrying communities in the Kota region of Rajasthan, India. Marshalls will implement the eight-step assessment process set out in the Guide to Human Rights Impact Assessment and Management developed by the International Business Leaders Forum, UNGC and the International Finance Corporation (IFC).

Ethical Supply Chain

In 2009, Marshalls was delighted to be recognised by Business in the Community for our ethical supply chain example of best practice in India. In 2010 we will further strengthen our partnership with our Indian sandstone supplier and begin to make plans to align our supply chain model with our suppliers worldwide. This programme of activity will rely on the Ethical Trading Initiative (ETI) Base Code, which has been the benchmark for our work in India.

Our partnership with a local NGO, Hadoti Hast Shilp Sansthan (Hadoti), will remain a key focus for us and with an increase in funding for activity on the ground in 2010, we aim to reach more workers with our health awareness camps and more children with our schools. We know that it is only by working on the ground with the local communities that we can effect positive change and provide a better quality of life for workers, their families and the wider community.

Climate Change

In line with the Government's targets, Marshalls has committed to reduce carbon emissions by 80% by 2050. We're well on our way to achieving this. We acknowledge that our operations contribute to manmade climate change, as detailed by the Inter-Government Panel on Climate Change, so it's essential that we do our bit and encourage our customers and the industry to take climate change seriously. In 2010, we'll be working on reducing the carbon footprints of our products as well as educating our stakeholders on the need for a better understanding of carbon labelling and the impacts of climate change.



Chris Harrop, Group Marketing Director, Marshalls plc



Achievement Indicators

Throughout this COP you will find a self assessment indicator which represents what Marshalls believes it is achieving in relation to each of the principles. Marshalls will strive to improve achievements year-on-year.

Achievement Indicators

The achievement indicators as shown above clearly illustrate progress in each of these areas:

- Legal Compliance
- Piloting New Initiatives
- Reviewing Feedback & Developing Our Approach
- Achieving Good Results
- Delivering Best Practice
- Collaborating & Sharing Best Practice

Marshalls has developed its own indicators for this report rather than use existing ones, such as the Ethos Indicators and GRI methodology. Each indicator is broken down in percentage terms, which allows any progress made to be identified by the readers of this report with ease.

It is also intended to make any year-on-year comparisons clear, uncomplicated and informative.

Marshalls constantly monitors best practice in its sector, as well as in the field of corporate responsibility and sustainability reporting. Any informative developments and advancements in this area will be introduced into subsequent COP reports.

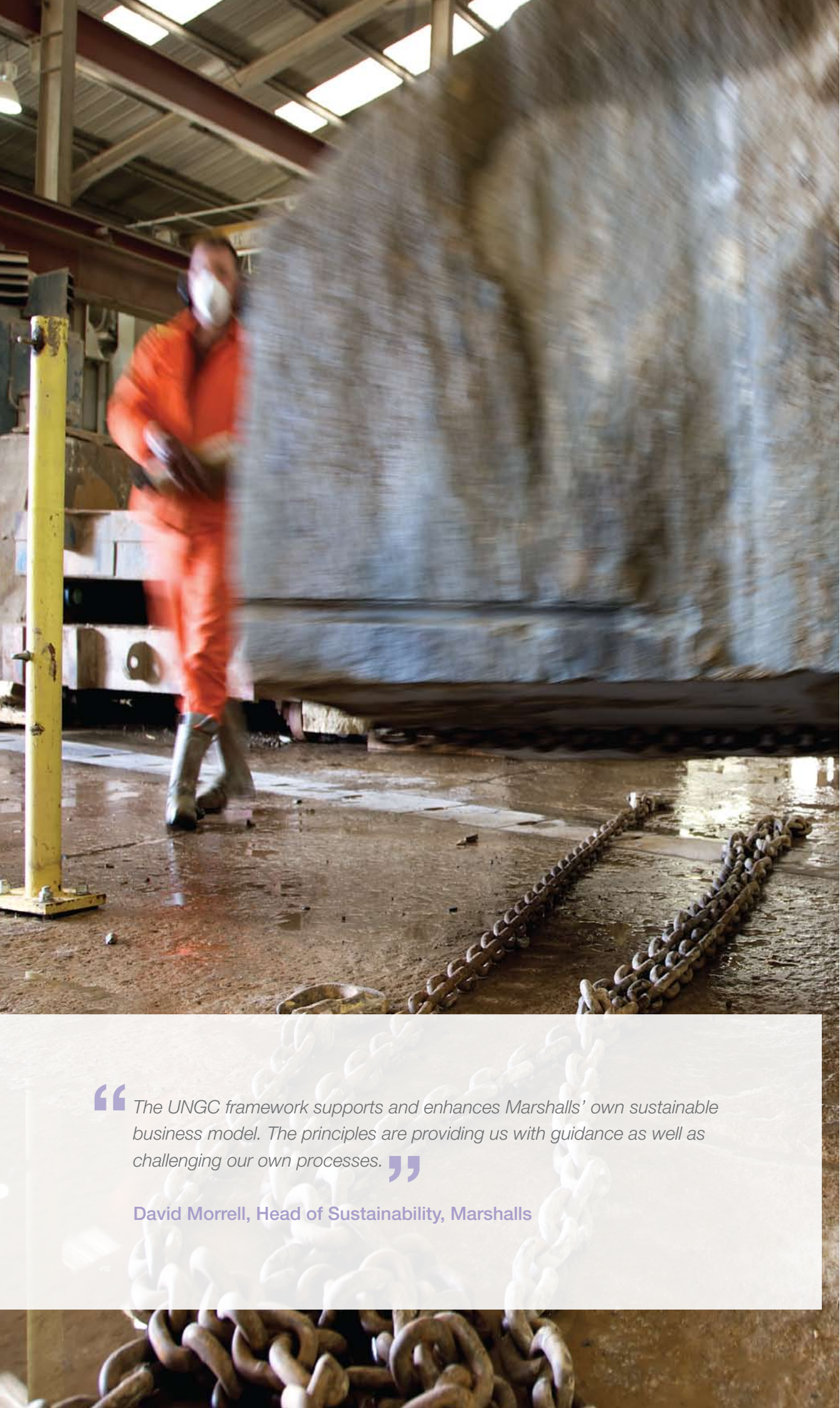
Third Party Assurances

Once this report is submitted and published, it will be volunteered for peer-review by a randomly selected group of corporate members and observers of the UK Network of the UNGC. Any suggested changes will be made and the report will be re-submitted, if required, to the UNGC following the peer review process.

Prior to publishing, there was also assessment by a wide variety of stakeholders including Marshalls employees and partners. It is Marshalls' intention to expand this process for the 2010 COP by inviting other stakeholders to assess the company's progress.

“The UNGC framework supports and enhances Marshalls' own sustainable business model. The principles are providing us with guidance as well as challenging our own processes.”

David Morrell, Head of Sustainability, Marshalls



Human Rights

Principle 1:

Businesses should support and respect the protection of internationally proclaimed human rights; and

Improving health and safety in the quarries and in the community

Sharing best practice for health and safety procedures in quarries

Employment of a full time social auditor based in India providing weekly update reports



Principle 2:

Make sure that they are not complicit in human rights abuses.

Delivering education to children of quarry workers by funding schools

Ensuring adherence to the ETI Base Code

Undertaking a Human Rights Impact Assessment and Human Rights Guidance document

Labour

Principle 3:

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4:

The elimination of all forms of forced and compulsory labour;

Principle 5:

The effective abolition of child labour; and

Principle 6:

The elimination of discrimination in respect of employment and occupation.

Implementing the ETI Base Code which states that child labour shall not be used

Raising awareness of the need to uphold labour laws

Raising awareness of labour rights issues

Ensuring that wages are enough to live on and allow some discretionary income



Recognising and working with trade unions in India

Raising awareness of providing insurance for quarry workers

Regular quarry visits by Marshalls and regular independent audits

Environment

Principle 7:

Businesses should support a precautionary approach to environmental challenges;

Principle 8:

Undertake initiatives to promote greater environmental responsibility; and

Educating stakeholders on the need for a better understanding of carbon labelling

Raising awareness of Future Water legislation and providing solutions

Taking effective action across all business operations to reduce carbon emissions by 80% by 2050



Principle 9:

Encourage the development and diffusion of environmentally friendly technologies.

First company in the world to carbon label domestic and commercial products in association with the Carbon Trust

Second Biodiversity Benchmark from Wildlife Trusts

Commissioning academic research regarding environmental remediation

Anti - Corruption

Principle 10:

Businesses should work against all forms of corruption, including extortion and bribery.

Implementing the code of conduct on Competition Law



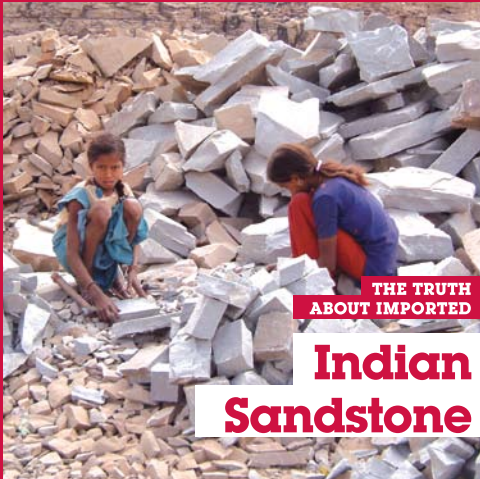
Transparent code of conduct regarding gifts and entertaining

Development of anti-corruption policies and procedures

Education for Sustainability

Marshalls' alignment with the UNGC has informed and influenced strategic planning regarding its Education for Sustainability (EfS) approach. Throughout 2009 the company has worked hard with many of its stakeholders - consumers, the stone sector, employees, and specifiers such as architects and local authorities, contractors and installers for example - to share knowledge and increase understanding around the important and pressing issues of carbon reduction, climate change, government legislation, water, ethical purchasing, labour rights, supply chain transparency and human rights.

Marshalls has communicated in a plethora of ways to ensure easy access and inclusion using both on and off line channels including TV, radio, newspapers, magazines, booklets, reports, social networking, seminars, roadshows and conferences.



The Truth About Imported Indian Sandstone was launched in 2007 as part of a UK wide media and consumer campaign



“The ethical message has been communicated to all our Register Members and they're really embracing it. One of our members has recently been asked to appear on a local radio programme to talk to listeners about the ethical issues they should be thinking about when designing their new patio.”

Dave Jessop, Operations Manager, The Marshalls Register

Sharp Paving - Winner of Best Use of Marshalls' Fairstone at the 2009 Marshalls Register Awards

Consumer Education Highlights

Carbon Calculator:

Marshalls was the first in the hard landscaping industry in the UK to develop an online carbon calculator which allows consumers to calculate the carbon footprint of any purchase before making a final decision. As all of Marshalls' consumer products have been carbon labelled in association with the Carbon Trust, customers can easily compare products. Website statistics show that a massive percentage of people purchasing patio paving are coming to the site to use the customer friendly carbon calculator tool.

Carbon Labelling:

Marshalls is the first company in the world to have labelled over 2000 of its products which allow consumers to make direct comparisons of products and to begin to get to grips with their own carbon footprint impacts.

The Truth About Indian Sandstone:

Marshalls has been campaigning on the ethics of Indian sandstone since 2007, and has maintained its consumer education campaign throughout 2009. This was the year in which ITN News featured the issues on national TV after working with Marshalls for many months regarding the facts. Marshalls also put its 'Truth About Imported Indian Sandstone' booklet online. Together with an ongoing media relations drive, Marshalls continues to raise the issues and encourage consumers to make conscious decisions about the purchase of Indian sandstone.

Industry Education Highlights

ETI Stone Group:

Working with the ETI, Marshalls was a catalyst for the formation of the ETI Stone Group which aims to engage the stone sector in working together to find solutions to the issues which exist and to develop a sustainable approach to business which offers benefits to all concerned. The Stone Group is now the fastest growing group of ETI member organisations, with more new memberships than any other ETI group.

Indian Quarry Owners:

Working closely with NGO Hadoti in Kota, Marshalls is developing relationships with quarry owners in the region in order to improve working conditions for employees.

Marshalls' sandstone supplier Stone Shippers India organised a workshop in December 2009 bringing together the region's quarry owners. The object of the meeting was to make the owners aware of the general image of the stone industry in international markets, specifically regarding working conditions in Indian sandstone quarries. The meeting was extremely positive and showed the depth to which Stone Shippers India takes its social and environmental responsibilities.

Indian Quarry Workers:

Through its labour camps and health camps in the quarrying region of Kota, Marshalls is educating workers of their rights and is providing access to free social security and free medicines.

Specifier Education Highlights

Marshalls has produced various technical data guides focusing upon carbon reduction for specifiers such as architects, local authority planning departments, local authority educational building, etc.

Employee Education Highlights

Ethics of Indian Sandstone:

Through a series of conferences and roadshows, Marshalls has ensured that all of its employees in the UK are aware of the issues regarding the manufacture and importing of Indian sandstone. A representative of NGO Hadoti attended these events to communicate in person the importance of understanding these issues.

Living Streets Auditing:

Marshalls joined forces with Living Streets, a national charity working towards people friendly public spaces. As part of this new partnership, over 50 of Marshalls' employees have been trained in Community Street Auditing – giving them an important insight into how the Living Streets agenda is applied to the streets and public spaces they help to create. The audits are designed to gather together and listen to street users, including the general public, residents and local authority representatives, to come up with better landscapes which will make a difference to their communities and communal areas.

Carbon Emissions:

Marshalls ran its first ever Energy Saving Week with the Energy Saving Trust in September 2009. Marshalls' Energy Saving Week aims to encourage employees to look at the energy they use at home and at work and find ways to cut down and save money. Figures from this year's initiative revealed that, on average, each employee could potentially save £175 on their energy bills per year and cut their carbon footprint by 1.3 tonnes through simple energy saving activities.

Education in the Community

Children in India:

Marshalls supports the UN Millennium Development Goals and is specifically active regarding the right to education for all. The company understands the importance of education and as such provides funding for 4 schools in the quarrying district for the children of quarry workers. In 2009, 156 children received an education that they would not have access to if it weren't for Marshalls.

Children in the UK:

Marshalls actively works with school children in the UK through its involvement in the Royal Horticultural Society's (RHS) Campaign for School Gardening, and a twinning programme between a school in Cheshire and one of the Marshalls funded schools in Kota. This twinning has brought a wealth of learning opportunities for both schools including the opportunity for children to exchange letters and updates and also for reciprocal teacher visits to the UK and India.

Leading the Industry and Driving Change in the Stone Sector

Marshalls has a policy of knowing where its stone comes from and understanding the supply chain. Having seen for themselves in India that child labour was rife, the company sought to raise consumer awareness, work with the supply chain to make changes and galvanise the stone sector in the UK to get the industry to work together. It has proved difficult to engage the sector, both in the UK and overseas, as there has been denial from many quarters regarding the prevalence and impact of child, slave and bonded labour.

As a business built upon the values of trust, integrity and professionalism, Marshalls was compelled to tackle these issues and by doing so to challenge its industry and expose human rights abuses.

Marshalls believes that by making a positive, proactive contribution to the communities in which it operates, it is not only fulfilling its social and economic objectives, but is also making a long term investment in the stability and quality of its entire marketplace.

As market leader, Marshalls has been a driving force in setting the human rights and labour agenda within the industry. Since joining the ETI, Marshalls has seen only four other hard landscaping companies committing to the ETI Base Code. The supply chain has become a significant part of Marshalls' ethical approach and a real beacon for good corporate behaviour.



“Stone Shippers India's relationship with Marshalls just goes from strength to strength. It's a true partnership. Year on year, we continue to meet the ETI Base Code by working together.”

Rajiv Bazaz, Managing Director, Stone Shippers India

Marshalls' social auditor Sid with Mr Sharma and Mr Kapoor pictured here with the ETI Base Code.
Mr Saurab Kapoor sadly passed away in early 2010 and Marshalls offers its condolences to Mr Kapoor's family in India.



Marshalls and the Ethical Trading Initiative

The Ethical Trading Initiative (ETI) is a diverse alliance of retailers and brands, trade unions, charities and campaigning organisations working together to tackle the complex questions posed by ethical trade.

Marshalls was the first member of the ETI from the hard landscaping industry to join and adopt the ETI Base Code in 2007, which is based on the International Labour Organisations' conventions and is widely accepted as a model code of practice.

As a socially responsible company, Marshalls is committed to managing its supply chain through regular independent auditing to ensure that safety, environmental and human rights laws are upheld by its suppliers.

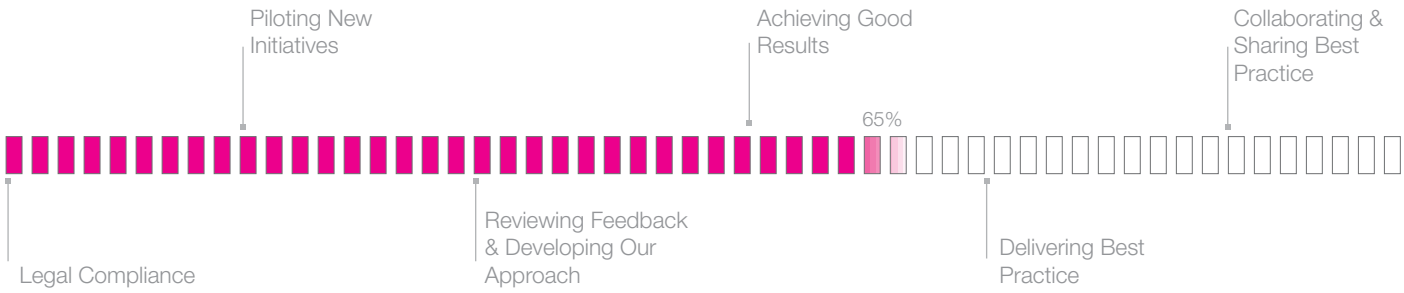
The audits provide both verification and an agenda for improvement that Marshalls and its suppliers can work to. These audits are carried out using the ETI Base Code as its framework.

The ETI Base Code contains provisions based on the following principles:

- No-one should be forced to work
- Workers should be able to join and form trade unions
- Working conditions should be safe and healthy
- Child labour shall not be used
- Working hours should not be excessive
- Wages should be enough to live on and provide some discretionary income
- Workers should be treated equally, regardless of their sex, ethnic group, religion or political opinions
- Where possible, workers should be provided with regular employment
- Workers should not be verbally, physically or sexually abused or disciplined

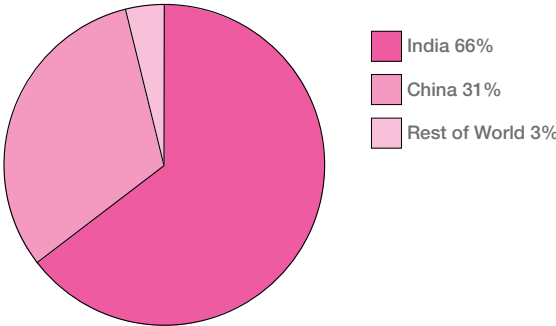
“Every industry needs its leaders and Marshalls can be proud of its role in putting ethical trade on the agenda of the natural stone industry. Marshalls was the first of a number of companies in the sector to join the Ethical Trading Initiative and has acted decisively to address complex issues such as child labour.”

Dan Rees, Director, Ethical Trading Initiative



Human Rights

Marshalls has addressed human rights issues to date by focusing on the UNGC Labour principles. After dedicating time, resource and investment in highlighting issues of child labour and slave labour in India, Marshalls recognises the need to increase focus in this area and expand its knowledge.



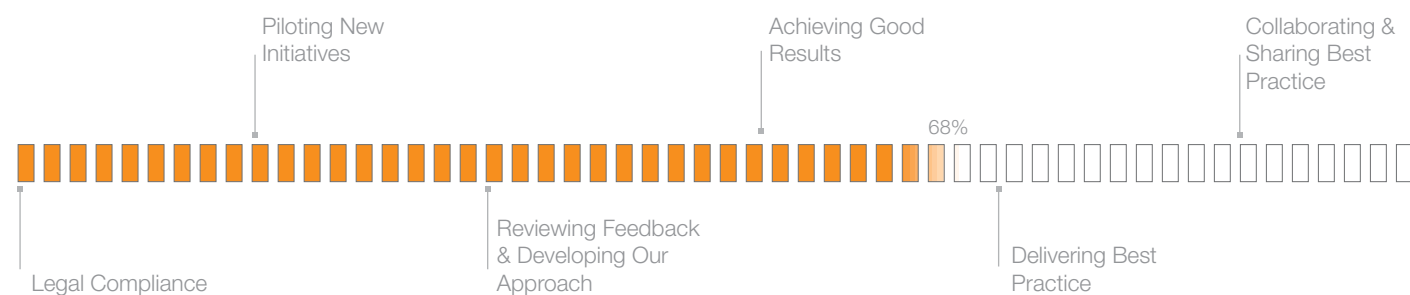
UK Customs and Excise data for all imports - 68010000: setts, curbstones and flagstones of natural stone (except slate); road and paving setts, curbs and flagstones of natural stone (except slate)

2010 will see the start of a four year Human Rights Impact Assessments (HRIA) programme. The first year will see a HRIA undertaken in the quarries in Kota, 2011 will focus on the manufacturing process in China, and 2012 will look at other countries from which Marshalls sources product to a lesser extent. The final year will see a HRIA in the UK. The order in which this programme will unfold has been influenced by the percentage of product imported by Marshalls.

During 2010 alongside the HRIA, Marshalls is also developing a Human Rights Guidance Document and undertaking a report upon the complex laws in the quarrying regions regarding human rights, environmental law and labour law. It is envisaged that this process will help to inform Marshalls' work in the area of human rights moving forward.

2009 Targets – Human Rights

2009 Targets	2010 Targets
Ensure adherence to the ETI Base Code and work actively to ensure that no child labour is employed in the supply chain. ✓	Ensure adherence to the ETI Base Code and work actively to ensure that no child labour is employed in the supply chain.
Employment of full time, field-based social auditor. ✓	Weekly reports from the social auditor.
Weekly reports from the social auditor. ✓	Monthly reporting from NGO Hadoti.
Monthly reporting from NGO Hadoti. ✓	Undertake a HRIA in the quarrying region of Kota.
	Develop a Human Rights Guidance Document.
	Undertake a report which clarifies Indian laws regarding employment, human rights and environmental rights.



Labour

Marshalls aims to achieve success in business by selling products with integrity and treating employees, workers, suppliers and customers fairly.

Marshalls believes in demonstrating a high degree of social responsibility, while conducting business in a manner which achieves sustainable growth.

The company recognises the complex labour, social, ethical and environmental challenges surrounding the quarrying of natural stone in India and other countries worldwide and is actively addressing and raising awareness of these issues.

By embedding responsible and ethical labour policies and practices into everything it does, Marshalls is demonstrating a continued commitment to labour rights.



“ Marshalls has been getting more recognition of its leading campaign against child labour in the production of Indian Sandstone. The more profile the issue gets, even at this time of recession, the more it validates the good work the company has put into taking a lead on challenging the silence over one of the most dangerous and dirty forms of child labour. The company has had an uphill struggle to take a stand, and to get the benefits when some competitors turn a blind eye. ”

Mallen Baker, Member of the Ethical Corporation Advisory Board (July 2009)

Marshalls in India

Whilst Marshalls works with different overseas suppliers, its relationship with sole Indian sandstone supplier Stone Shippers India has pioneered ethical supply chain management. The partnership is based on the ETI Base Code and builds on Marshalls' sustainable approach, resulting in challenges and successes that are inevitable when organisations wish to stand by every aspect of their supply chain.

Challenges in India

Marshalls understood from early on that working with Indian quarries would bring with it a set of issues that are endemic to the country, including:

- Widespread use of child labour – “Across the world, 218 million children aged 5 – 17 are working as child labourers; of those children, 126 million are involved in hazardous work.” (The Small Hands of Slavery – Modern day child slavery: a report by Save the Children UK 2007).
- Environmental damage caused by quarrying.
- Illegal practice of bonded labour – “In India, an estimated 15 million children could be working to pay off someone else's debt.” (The Small Hands of Slavery – Modern day child slavery: a report by Save the Children UK 2007)
- Exploitation of migrant workers.
- Breach of health and safety regulations.
- Non-living wages and excessive working hours.

Marshalls' Approach

Primarily, the approach to ethics focuses on:

- ETI membership and use of the ETI Base Code as a minimum
- Accreditation to international standards for management systems
- Independent auditing
- NGO funding for worker rights education, health and social insurance
- Education for quarry workers on Health and Safety labour rights

Since working with Stone Shippers India, Marshalls has found that:

- When the client and the supplier share the goals, the improvements become self-sustaining.
- Focus on quality delivers ethical benefits.
- Productivity drives mechanisation, which drives ethical benefits.
- Cultural or endemic issues should not be an excuse to do nothing.
- Research shows that consumers will pay for 'ethical' products but they need educating and informing.

Leading the way for other supplier relationships, Marshalls is working with Stone Shippers India on several projects including:

- Providing advice on quarry restoration.
- Helping to maintain Stone Shippers India's accreditation to internationally recognised standards.
- Funding local health and education camps through a specialist NGO
- Raising awareness of human rights issues, such as child labour and bonded labour.

The UK Market for Indian Sandstone

Indian Sandstone is very popular in the UK – in 2007, over 2 million m² of sandstone was imported into the UK from India though Marshalls estimates that this is only 1% of local production. And not all the imported stone is manufactured to ethical, or even basic, standards.

Working with the ETI highlighted the need for more informed buying choices and the need for consumers to be aware of the social issues behind their garden designs.

This led Marshalls to its transparent stance on the Indian supply chain – it may cost a little more than its competitors because of its quality, calibration process for guaranteed thickness, continuity of colour and year-round availability of supply, but one that can hand on heart show that no human rights were breached in its manufacture.

In 2009, Marshalls re-branded its Indian sandstone paving range to Fairstone in response to the growing number of concerned consumers who are becoming all too aware of the ethical issues surrounding the supply of stone from overseas. According to the most recent Populus survey on home and garden companies, 61% of consumers are very concerned about the use of child labour in the production of home and garden products (Populus, February 2009).



1. We know exactly where all our stone comes from.
2. We're doing everything possible to ensure no child labour is used.
3. Workers get living wages.
4. Health and safety processes have been put in place.
5. Our full time in-field social auditor works with quarries and workers in the wider community through our NGO partner.
6. We have a partnership with Stone Shippers India and they're committed to continuously improving standards.
7. We fully fund 4 schools and 6 health camps for quarry workers and their families.
8. This is all part of our commitment to the Ethical Trading Initiative and implementing the ETI Base Code with regular visits from Marshalls' people to the quarries.
9. By the time the stone gets to our customers, we know it's been made fairly and has had a positive impact on local communities in Kota.



“ I was very pleased to see that Stone Shippers India is working with the ETI Base Code that Marshalls has committed to implementing in its supply chain. There are many areas that I have discussed with Stone Shippers India to improve things further but it must be recognised that they are far ahead of any other producer, either for export or local use. ”

Chris Harrop, Group Marketing Director, Marshalls

Working in Partnership

The relationship between Marshalls and Stone Shippers India has been one of collaboration and mutual benefit. In working with a company that is at the forefront of its industry with regards to environmental and social responsibility, Stone Shippers India has had the opportunity to strive for improvement in every area of its business.

Stone Shippers India has also benefited from Marshalls' expertise in environmental as well as health and safety practices. At Stone Shippers India's stone calibration factory, the plant is equipped with a sophisticated water processing and recycling system to ensure that the waste material from the calibration process is managed carefully and not just allowed to run into the local water course. For all the water used in manufacturing bought by Marshalls for the UK market, there is a system of filter beds and a recycling system. The impact has been huge for Stone Shippers India as well as the local environment – without Marshalls' substantial investment, water would just continue to run into the local water course.

Using the ETI Base Code as a starting point, Stone Shippers, with Marshalls' support, has implemented a number of initiatives to educate and benefit workers.

A full time Marshalls-funded social auditor now works with quarry managers and workers to uphold the ETI Base Code. Using the Base Code as a minimum, the auditor visits quarries regularly to discuss specific issues directly with workers such as health and safety, pay, working hours, labour practices and the provision of basic human rights.

Since working with Marshalls and the ETI, Stone Shippers has also been educating workers on issues relating to the Base Code. A poster communicating the nine point code of practice is now displayed for all to see in their place of work, together with the ways to contact Hadoti should they have any concerns or issues regarding their own treatment in relation to the Base Code.

Marshalls has also worked in partnership with Stone Shippers to educate workers on the benefits of personal protective equipment and other aspects of health and safety.

NGO Funding

Keen to work with local NGOs on community development, Marshalls funds the work of Hadoti which is helping to improve the lives of vulnerable families working in the quarries around Bhundi and Kota in Rajasthan.

In raising awareness of child labour issues, Marshalls became aware of social issues affecting poor families in rural India where income is hard to come by and children go out to work from a young age.

Marshalls is working with the local community to engage with the schooling system and encouraging children to attend school, rather than work in other non-Marshalls quarries.

Education

- Three schools operating in Gararda, Gawar and Sutada, with well equipped classrooms and provision of a midday meal.
- 156 students aged 6-14 years attend the schools.
- The fourth school was opened in February 2009 in Sutra.

Health Camps

- Education In 2009, a total of 36 regular health camps and four seasonal disease camps were held, with 4,692 beneficiaries
- Door to door visits (consultancy and free medicine distribution) to 3,096 patients from 716 families in nine destinations

Insurance

- The number of beneficiaries has increased significantly as the labourers now understand the value of getting insured. In 2009, 342 labourers claimed on their insurance.
- Monthly insurance awareness camps for the labourers organised at Sutada and Gararda.



“Only one overseas company across the world is doing something about the workers' terrible conditions. Only one! ... Marshalls.”

Mrs Manjula Joshi, Hadoti Hast Shilp Sansthan



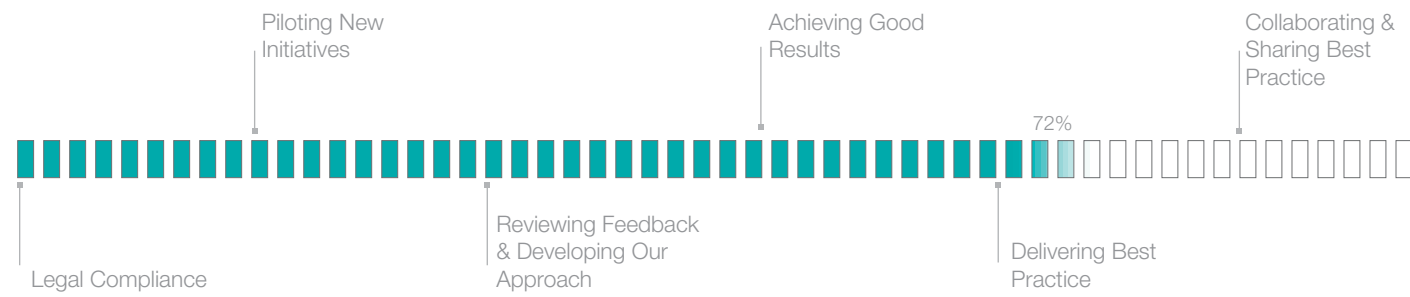
“ There are some excellent examples of good practice and a real keenness to improve conditions. Good efforts have been made to respond to the issues raised in last year’s audit. The appointment of a dedicated internal auditor for ETI compliance is a demonstration of the company’s commitment. ”

Stirling Smith, Just Solutions Network

2009 Targets – Labour

The relationship between Marshalls, Stone Shippers and Hadoti is ongoing. Each year, budgets and timelines are set with quarterly reports produced by Hadoti on progress in India.

2009 Targets	2010 Targets
Maintaining accreditation to Integrated Management Systems ✓	Maintain accreditation to Integrated Management Systems
Research into Indian social and environmental standards and requirements ✓	Research and reporting on labour laws and their implementation
Monitoring environmental impact of quarrying on the water table ✓	Continue monitoring of the environmental Impact of quarrying on the water table
Continued funding for local NGO regarding education on labour rights ✓	Maintain funding for NGO
Weekly reports from social auditor ✓	Weekly reports from the social auditor
Monthly reports from NGO ✓	Monthly reports from NGO
Delivery of workers’ rights education camps ✓	Delivery of workers’ rights education camps
Continued education on health and safety practices ✓	Continued education on health and safety practices



The Environment

In October 2009, Marshalls unveiled a further 1,565 official carbon labels for all its commercial paving products. Earlier in 2009, Marshalls had revealed carbon labels for over 500 products in its domestic range.

Then, it was the first company in the world to label an entire range of products and the first in the hard landscaping industry to work with the Carbon Trust's labelling scheme.

The label indicates to consumers the amount of carbon dioxide equivalent emitted from extracting and processing raw materials, manufacturing, distributing, and disposing of these products.



“This is a great continuation of a very ambitious carbon reduction programme for Marshalls. When we started working with the Carbon Trust nearly three years ago, we knew we were making a big commitment. But there's no point in only carbon labelling one or two products. This is about providing information and a choice of products to compare.”

Chris Harrop, Group Marketing Director, Marshalls




Carbon Labelling Success for Marshalls

Marshalls understands the environmental, behavioural and economic issues involved in creating 21st century landscapes. It is only by providing carbon emission information that better landscapes can be created for all to enjoy.

Marshalls' carbon labelling programme enables consumers and organisations like public bodies and local authorities to fully understand the amount of carbon dioxide equivalent emitted from extracting and processing raw materials, manufacturing, distributing, and disposing of these products.

Carbon reduction is a key Government target as it is for Marshalls. In order to build and create the kinds of spaces and landscapes that will help improve education, health and wellbeing, Marshalls has to understand the impact its products are having on the environment. This is why it's so important for customers to understand carbon footprints – they can make their buying decisions based on impact and carbon reduction.

working with
the Carbon Trust



The carbon footprint of this product is the total carbon dioxide (CO₂) and other greenhouse gases emitted during its life, including production, use and disposal.

We have committed to reduce this carbon footprint.

Marshalls is committed to reducing carbon emissions, which is why the company chose to work with the Carbon Trust. A lot of work went into measuring the carbon footprints of different products – the result is a real testament to concerted efforts in sourcing materials responsibly and evaluating manufacturing, logistical and administrative processes.

An important part of the work with the Carbon Trust was the decision to label the entire range. Marshalls wanted to ensure that consumers were able to make real comparisons and educated decisions about the carbon impact of their product choice, and this can only be done if an entire range is labelled. In order to raise awareness with consumers, Marshalls created its own Guide to Carbon Labelling.



Carbon Labelling Success for Marshalls

By working with the Carbon Trust, Marshalls has agreed to further reduce its carbon emissions over a two-year period which will allow it to continue to use the Carbon Reduction Label on its products.

I am extremely encouraged by Marshalls' commitment to carbon reduction, particularly as they have gone that one step further by labelling an entire product range, while others are initially only piloting a few products. This is exactly the kind of leadership we need to see a lot more of in this and other sectors.

Jonathon Porritt, Programme Director of Forum for the Future and Chairman of the UK Sustainable Development Commission

If we are to meet this country's emission reduction targets by 2050, we need innovative businesses to lead the way in their industries. Marshalls has already shown this leadership and its commitment to tackling climate change through the pilot of the Carbon Reduction Label, supported by the PAS 2050 footprinting method. Working with the Carbon Trust means Marshalls can identify opportunities to reduce emissions across its supply chain and give them the ability to compare products across an entire range. Using the Carbon Reduction Label to communicate this gives Marshalls' customers the added benefit of factoring a product's carbon impact into their buying decisions.

Tom Delay, Chief Executive of the Carbon Trust

May Day Network

Marshalls is proud to be a member of The Prince's May Day Network and is committed to every one of its pledges:



- PLEDGE 1:** Measure their business' carbon emissions
- PLEDGE 2:** Report their carbon emissions publicly or to Business in the Community
- PLEDGE 3:** Set an absolute target and take action to reduce their business' carbon emissions

- PLEDGE 4:** Encourage employees to reduce their carbon emissions at home and at work
- PLEDGE 5:** Work in partnership with suppliers to reduce carbon emissions in the supply chain
- PLEDGE 6:** Mobilise customers to take action on climate change

Energy Saving Week - A Case Study in Employee Engagement



In 2009, Marshalls held its very first Energy Saving Week initiative where employees learned how they could reduce their carbon footprint and save money on their energy bills. As part of the campaign, employees were given top tips on reducing their carbon footprint, had the chance to use energy saving monitors at home, and competed with colleagues on a state-of-the-art Smarter Driving Simulator.

Results showed that employees could save a huge £425,000 on energy bills and cut their carbon footprint by over 3,000 tonnes.

Marshalls' Energy Saving Week, which will take place every year, aims to encourage employees to look at the energy they use at home and at work and find ways to cut down and save money.

In order to get the carbon cutting message to its all employees throughout the UK, Marshalls enlisted the help of the Energy Saving Trust and a network of 60 regional Energy Champions. These Champions are Marshalls employees who volunteer to raise awareness of environmental issues and find ways to make the business more energy efficient.

Figures from 2009's Marshalls Energy Saving Week revealed that, on average, each employee could potentially save £175 on their energy bills per year and cut their carbon footprint by 1.3 tonnes through simple energy saving activities such as using energy efficient light bulbs and installing loft insulation.



Carbon reduction is a key business issue for us. The current financial climate is affecting businesses as much as it's affecting employees, and it's only by seeing how much energy we use everyday that we're going to be able to make a difference to the way we behave at work and at home. Marshalls' Energy Saving Week is all about working together to find ways we can save energy, reduce our carbon footprint and ultimately save money.

David Morrell, Head of Sustainability



It's been a real pleasure to work with Marshalls on this programme. They are fully committed as a business to give their employees the tools and information they need to save money on energy bills as well as finding out more about how to cut their carbon footprint.

Andrew Cooper from the Energy Saving Trust advice centre

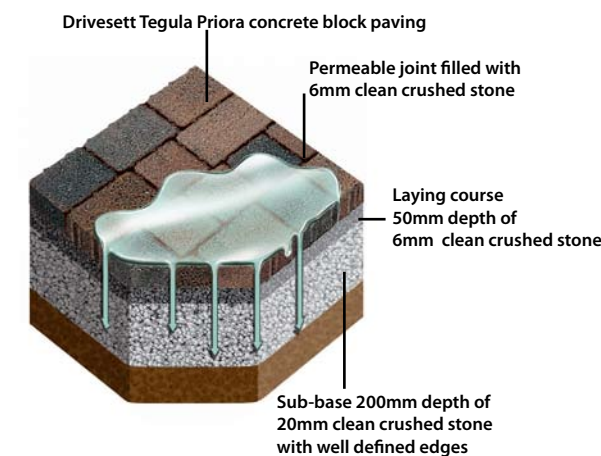


Water

Marshalls has continued to invest in water recycling to reduce its dependence on mains and borehole water supplies, with investment at two further sites during 2009. The company remains committed to improving the balance between recycled and externally supplied water at its main production sites.

Marshalls' overall target for water use is 0.05m³ per tonne of production of water from mains or boreholes by 2015.

Marshalls recognises that this target can only be achieved by harvesting and recycling, and the company continues to invest in product innovation, in order to help the Government achieve its Future Water targets and to provide permeable paving and driveway solutions to consumers following recent legislation on paving over front gardens.



Future Water Legislation

New government legislation on the supply and use of water, Future Water, came into force in late 2008. With changes ranging from tap water metering to flooding countermeasures, the scale of impact for the hard landscaping industry was significant with both landscapers and manufacturers encouraged to provide water permeable solutions that comply with technical standards to eliminate water run-off.

As a solution, the legislation introduces 'Sustainable Urban Drainage Solutions', or SUDS. SUDS are hard landscaping products designed to allow an acceptable volume of surface water to permeate through into the ground below, helping to reduce surface run-off and limit the impact on street drains. This means a driveway can act as though it were still a garden.

As a result of Future Water and growing environmental concerns, Marshalls introduced a range of permeable paving solutions for the domestic market and converted every core domestic driveway product to a permeable version. The entire Marshalls sales force was also trained on Future Water as well training for the Register of Approved Installers on how to install SUDS professionally.

How Future Water affects consumers?

The industry likely to be most affected by proposals for planning restrictions on all non-water permeable paving materials is the landscaping industry. Any property owner or developer wishing to install a new driveway or paved area in the front of a house now has to apply for planning permission from their local authority.

This section of the legislation aims to combat flooding in urban areas caused by rainfall surface run-off. The increase in surface water run-off and consequent pressure on outdated drainage systems is attributed to the rise in popularity of driveways and paving over the last few years. This is as a direct result of the increase in the number of households with two or more cars, whether through increased wealth or the huge increase in the number of children over 18 staying at home. In his interim report on the widespread flooding in 2007, Sir Michael Pitt implied that two thirds of the damage was caused by surface water run-off, overloading the drainage systems.



Marshalls' Response to Future Water Legislation

“

The legislation aims to work in three ways: first, to give the local government some measurement and control over the amount of properties that intend to lay down new paving or new driveways; second, it deters the property owners and developers from laying down too much paving; and third, it encourages the property owner to consider water-permeable solutions.

For the landscaping industry, there are many implications. First and foremost, both landscapers and manufacturers will be encouraged to provide water permeable solutions (SUDS) that comply with technical standards to eliminate run-off. They will need to be able to communicate compliance to the consumer and as an industry will have to work more closely with local authorities to anticipate the demand for materials.

In London alone, an estimated two thirds of front gardens are now paved over. Where rainfall was once absorbed into front gardens, it is now forced to run into antiquated drainage systems that simply cannot cope with such a volume. This new legislation should help encourage property owners and developers to use SUDS when creating new or replacing their driveways to help reduce the risk of flooding. For this reason, Marshalls believes the legislation is long overdue. The widespread flooding in the

summer of 2007 highlighted the real need for a national strategy in terms of property development, especially in high-risk flood areas.

However, the legislation does fall short in critical areas. Implementation of the strategy effectively requires the full cooperation of manufacturers, suppliers, landscapers and installers, property owners and local authorities. The legislation will be difficult to enforce as property owners may simply expand their driveways or patios without permission, as a result of either ignorance or intolerance of the new procedures. Local authorities will therefore be expected to police the legislation. Furthermore a clear universal labelling system for water permeable solutions will be needed, and this will have to be communicated and complied to, at all levels of the process. It will be interesting to see how the industry and consumers react to this legislation now it's been in place over a year.”

Chris Harrop,
Group Marketing Director, Marshalls

Brookfoot Works - A Case Study in Good Water Management

Brookfoot Works in Southowram, Halifax, is a beacon of water management good practice. Prior to its water installation project in 2005, production processes on the site generated more than 1,400m³ per week of highly alkaline process water (pH between 12 and 13).

An acid chemical dosing system was used to treat this water to reduce alkalinity. However, even though some recycling was possible, the site discharged approximately 900m³ per week to sewer.

The local village of Southowram suffered pressure problems in its supply system at peak times because of Marshalls' high usage of water so working closely with Yorkshire Water, Marshalls installed a carbon dioxide water treatment plant on site. As a result, the acid chemical dosing system is now no longer required.

Capture and storage improvements have helped Marshalls reduce flood risk to the local community. Solids that come out of the system at present as a waste are currently being trialled to see if they can be sold as a constituent part of another product, thus reducing landfill impacts and costs. This is an ongoing project.

Since the installation of the plant, both Brookfoot Works and the local community have benefited:

- The use of water by the site has reduced by approximately 66% from 60,223m³ in 2004 to 20,534m³ in 2009.
- The increased use of rainwater also decreases the site's pull on natural resources, reducing water requirements and having less impact on the supply system.
- Southowram Village's water supply system is less prone to high demand peaks and resulting problems, and trade effluent discharge can be dealt with more easily by the receiving sewage treatment works.



Maltby - A Case Study in Biodiversity

In 2007, Marshalls' Maltby works received a Biodiversity Benchmark from the Wildlife Trusts. Marshalls then went on to receive the National Gold Award at the International Green Apple Awards 2007 for Environmental Best Practice – the top prize for its continuing work in biodiversity and sustainability.

In achieving this benchmark, Marshalls firmly believes that it continues to show the rest of industry the way forward towards improved sustainability and that it is possible to work with nature without reducing profits or affecting operations.

Since 2007, Marshalls has been invited to Doncaster Metropolitan Borough Councils' Local Site Partnership meetings and is taking an active role in helping to protect and manage Sites of Scientific Interest for the future. Employees have also taken part in volunteering activities including BBC Springwatch events held at Potteric Carr, Yorkshire's largest nature reserve.

Another Marshalls site, Stoke Hall, is now the recipient of Marshalls' second Biodiversity Benchmark from the Wildlife Trusts with more sites registered for assessment in 2010.

Marshalls aims to have Biodiversity Action Plans, where appropriate, at every site by 2012.



“Marshalls is a winner of many environmental awards, which is testament to its never-ending efforts to adapt working practices to benefit the environment. The company's conservation efforts at one site have directly boosted the population of many endangered species.”

The Judges at the Green Apple Awards

“This is a fantastic achievement. I only hope other companies use Marshalls as an example to follow in improving their local wildlife for the future. We all need heroes like these.”

**Brian Blessed, President of the
Yorkshire Wildlife Trust**

Waste

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, aims 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 with only 10% going to landfill. 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.

During 2009, Marshalls was aiming for a further 3% reduction. Figures for 2009 will be published during the first half of 2010.

Packaging

Marshalls use 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. Figures for 2009 will be published during the first half of 2010.

Producer Responsibility Obligations (Packaging Waste) Regulations

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

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 that 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:

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

Transport

Transport has a major impact on Marshalls' environmental footprint but by positive well managed programmes, the logistics operation is contributing to Marshalls' overall environmental improvement exercise as part of its target of achieving a sustainable future to the benefit of all stakeholders.

The challenge for Marshalls is acknowledging that there has to be a balance between reducing carbon emissions as part of the overall strategy and the overall needs of running the business efficiently.

Marshalls' corporate footprint has increased because Marshalls has brought much of its logistics and transport requirements in-house. Using less third party suppliers means that Marshalls becomes more efficient.

Marshalls carried out a major review of its transport operations during 2009 with the aim of developing a more sustainable approach. The review has achieved excellent results, as follows:

- Improvement in customer service and reliability has reduced customers' stock holdings due to their ability to rely on Marshalls to deliver product on time to a measured programme.
- Investment in Euro III vehicles – 20% improvement in fuel (miles per gallon) and a CO₂ reduction on like for like operations of 84 tonnes CO₂ per annum.
- Reduction in 4,000 journeys by better utilisation of vehicles and the use of larger payloads – a further reduction in CO₂ of 515 tonnes per annum.
- Strategic alliances with other companies have provided back loads for some of Marshalls' night trucking operations. This has proved very successful with environmental advantages for all parties.
- In 2007, a full time Driver Trainer was appointed to enhance driver behaviour. Already the trainer's work has shown that a 10% improvement in fuel efficiency is possible and that this work has the potential to remove 1,200 tonnes of CO₂.
- All batteries are collected for recycling, all oil filters are collected and crushed, worn tires are sent to be recycled and where possible reused.
- Marshalls has investigated the alternative of rail and water transport for long distance material supply. As a result of investigations into using rail and water transport for long distance material supply, Marshalls now uses rail transport for product transferred from the national manufacturing site in Bedfordshire to Scotland. The potential for water transport is still being evaluated.

- Marshalls increased the proportion of journeys carried out using its own fleet during 2008 by investing in more modern vehicles. This was designed to reduce the overall environmental impact of distribution activity by allowing more efficient transport planning and replacing older sub-contracted vehicles that were in the main more polluting. Improved customer service has also led to fewer returns.
- Marshalls Service Centres ensure that the majority of stock is now held within a two hour drive of 95% of stockists. Through the use of sophisticated planning software and the careful utilisation of both our own, and third party transport, Marshalls maintains a very high load factor with minimal running of unloaded vehicles.



Environmental Profiles

The construction industry has long needed a consistent measure to assess the impact a building or scheme of work has on the environment. It is simply not good enough to ignore the impact our activities are having on the environment if we are to be part of a more sustainable world. The private and public sectors are all too aware of tighter legislation and commercial pressure driving the industry to become more aware and better equipped.

Accurate environmental profiling is vital in order to provide meaningful comparisons between different products. Although CO₂ (GHG) is the most important, other significant factors can be considered such as pollution, waste disposal and water extraction. With environmental profiling, designers are able to compare products for similar building specifications and merchants can present accurate and validated environmental information about their products.

Marshalls is currently working with the Building Research Establishment (BRE) to establish environmental profiles for its commercial products, in order to provide a single score environmental assessment of different building materials, based on a complete Life Cycle Assessment.

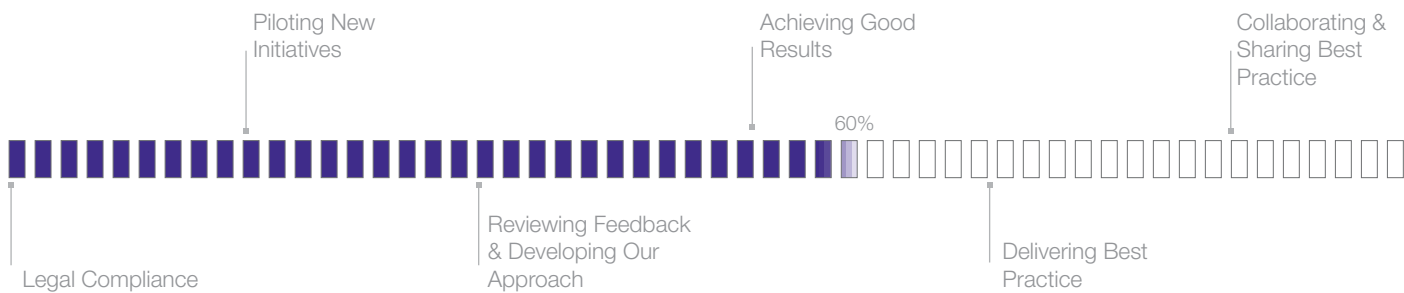
The profiles are based on a range of 13 different environmental impacts, which are then given percentage weightings based on the relative importance of different sustainability issues:

- 1. Climate change
- 2. Water extraction
- 3. Mineral resource extraction
- 4. Stratospheric ozone depletion
- 5. Human toxicity
- 6. Ecotoxicity to freshwater
- 7. Nuclear waste (higher level)
- 8. Ecotoxicity to land
- 9. Waste disposal
- 10. Fossil fuel depletion
- 11. Eutrophication
- 12. Photochemical ozone creation
- 13. Acidification

Results from the work Marshalls is undertaking with BRE are due later in 2010.

2009 Targets – Environment

2009 Targets	2010 Targets
To reduce emissions of CO ₂ in line with Government targets; 80% by 2050 and 34% by 2020 ✓	To reduce emissions of CO ₂ in line with Government targets; 80% by 2050 and 34% by 2020
Carbon labelling of 500 consumer products and 1565 commercial paving products ✓	Further reduction of carbon emissions over a two year period
Uphold the May Day Network pledges ✓	Uphold the May Day Network pledges
Marshalls' first Energy Saving Week ✓	Marshalls Energy Saving Week
Reduce use of water from mains and licensed boreholes to 0.05m ³ per tonne of production by 2015 ✓	Reduce use of water from mains and licensed boreholes to 0.05m ³ per tonne of production by 2015
Develop biodiversity plans for all appropriate sites by 2012 ✓	Develop biodiversity plans for all appropriate sites by 2012
Reduce by 3% the total waste-to-landfill per production output per annum on 3 year rolling average. Reduce by 2% per tonne of production output per annum over a 3 year cycle to a level where pack and product safety is not compromised ✓	Reduce by 3% the total waste-to-landfill per production output per annum on 3 year rolling average. Reduce by 2% per tonne of production output per annum over a 3 year cycle to a level where pack and product safety is not compromised
Undertake a review of transport operations during 2009 with the aim of developing a more sustainable approach ✓	Implement the sustainable approach to transport
Develop environmental profiles for commercial landscapes during 2010 ✓	



Anti - Corruption

The tenth principle commits UNGC signatories not only to actively avoid bribery, extortion and other forms of corruption but to develop policies and concrete programmes to address corruption and related risks.

Code of Conduct on Gifts and Entertaining:

This code of conduct is a requirement of the contract of employment of Marshalls employees and of its standard contracts with suppliers.

Breach of the Code is a disciplinary matter for employees and may result in the termination of any trading relationship with supplier organisations.

Code of Conduct on Competition Law:

Employees who have dealings with suppliers are required to confirm that they will comply with a Code of Conduct on Competition Law.

They must not agree retail prices with the company’s competitors or suppliers and must agree not to list competing products or share competitively sensitive information. Training is given to all relevant staff to assist them in complying with the Competition Law.

2009 Targets – Anti-Bribery & Corruption

2009 Targets	2010 Targets
To review all existing company policies regarding anti-bribery and corruption ✓	The development and implementation of a plan of activity focused upon identifying areas of potential issue and the development of anti-corruption processes and procedures

Awards - 2009

Marshalls has included this table of awards for 2009 to highlight the third party recognition of its achievements in relation to the human rights, labour and environmental principles of the UNGC including recognition for supply chain management ethics, Marshalls' carbon labelling initiative and its overall approach to sustainability.

January 2009	Sustain Magazine Awards	International Award for Trade – Supply Chain Ethics Award for Governance – Carbon Labelling Award for Sustainability, Business and the Built Environment	WIN WIN WIN
March 2009	Creating Better Futures Awards		WIN
March 2009	The PLC Awards	Achievement in Sustainability	WIN
May 2009	British Precast Awards	Sustainability Award (Corporate Category) Sustainability Award (Site Category) Sustainability Award (Site Category) Concrete Targets 2010 Gold Award with Red Seal	WIN WIN HIGHLY COMMENDED WIN
June 2009	Marketing Society Awards	Ethical Marketing Award	HIGHLY COMMENDED
June 2009	Business in the Community Awards	Climate Change Supply Chain Ethics Eco-Efficiency	BIG TICK RE-ACCREDITED RE-ACCREDITED
July 2009	Business Commitment to the Environment (BCE) Environmental Leadership Awards	Premier Product Category	MAJOR COMMENDATION
Nov 2009	Building	Green Guru	WIN

Third Party Recognition & Awards

Independent third party scrutiny and verification is a key component to Marshalls' approach to business, as is award recognition from external bodies. It is of great importance to Marshalls that the awards entered both showcase and challenge the company's pioneering approach.

In addition, Marshalls has been nominated by the public and peers for industry awards such as the 2009 PLC awards.



Dave Cockroft picking up the Health and Safety Concrete Targets with Red Seal certificate at the British Precast Awards



Chris Harrop receiving the Achievement in Sustainability Award at the PLC Awards



Chris Harrop receiving a Major Commendation from the BCE Environmental Leadership Awards



Diane Kay and David Morrell picking up the Award for Sustainability, Business and the Built Environment

Auditing & Accreditation

In the past, Marshalls has worked with generally recognised auditors for its work in India. Whilst working in India however, Marshalls found it really needed to work with auditors with specialist knowledge of trade unions and ILO (International Labour Organisation) standards.

The auditing process for Marshalls is not just about hitting the baseline and doing the minimum, it's about going the extra mile and ensuring the process is as thorough and rigorous as possible. Marshalls' supply chain strategy follows the ETI Base Code, which is based on ILO conventions.

In 2009, Marshalls took auditing to a new level. Having already independently audited Stone Shippers and verified working practices by regular Marshalls visits, the company took the bold step of employing a full time social auditor. Working on the ground alongside Stone Shippers and Hadoti, the auditor ensures all areas of the ETI Base Code are upheld.

Marshalls only works with reputable and reliable suppliers that meet its own stringent requirements and those within the industry. With Marshalls' help, Stone Shippers India recently achieved the internationally recognised integrated management system that Marshalls has in the UK, incorporating ISO 9001, ISO 14001 and OHSAS 18001.

Marshalls works with Just Solutions in order to gain a consistent approach to auditing its supplier network and ensure supply chains remain ethical and best practice is shared where possible.

Led by expert supply chain auditing specialist Stirling Smith, Just Solutions is an SAI listed consultant who works to develop and extend the SA8000 standard and the ETI Base Code. The company relies upon the hard core of convinced companies to engage stakeholders and professionals together in an agreed programme.

Audits are carried out at least annually, by a two-person team over two days. Also, a qualified Marshalls assessor goes out to India five to six times a year to audit informally. If non-compliance is found, an action plan is agreed to ensure rectification takes place and this is followed up by an external audit.

For more information on Marshalls, visit
www.marshalls.co.uk/sustainability



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