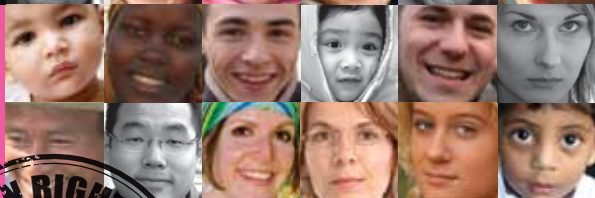



Marshalls
Creating Better Landscapes



Human Rights Guidance



Background on UNGC Engagement:

United Nations Global Compact



As the world's largest global corporate citizenship initiative 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 UNGC 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.

The UNGC is concerned with demonstrating and building the social legitimacy of business and markets. Marshalls plc. became a signatory of the UNGC in January 2009 and a member of the UK Network later the same year.

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.**

As part of its commitment Marshalls is required to produce an annual Communication on Progress report which details how Marshalls is aligned with the ten principles and how the plc intends to develop its activities in support of the framework laid out by the UNGC over the forthcoming months. Marshalls work to uphold the UNGC principles, including its work regarding human rights; can be found in its three COP reports at www.marshalls.co.uk/sustainability/publications.

UNGC Ten Principles

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights;

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;

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.



Abbreviations:

- ACAS Advisory, Conciliation and Arbitration Service
- COP Communication on Progress
- ETI Ethical Trading Initiative
- FIDH International Federation for Human Rights
- GMB General Municipal and Boiler Makers Union
- HRIA Human Rights Impact Assessment
- ILO International Labour Organisation
- NGO Non-Governmental Organisation
- SGSR Secretary General's Special Representative
- UDHR Universal Declaration of Human Rights
- UN United Nations
- UNGC United Nations Global Compact

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Introduction:

Chris Harrop, Marshalls Group Marketing Director, responsible for sustainability, and UNGC UK Network Chair.

Marshalls response to Ruggie's Protect, Respect and Remedy Framework, even at this early stage has been far reaching and extends to; policy development and broad communication; human rights training for employees, human rights supplier education and engagement events, an on-going global human rights impact assessment programme, undertaking a Children's Rights & Business Principles audit report and beginning to implement recommendations; cementing key strategic partnerships with global authorities UNICEF and WAGGGS regarding human rights; and engaging with UN Women regarding the Women's Empowerment Principles. It's fair to say that human rights are firmly on Marshalls' radar.



Chris Harrop, Marshalls Group Marketing Director, responsible for Sustainability, recipient of a BTC Game Changer accolade in 2012 and Chair of the UNGC UK Network.

Marshalls has been actively engaged in issues of human rights since 2005 when it began its campaigning, awareness raising and lobby work to abolish child labour from the quarrying sector in Rajasthan, India; working to establish social security rights for all quarry workers; the provision of education for the children of quarry workers within the wider community; and the funding of a free and on-going health and medicines programme in the Kota region.

In 2010 the Company issued its Human Rights Policy and began a programme of Human Rights Impact Assessment (HRIA) across its global operations. The inaugural human rights impact assessment in India represented the first step for Marshalls in critically analyzing, evaluating and communicating its progress and intentions regarding human rights.

This HRIA revealed not only potential impacts but also potential contributions that Marshalls is, and can increasingly make to uphold human rights. It also highlighted the need for employee education and the embedding of human rights throughout the organisation and its supply chain in order to fully recognise what is possible.

The Secretary General's Special Representative, Professor John Ruggie, presented his recommendations for the implementation of the Respect, Protect and Remedy Framework to the UN in April 2011. For Marshalls, the Ruggie Framework has provided clarity and a common language regarding human rights that has propelled the organisation forward on its human rights journey.

Aware of the work being undertaken by Professor Ruggie, Marshalls made a commitment at the end of 2009 to undertake

an initial four year programme of Human Rights Impact Assessments. This programme is on track and has now become an on-going part of Marshalls' human rights work. Efforts in 2010 were focused upon undertaking a Human Rights Impact Assessment in Kota in the state of Rajasthan, India. In addition annual monitoring in relation to all existing HIRAs is undertaken together with the implementation of recommendations. 2013 will see a further HRIA in India building upon what is already known and embracing new developments and deepening our organisational understanding.

The process has been a challenging one and is very much a journey for Marshalls, building upon our social and environmental impact assessment process. In many ways the process has inspired as many questions as answers and has highlighted the need for the organisation's on-going commitment to undertake assessment of the risks in relation to human rights.

Marshalls recognises that along with globalisation and instantaneous communications via the internet, opportunities come hand-in-hand with increased levels of threat and the potential for companies to find themselves caught up in situations of conflict and human rights violations. The HRIA process responding to the Ruggie Framework focuses the organisations attention on human rights issues and our duty to respect, protect and remedy.

A handwritten signature in black ink, appearing to be 'CHH', with a long horizontal line extending to the right.

You can follow Chris Harrop on twitter: [marshalls_chris](#)

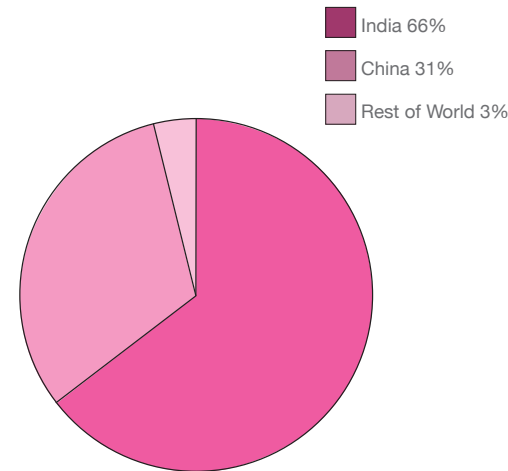
Why Marshalls has produced this human rights guidance document

Marshalls plc joined the United Nations Global Compact (UNGC) in 2009 and became a member of the UK Network in the same year. The 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 social legitimacy of business and markets. The Global Compact is a purely voluntary initiative with two objectives: To mainstream the ten principles in business activities around the world, To catalyse action in support of broader UN objectives, such as the Millennium Development Goals.

All signatories of the UNGC must submit an annual Communication on Progress report (COP). Marshalls' first COP, submitted, was attributed 'notable' status by the UN; an accolade awarded to only a few companies worldwide.

Within Marshalls' COP, which can be found online at www.marshalls.co.uk/sustainability, details of the organisation's approach to human rights and the advances that it has committed to and made can be found. Marshalls has addressed human rights issues previously by focusing upon the UNGC Labour principles. After dedicating time, resources and investment in highlighting issues of child labour and bonded labour in India, Marshalls is committed to increasing its focus on human rights and expanding its knowledge and influence.

2010 saw the start of a four year Human Rights Impact Assessments (HRIA) programme. The first year focused upon assessments in the quarries in Kota, Rajasthan. 2011 will concentrate on the manufacturing process in China and 2012 will look at other countries from which Marshalls sources a much smaller volume of product. 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.



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)

Marshalls made a commitment for 2010, alongside the HRIA programme in India, to develop a Human Rights Guidance Document and to undertake a report upon the complex laws in the quarrying regions of India regarding human rights, environmental law and labour law. This progress will help to inform and develop Marshalls' work in the area of human rights moving forward.

This Human Rights Guidance Document states clearly Marshalls' position regarding human rights and the organisation's expectations in relation to the behaviour of its employees, suppliers and partners. As such it is a guide to those stakeholders in understanding and implementing the plc's human rights policy. It also seeks to communicate how it is possible for Marshalls to respond to the complex and often difficult area of human rights on the ground in local situations. This guide has been written in consultation with managers, suppliers, commercial partners and non-governmental stakeholders.

Marshalls' work with employees, partners, suppliers and communities in other countries where products are sourced, such as India and China, already contributes to upholding the UNGC human rights principles. Our work throughout 2010, and beyond, will add substantially to this ongoing process as we strive to continue to raise our own high standards and to operate effectively within our increasing area of influence to encourage others to do the same.

The UNGC Human Rights Principles

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.

Upholding human rights is fundamental to Marshalls

Upholding human rights is fundamental to Marshalls' fast evolving sustainable business approach. The organisation is committed to operating a successful and profitable business, minimising its impact on the environment and looking after the people and communities that it works with both in the UK and overseas. The Company actively seeks opportunities to work closely with its local and global communities; respecting laws and customs, minimising possible adverse effects, employing local

people, ensuring fair benefits for workers, consulting with local NGO's, consulting with communities, promoting workers' rights, working with NGO partners to increase access to education, funding health camps and promoting and working with governments to implement existing laws which support human rights.

This guidance document addresses key areas for Marshalls; governance & advocacy, marketing, consumer education, ethical sourcing and supply chain management, employment standards, environment, health & safety and community investment.

This guidance seeks to communicate clearly Marshalls' approach to human rights and the organisation's absolute commitment to being a dependable global partner and an approachable & exemplary local neighbour.

What are Human Rights?

Human rights are rights inherent to all human beings, whatever our nationality, place of residence, sex, national or ethnic origin, colour, religion, language, or any other status. We are all equally entitled to our human rights without discrimination. These rights are all interrelated, interdependent and indivisible.

The internationally agreed definition of human rights is contained in the Universal Declaration of Human Rights (UDHR), proclaimed in Paris on the 10th of December 1948 by the United Nations General Assembly. The Declaration was drafted by representatives with different legal and cultural backgrounds from all regions

of the world and sets out a common standard of fundamental human rights to be universally protected. All member countries of the UN developed and developing – have endorsed the UDHR. The Declaration can be found, in its entirety, in the appendix at the back of this document.

We are all equally entitled to our human rights without discrimination

Universal human rights are often expressed and guaranteed by law, in the forms of treaties, customary international law, general principles and other sources of international law. International human rights law lays down obligations of governments to act in certain ways or to refrain from certain acts, in order to promote and protect human rights and fundamental freedoms of individuals or groups.

Human rights entail both rights and obligations. States assume obligations and duties under international law to respect, to protect and to fulfill human rights. At the individual level, while we are

entitled to our human rights, we should also respect the human rights of others.

As well as the UDHR, key instruments of international human rights law are the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights and the core labour standards of the International Labour Organisation (ILO). International human rights law is a dynamic and growing area.

Marshall is aware that as well as international declarations, there are also national agreements such as the African Charter on

Human and People's Rights, the American Convention on Human Rights and the European Convention on Human Rights. Whilst implementation of such agreements is often imperfect, governments are increasingly incorporating them into domestic law.

Along with the UDHR in the appendix, there is further information and web links to all of the declarations mentioned here.

Ruggie Protect, Respect and Remedy Framework

In 2011, the UN Human Rights Council unanimously endorsed the 'Guiding Principles on Business and Human Rights: Implementing the United Nations Protect, Respect & Remedy Framework', proposed by the Special Representative of the UN Secretary-General on Business and Human Rights, Professor John Ruggie. The Guiding Principles outline how states and businesses should implement the UN Framework in order to better manage the human rights challenges to business. They provide a roadmap for companies to demonstrate that they are respecting human rights. The corporate responsibility to respect human rights, including children's rights, does not replace a states' duty to protect human rights; it exists independently of states' abilities and willingness to fulfil their obligations.

Protect

The first pillar of the Framework is the state duty to protect against human rights abuses committed by third parties, including business, through appropriate policies, regulation and adjudication. It highlights that states have the primary role in preventing and addressing corporate related human rights abuses

Respect

The corporate responsibility to respect human rights means acting with due diligence to avoid infringing on the rights of others, and addressing harms that do occur. The Framework is a global standard of expected conduct acknowledged in virtually every voluntary and soft-law instrument related to corporate responsibility, and now affirmed by the Human Rights Council itself.

A company's responsibility to respect applies across its business activities and through its relationships with third parties connected with those activities such as business partners, entities in its value chain, and other non-State actors and State agents. In addition, companies need to consider the country

and local contexts for any particular challenges they may pose and how those might shape the human rights impacts of company activities and relationships.

Remedy

Even where institutions operate optimally, adverse human rights impacts may still result from a company's activities and victims must be able to seek redress. Effective grievance mechanisms play an important role in both the state duty to protect and the corporate responsibility to respect.

As part of their duty to protect against business-related human rights abuse, states must take appropriate steps within their territory and/or jurisdiction to ensure that when such abuses occur, those affected have access to effective remedy through judicial, administrative, legislative or other appropriate means.

Source: <http://www.reports-and-materials.org/Ruggie-protect-respect-remedy-framework.pdf>

In order to meet their responsibilities to respect human rights, the Guiding Principles require business to have in place policies and processes appropriate to their size and circumstances. These include; a policy commitment, a human rights due diligence process to identify, prevent, mitigate and account for how they address their impact on human rights; and processes to enable the remediation of any adverse impacts they cause or to which they contribute (Guiding Principles 15).

In addition to the Guiding Principles and Marshalls programme of annual Human Rights Impact Assessments the Company also uses critical standards and guidance on corporate responsibility and sustainability including: UNGC principles, Global Reporting Initiative Guidance (GRI), Ethical Trading Initiative (ETI) Base Code, Children's Rights & Business Principles (CRBP) and the Women's Empowerment Principles (WEPS).

Underlying these guidance standards for business are key international declarations and agreements that enjoy widespread consensus, such as the Universal Declaration of Human Rights, the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work, which covers child labour issues, the Rio Declaration on Environment and Development and the United Nations Convention Against Corruption.

Both ISO2600 and the Guiding Principles highlight the need for special attention to vulnerable groups, including women, people with disabilities, children, indigenous peoples and migrant workers. In relation to a company's impact on children, these guidelines highlight the need to actively address the full range of the company's impacts, rather than limiting its attention to just one issue. This approach is fully consistent with that of the Children's Rights & Business Principles (CRBP) and the Convention on the Rights of the Child (CRC).

Areas of Influence

The implementation of human rights principles at a local level is not necessarily a clear or straight forward issue. There may be disagreements on macro and micro levels within countries, regions or localities. These might include national groups and policies and/or between local people or groups of people each claiming the right to a particular resource or holding incompatible views about various issues or developments. Rights may conflict with each other but this is not an argument against Human rights', rather an acknowledgement of the complexities and the need for the intelligence, patience and understanding required in order to judiciously balance competing demands.

So where does Marshalls have influence?

As a plc operating internationally Marshalls has the opportunity to convey and demonstrate its approach to human rights in many ways. Here are some of them....



Employment Standards

Ensuring that UK employment standards are upheld; promoting and applying international labour standards; working with recognised unions on joint initiatives; creating opportunities for employee feedback and engagement.

Health & Safety

Practice Meeting and exceeding legislation both in the UK and overseas.

Ethical Sourcing & Supply Chain Management

Adhering to the ETI Base Code; monitoring its own supply chain; enabling third party monitoring of its supply chain; employment of social auditors.

Environmental Standards

Providing product solutions which support government legislation regarding the reduction of CO² emissions; developing products which support the delivery of the Millennium Development Goals; encouraging consumer engagement in carbon reduction; water usage reduction plan; developing biodiversity plans for all appropriate sites.

Industry Standards

Providing and demonstrating leadership within its sector on key issues such as the environment and child labour; holding the first sustainability summit within its field; engaging with likeminded organisations across the globe.

Consumer Education

Campaigning to raise awareness of ethics and in particular the issues of child labour and workers' rights.

Marketing Communications

Providing consumers in the UK with ethical products and information and the tools to support carbon reduction.

Community Investment

Investment in community initiatives both in the UK and in India; providing six schools in Rajasthan for the children of migrant quarry workers and the wider community.

Purchasing Policies & Procedures/ Supplier Relationships

Procurement based on ethical standards and supplier education initiatives.

Product Sourcing

Actively working with suppliers in India, China and other countries to create mutually beneficial partnerships based on the ETI Base Code.

Research & Development

Products which deliver social and environmental benefits such as the permeable paving product Priora Urban Drainage System and the Bioverse paving system which absorbs CO².

Governance & Advocacy

Engagement with the UNGC; senior management buy-in and active participation; communication with a range of stakeholders including peers, suppliers & partners; actively speaking in support of the UNGC; involvement in UNGC UK Network activity.

Difficult issues & what Marshalls can do

Marshalls recognises that the implementation of human rights is complex and that its area of influence has limitations. It is sometimes necessary for the business to find different ways to express its concerns to privately encourage other organisations to use their influence; to lobby relevant agencies, individuals and governments; and to collaborate in the name of progress.

Embedding Human Rights Principles within Marshalls:

Marshalls is committed to ensuring that all employees are fully aware of the organisation's approach towards human rights. As such the following measures are being put in place:

- The Human Rights Guidance Document is included in the induction process for all new employees.
- Human Rights online training modules have been developed for all employees.
- All managers and department heads attend briefings regarding the Human Rights.
- Key departments such as human resources, purchasing and marketing attend workshops regarding human rights and Marshalls' approach.
- All employees receive update information about the Human Rights Guidance.
- A comprehensive suite of information - Human Rights in Action Series - is available online in the publications sections of www.marshalls.co.uk/sustainability.
- A mechanism has been developed and made available for employees to communicate any concerns or complaints that they might have in relation to human rights. Concerns or complaints might include the following for example; discrimination and harassment, conditions of work and wages, education, children's rights, women's rights, training and development, union membership, child labour and forced or bonded labour.

Suppliers, Contractors and Other Business Partners

Marshalls has already done a great deal of work with its sole supplier in India to ensure that human rights are in place and observed. Work is ongoing in China and Vietnam also. The ETI Base Code, which can be found in the appendix, has also been fundamentally important in terms of communicating and monitoring standards in this regard. The Company has invested heavily in ensuring that no child labour is used, that workers are paid a fair wage and that health and safety measures are implemented.

Moving forward, Marshalls will:

■ Ensure that all suppliers, contractors and other business partners receive the Human Rights Guidance Document and are aware of Marshalls' approach and standards in relation to human rights.

- Ensure that human rights issues are addressed directly in its supply chain management process.
- Ensure that human rights issues form part of its process for vetting and working with suppliers.
- Ensure it has in place a mechanism for workers employed by suppliers and contractors to report human rights breaches; this is currently done in India via a telephone hotline to a local NGO.
- Ensure the on-going development and continued implementation of purchasing policies regarding the choice of suppliers, contractors and business partners, i.e. no child labour shall be used. This may include the avoidance of certain countries or the withdrawal from those countries not upholding

Communities

Marshalls works in and with local communities in both the UK and overseas. The organisation respects local perspectives and indigenous people's rights and engages in regular consultation with communities. In order to communicate its approach to human rights Marshalls will:

- Display its Human Rights Guidance Document on its website.
- Communicate and publicise by all means possible its approach to human rights.
- Have an online mechanism for members of the community to share concerns.

Dignity at Work

Marshalls is engaged in a joint initiative with recognised trade unions Unite and the GMB to address issues of dignity in the workplace. A working party has been assembled consisting of three elected trade union representatives from across Marshalls' sites, including the senior co-ordinator from the Unite trade union, a full time regional officer for Unite, the Group

Human Resources Director and the Employee Relations Manager. This initiative brings together the Company's desire to address issues such as victimisation and harassment through education and raising awareness, with the trade union's agenda which focuses on the potential damage caused by bullying and harassment in the workplace.

The focus for the working party is:

- Raising awareness among employees regarding behaviour which is unwelcome and potentially damaging;
- Understanding the various forms - including the less overt and more subtle, such as exclusion and ridiculing - in which harassment and victimisation can arise;

- Developing appropriate policy and guidance documentation to support the announcement made early in 2010 under Marshalls' serious concerns policy;
- Creating an appropriate training and development mechanism to enable greater awareness and appreciation of such issues.

The initiative is being supported by a programme of awareness-raising initiatives across Marshalls' principal sites throughout 2011 supported by ACAS.

Marshalls' Human Rights Policy

Marshalls supports human rights consistent with the Universal Declaration of Human Rights. In conducting its business activities across the globe Marshalls respects these rights and seeks to uphold, preserve and promote them.

Marshalls works to ensure that its presence cultivates fair and sustainable relationships.

Marshalls respects and values the dignity, well being and rights of employees, their families and the wider community. The Company actively works and collaborates with employees, elected employee representatives, communities, non-governmental and other appropriate stakeholders to uphold and promote these rights.

Where human rights are under threat Marshalls' works to uphold local laws, promote international standards and strives to have international standards upheld by the appropriate governments, institutions and agencies.

Marshalls embraces opportunities to promote a broader understanding of human rights values working within its sphere of influence.

Marshalls actively seeks to collaborate with appropriate organisations to promote respect for human rights in a manner which is consistent with the role of business.

Marshalls' Equality of Opportunity & Diversity Policy

Marshalls has for a number of years adopted a policy of providing equality of opportunity for all of its employees, irrespective of race, sex and disability. This is set out in the Company's Equal Opportunities Policy which can be found in the appendix, and also the Company's Statement of Values & Principles, in which we make clear that the organisation endeavours to treat all employees fairly and that discrimination of any type will not be tolerated.

Since the original adoption of our Equal Opportunities Policy, the categories of unlawful discrimination have been widened further to include religion, beliefs and sexual orientation.

The Government has published regulations on age discrimination which have become law and which make it unlawful in many cases for employers to treat individuals less favourably on grounds of age.

Increasingly employers refer to these sorts of matters under the general heading of diversity.

Discrimination can occur in a number of different forms; most obviously in terms of recruitment, promotion, training and so on; but also in other ways including, bullying, intimidation, victimisation and harassment.

Marshalls recognises that as an employer, these are important issues and whenever it becomes aware of discrimination or the potential for discrimination to the detriment of the above-mentioned groups or individuals within such groups, it will take steps to deal with it accordingly. This may ultimately, after appropriate investigation of the facts, entail disciplinary action or even dismissal of any individual or individuals found to have engaged in unlawful discrimination.

As a business, we fully recognise the importance of operating within the law on such matters; more than this, we recognise our moral obligation to provide a workplace which is free from the threat of unlawful discrimination in all its forms and which encourages and supports a diverse and capable workforce.

We work closely with our advisors to ensure that our policies and procedures remain up to date with changes in legislation and that employees throughout the Group fully understand that alleged discrimination of any kind will be treated with the utmost seriousness and action taken as appropriate, if called for.

As a responsible employer, there is no place for discrimination of any kind within the business.

Kevin Hull
Group Human Resources
Director

Appendix:

The Universal Declaration of Human Rights

<http://www.un.org/Overview/rights.html>

Preamble

Whereas recognition of the inherent dignity and of the equal and inalienable rights of all members of the human family is the foundation of freedom, justice and peace in the world,

Whereas disregard and contempt for human rights have resulted in barbarous acts which have outraged the conscience of mankind, and the advent of a world in which human beings shall enjoy freedom of speech and belief and freedom from fear and want has been proclaimed as the highest aspiration of the common people,

Whereas it is essential, if man is not to be compelled to have recourse, as a last resort, to rebellion against tyranny and oppression, that human rights should be protected by the rule of law,

Whereas it is essential to promote the development of friendly relations between nations,

Whereas the peoples of the United Nations have in the Charter reaffirmed their faith in fundamental human rights, in the dignity and worth of the human person and in the equal rights of men and women and have determined to promote social progress and better standards of life in larger freedom,

Whereas Member States have pledged themselves to achieve, in co-operation with the United Nations, the promotion of universal respect for and observance of human rights and fundamental freedoms,

Whereas a common understanding of these rights and freedoms is of the greatest importance for the full realization of this pledge,

Now, Therefore THE GENERAL ASSEMBLY proclaims THIS UNIVERSAL DECLARATION OF HUMAN RIGHTS as a common standard of achievement for all peoples and all nations, to the end that every individual and every organ of society, keeping this Declaration constantly in mind, shall strive by teaching and education to promote respect for these rights and freedoms and by progressive measures, national and international, to secure their universal and effective recognition and observance, both among the peoples of Member States themselves and among the peoples of territories under their jurisdiction.

Article 1.

All human beings are born free and equal in dignity and rights. They are endowed with reason and conscience and should act towards one another in a spirit of brotherhood.

Article 2.

Everyone is entitled to all the rights and freedoms set forth in this Declaration, without distinction of any kind, such as race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status. Furthermore, no distinction shall be made on the basis of the political, jurisdictional or international status of the country or territory to which a person belongs, whether it be independent, trust, non-self-governing or under any other limitation of sovereignty.

Article 3.

Everyone has the right to life, liberty and security of person.

Article 4.

No one shall be held in slavery or servitude; slavery and the slave trade shall be prohibited in all their forms.

Article 5.

No one shall be subjected to torture or to cruel, inhuman or degrading treatment or punishment.

Article 6.

Everyone has the right to recognition everywhere as a person before the law.

Article 7.

All are equal before the law and are entitled without any discrimination to equal protection of the law. All are entitled to equal protection against any discrimination in violation of this Declaration and against any incitement to such discrimination.

Article 8.

Everyone has the right to an effective remedy by the competent national

tribunals for acts violating the fundamental rights granted him by the constitution or by law.

Article 9.

No one shall be subjected to arbitrary arrest, detention or exile.

Article 10.

Everyone is entitled in full equality to a fair and public hearing by an independent and impartial tribunal, in the determination of his rights and obligations and of any criminal charge against him.

Article 11.

(1) Everyone charged with a penal offence has the right to be presumed innocent until proved guilty according to law in a public trial at which he has had all the guarantees necessary for his defense.

(2) No one shall be held guilty of any penal offence on account of any act or omission which did not constitute a penal offence, under national or international law, at the time when it was committed.

Nor shall a heavier penalty be imposed than the one that was applicable at the time the penal offence was committed.

Article 12.

No one shall be subjected to arbitrary interference with his privacy, family, home or correspondence, nor to attacks upon his honour and reputation. Everyone has the right to the protection of the law against such interference or attacks.

Article 13.

(1) Everyone has the right to freedom of movement and residence within the borders of each state.

(2) Everyone has the right to leave any country, including his own, and to return to his country.

Article 14.

(1) Everyone has the right to seek and to enjoy in other countries asylum from persecution.

(2) This right may not be invoked in the case of

prosecutions genuinely arising from non-political crimes or from acts contrary to the purposes and principles of the United Nations.

Article 15.

(1) Everyone has the right to a nationality.

(2) No one shall be arbitrarily deprived of his nationality nor denied the right to change his nationality.

Article 16.

(1) Men and women of full age, without any limitation due to race, nationality or religion, have the right to marry and to found a family. They are entitled to equal rights as to marriage, during marriage and at its dissolution.

(2) Marriage shall be entered into only with the free and full consent of the intending spouses.

(3) The family is the natural and fundamental group unit of society and is entitled to protection by society and the State.

Article 17.

(1) Everyone has the right to own property alone as well as in association with others.

(2) No one shall be arbitrarily deprived of his property.

Article 18.

Everyone has the right to freedom of thought, conscience and religion; this right includes freedom to change his religion or belief, and freedom, either alone or in community with others and in public or private, to manifest his religion or belief in teaching, practice, worship and observance.

Article 19.

Everyone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers.

Article 20.

(1) Everyone has the right to freedom of peaceful assembly

and association.

(2) No one may be compelled to belong to an association.

Article 21.

(1) Everyone has the right to take part in the government of his country, directly or through freely chosen representatives.

(2) Everyone has the right of equal access to public service in his country.

* (3) The will of the people shall be the basis of the authority of government; this will shall be expressed in periodic and genuine elections which shall be by universal and equal suffrage and shall be held by secret vote or by equivalent free voting procedures.

Article 22.

Everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international co-operation and in accordance with the organization and resources of each State, of the economic, social and cultural rights indispensable

for his dignity and the free development of his personality.

Article 23.

(1) Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment.

(2) Everyone, without any discrimination, has the right to equal pay for equal work.

(3) Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection.

(4) Everyone has the right to form and to join trade unions for the protection of his interests.

Article 24.

Everyone has the right to rest and leisure, including reasonable limitation of working hours and periodic holidays with pay.

Article 25.

(1) Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.

(2) Motherhood and childhood are entitled to special care and assistance. All children, whether born in or out of wedlock, shall enjoy the same social protection.

Article 26.

(1) Everyone has the right to education. Education shall be free, at least in the elementary and fundamental stages. Elementary education shall be compulsory. Technical and professional education shall be made generally available and higher education shall be equally accessible to all on the basis of merit.

(2) Education shall be directed to the full development of the human

personality and to the strengthening of respect for human rights and fundamental freedoms. It shall promote understanding, tolerance and friendship among all nations, racial or religious groups, and shall further the activities of the United Nations for the maintenance of peace.

(3) Parents have a prior right to choose the kind of education that shall be given to their children.

Article 27.

(1) Everyone has the right freely to participate in the cultural life of the community, to enjoy the arts and to share in scientific advancement and its benefits.

(2) Everyone has the right to the protection of the moral and material interests resulting from any scientific, literary or artistic production of which he is the author.

Article 28.

Everyone is entitled to a social and international order in which the rights and freedoms set forth in this Declaration can be fully realized.

Article 29.

(1) Everyone has duties to the community in which alone the free and full development of his personality is possible.

(2) In the exercise of his rights and freedoms, everyone shall be subject only to such limitations as are determined by law solely for the purpose of securing due recognition and respect for the rights and freedoms of others and of meeting the just requirements of morality, public order and the general welfare in a democratic society.

(3) These rights and freedoms may in no case be exercised contrary to the purposes and principles of the United Nations.

Article 30.

Nothing in this Declaration may be interpreted as implying for any State, group or person any right to engage in any activity or to perform any act aimed at the destruction of any of the rights and freedoms set forth herein

UNGC 10 Guiding Principles

<http://www.unglobalcompact.org/aboutthegc/thetenprinciples/index.html>

The UN Global Compact's ten principles in the areas of human rights, labour, the environment and anti-corruption enjoy universal consensus and are derived from:

- The Universal Declaration of Human Rights

- The International Labour Organization's Declaration on Fundamental Principles and Rights at Work

- The Rio Declaration on Environment and Development

- The United Nations Convention Against Corruption

The UN Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption:

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 corruption in all its forms, including extortion and bribery.

Ethical Trade Initiative Base Code

<http://www.ethicaltrade.org>

1. Employment is freely chosen

1.1 There is no forced, bonded or involuntary prison labour.

1.2 Workers are not required to lodge “deposits” or their identity papers with their employer and are free to leave their employer after reasonable notice.

2. Freedom of association and the right to collective bargaining are respected.

2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.

2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.

2.3 Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.

2.4 Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

3. Working conditions are safe and hygienic.

3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

3.2 Workers shall receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.

3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.

3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.

3.5 The company observing the code shall assign responsibility for health and safety to a senior management representative.

4. Child labour shall not be used.

4.1 There shall be no new recruitment of child labour.

4.2 Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child; “child” and “child labour” being defined in the appendices.

4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.

4.4 These policies and procedures shall conform to the provisions of the relevant ILO standards.

5. Living wages are paid.

5.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.

5.2 All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

5.3 Deductions from wages as a disciplinary measure shall not be permitted nor

shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

6. Working hours are not excessive

6.1 Working hours comply with national laws and benchmark industry standards, whichever affords greater protection.

6.2 In any event, workers shall not on a regular basis be required to work in excess of 48 hours per week and shall be provided with at least one day off for every 7 day period on average. Overtime shall be voluntary, shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate.

7. No discrimination is practiced.

7.1 There is no discrimination in hiring, compensation, access

to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

8. Regular employment is provided.

8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.

8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, subcontracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

9. No harsh or inhumane treatment is allowed

9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

The provisions of this code constitute minimum and not maximum standards, and this code should not be used to prevent companies from exceeding these standards. Companies applying this code are expected to comply with national and other applicable law and, where the provisions of law and this Base Code address the same subject, to apply that provision which affords the greater protection.

Human Resources Standards & Guidelines – to be provided by Marshalls

Risk Management Framework – to be provided by Marshalls

Serious Concerns Policy

Marshalls wishes to create a working environment where everybody feels able to raise legitimate concerns about any wrongdoing without fear of criticism, discrimination or reprisal.

Who does the policy apply to?

This policy applies to employees of any Marshalls group company ('Marshalls') and all other people working for Marshalls under any other type of contract.

Good faith

All concerns must be reported in good faith. It is important that the person making the allegation genuinely and reasonably believes it to be true. Allegations which are not made in good faith may result in disciplinary action being taken.

Providing the allegation is judged to have been made in good faith, if, after investigation, it is found to be untrue, the person who raised the concern will not be subject to any form of disciplinary action or criticism.

Disclosures

Set out below are examples of wrong-doings which will be covered by this policy. These wrong doings may have happened in the past, may currently be happening or may be likely to happen:

- a criminal offence has been committed;
- there has been a failure to comply with legal obligations;

- a miscarriage of justice has occurred;
- the health or safety of someone is being endangered or harmed;
- the environment is being damaged;
- fraud, corruption, bribery or other financial irregularity is occurring;
- confidential or commercially sensitive information is being used improperly;
- a conflict of interest or unethical behaviour or malpractice has occurred;
- inside information on dealing in the shares of Marshalls plc or of any other company is being used improperly;
- there has been a failure to disclose information or documents have been improperly destroyed which should be disclosed to others in the group or to appropriate regulators; and
- there has been deliberate concealment of any of the above.

How to raise concerns

If individuals have a serious concern which they wish to raise, they must do so by following this policy. The earlier the disclosure is made the better.

Every disclosure under this policy will be treated seriously and will be fully investigated. In the first instance an individual should speak, as soon as possible, to his or her business's finance director, financial controller or (where applicable) human resources manager.

If this would not be appropriate, one of the following people should be contacted:

Kevin Hull
Group Human Resources Director
01484 438979
kevin.hull@marshalls.co.uk

Cathy Baxandall
Group Company Secretary
01484 438941
cathy.baxandall@marshalls.co.uk

If, in extremely rare instances it would not be appropriate to contact these people, an email should be sent to:

Mark Edwards
Independent Non-Executive Director
Chairman of the Audit Committee
mje.edwards@btinternet.com

Procedure

Marshalls recognises the sensitivity of raising such issues and we undertake to treat details of individuals who report matters with the utmost confidence. All concerns raised under this policy will be investigated.

Once a disclosure has been made, the issue will be investigated and the person who made the disclosure will be kept informed of progress.

It is not appropriate to set a timeframe by which such investigations will be completed as the diverse nature of the possible types of disclosure makes this unworkable. However, Marshalls will deal with all disclosures in a timely manner.

The person(s) making the disclosure will be advised of the outcome of the investigation as soon as practicable.

Continued Overleaf...

Confidentiality

Every effort will be made to keep the identity of any person who has raised concerns in accordance with this policy confidential. However, in certain circumstances, his or her identity may need to be disclosed, but this will only happen when it is absolutely necessary

No reprisals for making a disclosure under this policy

Provided the concern is raised in good faith, no action will be taken against any individual under this policy, nor will there be any threat to his or her career prospects. Retaliation against or victimisation of anyone who raises a concern will not be tolerated and will be regarded as a potentially serious disciplinary offence which, subject to investigation, may lead to dismissal.

Any attempt by anyone in the Company to deter an individual from making a disclosure or to victimise, harass or discriminate against an individual for making a disclosure, perceived or actual, will also be regarded as a potentially serious disciplinary offence.

Grievance procedure

This policy is not designed to replace the grievance procedure which should be used by individuals if they have a personal grievance.

Who will not be protected by this policy?

The following people will not be protected by this policy:-

- Individuals whose disclosures are not made in good faith;
- Individuals who do not reasonably believe the allegation to be true;

- Individuals who make the disclosure principally for the purpose of obtaining payment or personal gain;
- Individuals who make the disclosure principally with malicious intent;
- Individuals who do not raise their concerns in accordance with this policy before making a disclosure to an external party.

If there is any doubt as to how to proceed, please contact any of the people named above who will be able to provide guidance.

Graham Holden

May 2010

Equal Opportunities Policy

Marshalls' Equal Opportunities Policy is applicable across all businesses within Marshalls plc and has been formulated with the objective of making full use of available human resources.

Equal Opportunities Statement

Marshalls believes that people are the key to the success of the business and recognises the diversity of the community, employees and customers. The board is committed to achieving and maintaining a working environment where all individuals are treated with dignity and respect and where individual talent is recognised and valued.

To achieve this Marshalls will

- ensure that no employee or job applicant will be treated less favourably on the grounds of race, colour, nationality, ethnic or national origin, gender (including gender reassignment), pregnancy, marital or civil partner status, sexual orientation, religious belief, age or disability, or on any other grounds which cannot be justified on job related terms
- regularly review employment practices to ensure that they are fair and unbiased, and are objectively and consistently applied.

Equal Opportunities Policy

1) Employees and job applicants will be accorded equal opportunity in recruitment, training, promotion and terms and conditions of employment, in all jobs and at all levels within the company. This will be regardless of race, colour, nationality, ethnic or national origin, gender (including gender reassignment), pregnancy, marital or civil partner status, sexual orientation, religious belief, age or disability.

2) All personnel with responsibilities for recruitment, training, supervision, promotion and transfer shall make such a decision on the basis of ability and the requirements of the job.

3) The company welcomes people with disabilities and will make reasonable adjustments as described in the Disability Discrimination Act code of practice to ensure access to opportunities.

4) Acts of discrimination, harassment, bullying or victimisation against employees on grounds within the scope of this policy will be classed as a disciplinary offence and will be liable to a full investigation, as required within the company disciplinary policy. Serious breaches of this policy may constitute gross misconduct and could lead to dismissal.

5) The company grievance procedure will be available to anyone who feels they have been treated less favourably, including acts of harassment, on grounds covered by the scope of this policy.

Continued Overleaf...

6) Company recruitment advertisements and promotional literature will communicate the company Equal Opportunities Policy, wherever practicable.

7) It is unlawful to discriminate directly or indirectly on the grounds of age. Individuals should not be treated less favourably than others because of their age, unless there is an objective justification, such as a genuine occupational requirement.

8) All employees, particularly managers and supervisors, have a role to play in making this policy work and the company requires that these responsibilities be taken seriously at all times. Any employee who commits an act of discrimination or harassment may be held to be personally liable, as well as, or instead of the Company.

9) The Board of Marshalls Plc will review annually the effectiveness of the Equal Opportunities Policy and make recommendations as necessary, to ensure that the provisions of the policy are complied with. The board will also ensure that the policy is communicated to all employees by appropriate methods. Responsibility for monitoring the operation of the policy will lie with the Directors in charge, who will ensure that, as far as practicable, the provisions of the policy are complied with, within their area of responsibility. On-going advice and support will be available from the HR function.

10) The Human Resources Director will be responsible for the development and implementation of an action plan, which will be reviewed annually. He will incorporate into the policy any changes necessary to ensure that the objectives of the policy are met.

NE/eqoppspol

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Web links to other relevant information;

United Nations Human Right
<http://www.ohchr.org/EN/Issues/Pages/WhatareHumanRights.aspx>

The International Labour Organization's Declaration on Fundamental Principles and Rights at Work
<http://www.ilo.org/declaration/lang-en/index.htm>

The Rio Declaration on Environment and Development
<http://www.unep.org/Documents/Multilingual/Default.asp?documentid=78&articleid=1163>

The United Nations Convention Against Corruption
<http://www.unodc.org/unodc/en/treaties/CAC/index.html>

International Covenant on Civil and Political Rights
<http://www2.ohchr.org/english/law/ccpr.htm>

International Covenant on Economic, Social and Cultural Rights
<http://www2.ohchr.org/english/law/cescr.htm>

International Federation for Human Rights
<http://www.fidh.org/-english->

Protect, Respect and Remedy: The UN Framework for Business and Human Rights
<http://198.170.85.29/Ruggie-protect-respect-remedy-framework.pdf>

European Convention on Human Rights
<http://www.hri.org/docs/ECHR50.html>

American Convention on Human Rights
http://www.hrcr.org/docs/American_Convention/oashr.html

Business & Human Rights Resource Centre
<http://www.business-humanrights.org/Links/Repository/965591>

Reference:

1. United Nations Human Rights. Online. Accessed 25th May 2010:
<http://www.ohchr.org/EN/Issues/Pages/WhatareHumanRights.aspx>

2. United Nations Human Rights. Online. Accessed 20th June 2010.
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3. United Nations Human Rights. Online. Accessed 20th June 2010.
<http://www.ohchr.org/EN/Issues/Pages/WhatareHumanRights.aspx>

4. Protect, Respect & Remedy: The UN Framework for Business & Human Rights. Online. Accessed 22nd June 2010.
<http://198.170.85.29/Ruggie-protect-respect-remedy-framework.pdf>

5. Human Rights and Business: Upholding Human Rights and Ensuring Cohesion. Online. Accessed 24th June 2010.
<http://www.fidh.org/-english>

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Marshalls *plc*

www.marshalls.co.uk

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Marshalls plc Landscape House Premier Way
Lowfields Business Park Elland HX5 9HT

