

Marshall's

UN Global Compact
Communication on
Progress & Sustainability
Report 2021

**Creating better
net positive futures
for everyone**



As an active participant of the United Nations Global Compact, we proudly align to the ten universally accepted principles in the areas of Human Rights, Labour, Environment and Anti-Corruption.



In 2021, we decided to take part in the UN Global Compact's Early Adopter Programme for the revised Communication on Progress (COP).

As part of this programme, we have taken part in focus groups, provided feedback and we are now using the new COP digital platform to report on our sustainability progress. This way of reporting enables us to better analyse our contribution to the Ten Principles and our contribution to the Sustainable Development Goals.



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Stay up to date with the latest news at marshalls.co.uk/sustainability



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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.

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.

The UK's leading manufacturer of hard landscaping and building products

Marshalls manufactures products for both commercial and domestic markets including paving, block paving, kerb and edgings, drainage and water management solutions, protective street furniture, lighting, concrete bricks, masonry, walling and mortar.

What sustainability means to Marshalls

For us, sustainability means creating better net positive futures for everyone. We do this The Marshalls Way – doing the right things, for the right reasons, in the right way.

We're clear that the Sustainable Development Goals that we can contribute to most positively are SDG 8, SDG 11, SDG 12 and SDG 13.

We are committed to making our environmental, social and governance data transparent so our customers can trust the Marshalls brand, our investors can quantify our sustainability credentials and our people can be proud of where they work.



Doing things The Marshalls Way

Our markets

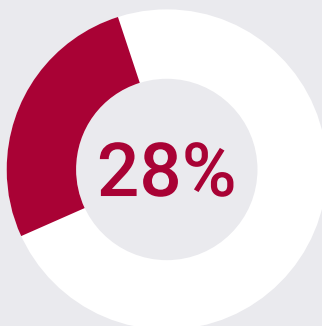


Domestic

Our domestic customers range from DIY enthusiasts to professional landscapers, driveway installers and garden designers.

Marshalls specialises in helping homeowners to create beautiful, yet practical, outdoor spaces which families can enjoy for years to come.

Homeowners revenue



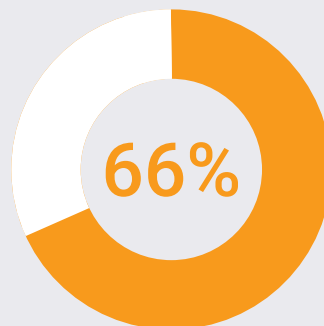
(2020: 27%)



Public Sector and Commercial

In the public sector and commercial end market, Marshalls satisfies the needs of a diverse commercial customer base which spans local authorities, commercial architects, specifiers, contractors and housebuilders. We have unrivalled technical expertise and manufacturing capability and an enviable product range.

Public sector and commercial revenue



(2020: 66%)

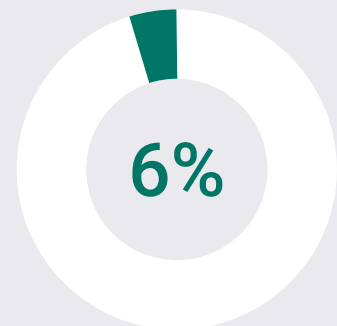


International

Our international operations comprise a manufacturing site in Belgium and sales and administration offices in the USA and China.

International revenue, which also includes exports from the UK, comprises 6% of Group sales.

International revenue



(2020: 7%)

Our performance in environmental, social and governance metrics

This is the second year we have produced an ESG data sheet relating to our performance according to environmental, social and governance metrics, demonstrating our commitment to be transparent.

We have not changed the metrics used here but will conduct a review in 2022 to ensure the data remains material to all stakeholders and that it reflects our progress in key areas.

Corporate

Revenue (£m)
R&D investment (£m)
Fair Tax Mark accreditation
Number of employees
Charitable donations (£)
Number of staff disciplined or dismissed due to non-compliance with anti-corruption policy
Average days to pay a supplier*
BRE BES 6001 Responsible Sourcing of Construction Products
Number of staff trained on Code of Conduct (cumulative)
FTSE4Good constituent

Environmental

Absolute CO ₂ e emissions (tonnes) (location based)
Relative CO ₂ e emissions (kg per tonne of production) (location based)
Water consumption (m3)**
Waste generated (tonnes)
Waste to landfill
UK energy performance (kWh)
Sites with solar panels
Percentage of manufacturing sites with ISO 9001 for Quality Management***
Percentage of manufacturing sites with ISO 14001 for Environmental Management***
Percentage of manufacturing sites with ISO 45001 for Health and Safety Management***
Percentage of energy consumption covered by ISO 50001****
Carbon Trust Standard
CDP (Carbon Disclosure Project) score

People & Communities

Women on the Board
Women in senior management
Living Wage employer
Employee net promoter score
Work related employee/contractor fatalities
Mental health first aiders
Number of elected members of Employee Voice Group
Active apprentices
Imported stone with Ethical Risk Index scores
BRE BES 6002 Ethical Labour Sourcing

* average based on July-December figures for all years

** see page 23 for information on data anomaly

*** all divisions now included in 2021 figure - drop in percentages due to Marshalls Bricks & Masonry not registered within three years of acquisition, mostly due to Covid-19 delays

**** remaining 3% covered by ESOS assessment



	2021	2020	2019
	589.3	469.5	541.8
	3.1	3.1	5.5
	Yes	Yes	Yes
	2,700	2,659	2,580
	103,500	183,000	168,000
	0	0	0
	41	40	44
	Yes	Yes	Yes
	80%	33%	n/a
	Yes	Yes	Yes

	2021	2020	2019
	45,772	42,637	52,577
	7.88	8.65	9.21
	23,349,704	252,964	320,314
	214,960	132,269	148,700
	0.4%	0.8%	0.8%
	199.016	178.682	215.836
	2	1	1
	81%	100%	100%
	81%	100%	100%
	81%	100%	100%
	97%	97%	97%
	Yes	Yes	Yes
	B	B	D

	2021	2020	2019
	43%	43%	43%
	35%	29%	22%
	Yes	Yes	Yes
	7.6	7.6	n/a
	0	0	0
	53	42	60
	25	25	25
	102	99	50
	100%	100%	100%
	Yes	Yes	Yes

43%

women on the Board (compared to 36.8% in FTSE250)

80%

employees completed Code of Conduct training

100%

imported stone products with Ethical Risk Index scores

8 years

of being Fair Tax Mark accredited

102

active apprenticeships

16%

reduction in carbon intensity

Statement of Support for the UNGC

UN Global Compact uniting business for a better world



The past two years have been tumultuous for everyone. Intensive periods of work have run simultaneously with the need to quickly grasp and assimilate the seismic impact of the pandemic, from day to day, and often from hour to hour.

From the impact on all individuals, on communities, throughout supply chains, on business, across sectors, countries and the planet. Nothing and no-one has been left unscathed.

In her opening address at the Dubai Expo, Sanda Ojiambo, now Assistant Secretary-General of the UN Global Compact, clearly stated that “we need business leaders to make bold business decisions for the future, we need businesses to integrate the SDGs into their corporate strategies, we need businesses to account for their externalities in the same way they account for their business losses.”*

She called for the private sector to reignite their ambitions, actions and accountability in support of the UN’s Sustainable Development Goals to help make up for the gains that have been lost in progress as a result of the pandemic.

I agree with Ms Ojiambo. It’s never been more essential for CEOs to have a steady and consistent voice, to ensure a clear organisational purpose, to have a coherent strategy, and to take a long-term view.

The transition to net zero means that every company and every industry will be transformed. Perhaps even more so for those organisations committed to net positive. And CEOs must engage to help ensure a just transition.

The International Year for the Elimination of Child Labour in 2021 reignited and further fired our ambition to contribute to the eradication of child labour.

In June 2021, I spoke out on this important issue at the UN Leaders Summit alongside business leaders from Coca-Cola, Louis Dreyfus and Ferrero, and also the UN World Day Against Child Labour where I spoke directly with a youth advocate and former child labourer from Rajasthan, Amar Lal.

This interaction underlined to me that CEOs must ensure that they fully engage in order to compound and multiply efforts.

Marshalls became a signatory of the UN Global Compact in 2009, and remains a deeply committed and active participant today. We’re not afraid to make bold decisions for the future.

We have made the commitment to lead our sector, and to harness our values of courage, inspiration and purpose. The Marshalls Way ensures that we have a culture which means that we do the right things, for the right reasons, in the right way.

In these troubled times the UN Global Compact, together with our organisational purpose to Create Better Net Positive Futures, has been our north star. We stand firm as a participant and urge other businesses to unite with the Global Compact for a better world.

Martyn Coffey
CEO



UN Global Compact
participation has never
been more essential
for our organisation.

* Global Goals Business Forum at Expo 2020 calls on public and private sectors to align around SDGs | UN Global Compact



It's time to **get real about climate change**



According to Climateclock.net, 1.5°C is now less than ten years away. Going beyond 1.5°C means very serious challenges for us and for the planet - more flooding, more temperature rises and more extreme weather events.

There are still some who say climate change isn't happening but you don't need to look far to see all the irrefutable data pointing to the fact that our world is changing.

The UN's Secretary-General, António Guterres, called last year's IPCC report on climate change as a "code red for humanity". More than 400 weather stations around the world beat their all-time highest temperature records in 2021.

Climate change is starting to converge with human rights, where the line between environmental rights and human rights will be invisible. It is not business as usual, climate change is real and we have to make significant changes if we are to avoid the worst impacts.

COP26 served as a reminder that one or two countries cannot stand alone. Climate change is a problem that is facing the whole world and that's why we must work together to find the solutions we need to better adapt.

Businesses cannot do this alone either. But there is real polarisation when it comes to what actually needs to be done about climate change. On one side, you have the businesses that get it – they know that to fully address the problem, you have to do the work.

That means setting science-based targets for carbon reduction, doing proper human rights and environmental due diligence and reporting your progress transparently.

On the other side, you have greenwash and wokewash. Here, businesses give the impression of doing the right thing but there is very little substance behind their claims. They make bold statements but there is no data or external verification. They may have good intentions but all they're doing is undermining everyone else's progress.

The thing is, tackling climate change is not easy. It is difficult and it takes time. And most importantly, it requires a mindset shift.

We've known about climate change for a long time now, it's not new. It's time to step up and make the necessary changes that are vital to making real progress.

I see brilliant innovations all over the world, from plastic made from seaweed to machines that remove carbon from the atmosphere. And it is these big ideas and changes to the way we live that we need right now. We have to develop the products and processes, so we can prepare for a future that is likely to look very different for us all.

It isn't called a climate emergency for nothing – it's time to get real and get on with the work.

Chris Harrop OBE
ESG Strategy Director
Chair of Made in Britain



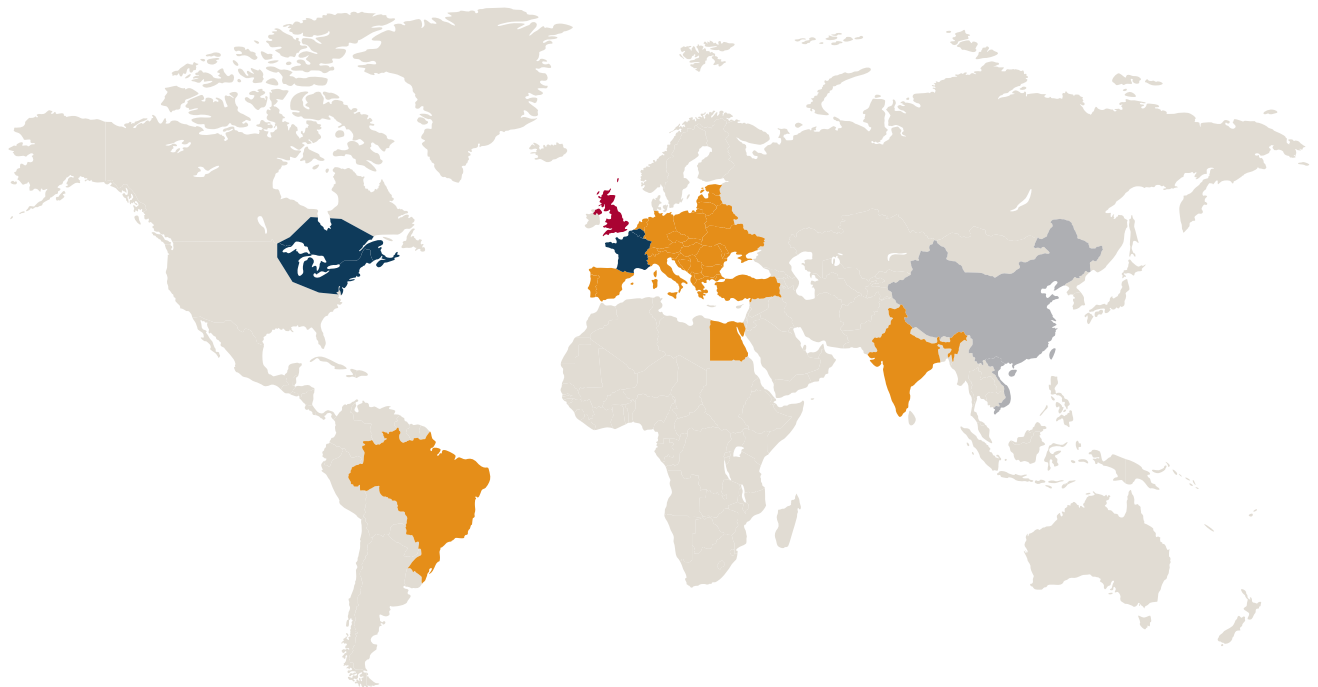
It is not business as usual, climate change is real and it's time to make significant changes.

Scope of Operations

The UK's leading manufacturer of hard landscaping products

Where we operate

We have manufacturing plants, quarries and distribution sites across the UK. Our unique national network ensures proximity to customers and an efficient logistics footprint.



Locations

HQ and manufacturing

- UK

Sales and marketing

- Belgium
- France
- North America

Sourcing

- Europe
- Turkey
- Egypt
- India
- Brazil

Quality and ethical compliance office and sourcing

- China
- Vietnam

UN Sustainable Development Goals

Last year, we outlined our engagement with each of the UN Sustainable Development Goals (SDGs).

We identified four SDGs as most material to our business:

- **SDG 8 for Decent Work and Economic Growth**
- **SDG 11 for Sustainable Cities and Communities**
- **SDG 12 for Responsible Consumption and Production**
- **SDG 13 for Climate Action**

While we understand the SDGs are very much aimed at countries and nations globally, we also know that business has a role to play in contributing to the future of the planet and its people.

Each of the 17 SDGs have associated targets and indicators and in 2021 we undertook a review to further delve into the goals at target level. This process enabled us to see where we contribute, focusing on tangible actions. As part of our commitment to being transparent, we wanted to be clear and specific about the elements we do and don't contribute to - more information can be found in our 2021 Annual Report.

Our review also encouraged us to put a process in place for SDG reporting. By the end of 2021, we have further understood the SDGs and their targets, prioritised the SDGs that are material to our business, and analysed our contribution at target level.

We look forward to taking our process further in 2022, where we will be setting objectives and defining metrics, selecting disclosures and starting the process of collecting and analysing relevant data.

SUSTAINABLE DEVELOPMENT GOALS



Materiality assessment

Materiality matrix

We base our materiality matrix on stakeholder engagement, the SASB Standards for Construction and the UN Sustainable Development Goals. The ESG materiality matrix complements our risk heatmap (see Annual Report 2021) and whereas the heatmap looks at impact and likelihood, the materiality matrix focuses more specifically on sustainability and ESG stakeholder interest and impact on the business.

Review process

Building on the process we put in place in 2020, we started with a review of materiality topics through desk research, analysis of industry issues, and feedback from stakeholders including customers and colleagues. A quantitative process was then taken to our ESG Committee, a group of senior colleagues from different areas of the business, in order to review the positions of each materiality topic. This was followed by consultation with our Employee Voice Group.

Outcome of review

Further to the review, our key material issues still broadly fall into the categories of environment, people and responsible business. However, there have been additions and changes. We have added talent and development, as well as natural capital in order to differentiate from biodiversity. Circular economy now encompasses waste management, and responsible sourcing has become sustainable procurement. With the impact of climate change becoming more prevalent, human rights due diligence has evolved into human rights and environmental due diligence.

In 2022, we will revisit and update the ESG materiality assessment procedures by defining each material issue in the context of Marshalls and developing a process where each material issue is assessed on a risk basis and appropriately linked and recorded within the risk registers (where appropriate).





2021 Achievements

- Review of sustainability materiality and internal ESG processes
- £103,500 donated to Macmillan and Mind
- Fair Tax Mark accreditation
- First time disclosure to Workforce Disclosure Initiative
- Accreditation to BRE BES 6001 for Responsible Sourcing
- Gold membership of Supply Chain Sustainability School

2022 Priorities

- Fair Tax Mark re-accreditation
- New charity partnership
- Reporting alignment to Global Reporting Initiative (GRI) and revised Ethical Trading Initiative (ETI) and UNGC frameworks

Very good

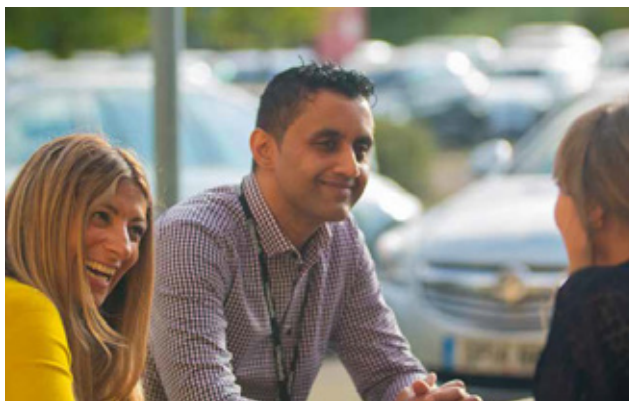
Rating from BRE BES 6001 for Responsible Sourcing of Construction Products certification

Fair Tax Mark

Committed to paying our fair share of tax and Fair Tax accredited since 2015

Living Wage employer

100% of Marshalls' employees receive the real Living Wage (as defined by the Living Wage Foundation)



Supply Chain Sustainability School

Marshalls is a founding partner of the Sustainability School and as part of our Gold membership, we actively engage by curating sustainability training content for our colleagues and participating in Leadership and Special Interest Groups including Climate Action and Homes.

Compliance

In 2021, there were no environmental or health and safety prosecutions.

Charitable donations

We continue to report our charitable donations to our charity partner Macmillan and in 2021, we also donated to Mind.

In 2022, we will be undertaking a review of our charitable donations reporting process in order to give more transparency and include donations to other organisations including community projects and the Royal Society for the Protection of Birds (RSPB).

£103,500

donated to Macmillan and Mind

Payment of suppliers

Marshalls has demonstrated its commitment to small businesses by introducing a new shorter payment term for small businesses as defined by the Department for Business, Energy & Industrial Strategy (BEIS).

We continue to work towards joining the Prompt Payment Code (PPC), a voluntary code of practice, whilst engaging with the Payment Practices and Payments Reporting (PPPR).

Payments made within 60 days have been improved to 93% (average of 41 days) with a target to further improve this to pay 95% of invoices within 60 days, and 30 days for small businesses.

93%

supplier payments made within 60 days

Sustainability reporting

For the first time, this Sustainability Report has been prepared in accordance with the GRI Standards: Core option and the Ethical Trading Initiative (ETI) Corporate Transparency Framework - see details on pages 31-38.

In 2022, we will review our metrics with our internal ESG operations and leadership teams.



Health and safety

Our five-year health and safety strategy is aligned with the business strategy with set objectives, and clearly demonstrates our commitment to take the safety and wellbeing of our people to the highest level.

Our Health and Safety Policy applies to anyone who works for Marshalls, or is working on our premises. Our objectives and targets apply to both Marshalls employees and contractors working on Marshalls premises.

The majority of sites have BS EN ISO 45001:2018 for Health and Safety Management Systems in place, as we are now reporting for all divisions. The remaining sites are from our Bricks & Masonry division, which were delayed in their registration mostly due to Covid-19 delays.

In 2021, no health and safety incidents led to work-related employee or contractor fatalities. Those health and safety incidents that led to injuries were reported to the HSE under RIDDOR and were investigated firstly by site, then by the Health and Safety Department which reports to Marshalls' Executive Board.

Training

Health, safety and environmental training was delivered to colleagues, amounting to over 18,000 hours.

Our Drug and Alcohol Policy training programme started in 2021, with awareness videos available to all staff. We will be launching formal training on the Marshalls Learning Zone platform in 2022.

Employee engagement

Marshalls is committed to employee involvement in health and safety improvements. All operational sites operate SHEQ meetings, and the Environmental, Health and Safety Team has a quarterly review. Every month, a meeting between the Group SHE Director, CEO, CFO and COO takes place to discuss health and safety data and improvements, review strategy, and discuss and monitor legislation changes.

Trade Unions are also involved in the development of health and safety, with the Group SHE Director meeting with unions every six months as well as monthly discussions with the union convenor.

2021 Achievements

- 53 Mental Health First Aiders
- Over 18,000 hours spent on health and safety training
- 7.8 score for Wellbeing on staff survey
- Implementation of SLAM (Stop, Look, Assess, Manage) programme in Logistics division

2022 Priorities

- Steering Committee for Mental Health and Wellbeing
- Rollout of Fair & Just Approach framework
- Recruit more Mental Health First Aiders

18,000+

hours on health, safety and environmental training

16.9%

reduction in working days lost compared with target benchmark

53

Mental Health First Aiders

7.8

score for health and wellbeing on staff survey



Mental health and wellbeing

Marshall's mental health programme went from strength to strength in 2021. Here are some of our key achievements:

- Trained 16 new Mental Health First Aiders (MHFAs), with plans for further recruitment in 2022
- Wellbeing section on our intranet, Marshall's NOW, and a dedicated section for our MHFAs
- Active promotion of Mental Health First Aiders programme on social channels
- Highly Commended for the Safer Through Improvements in Health and Wellbeing Award at the Mineral Products Association & British Precast Health & Safety Awards

The impact of the pandemic continued into 2021. We got a great response to our recruitment drive and we now have 53 MHFAs, covering every division of the business.

Support continued in the form of quarterly supervisory sessions which look at trends and issues coming up for colleagues, as well as upskilling and additional sessions with CiC (Counselling in Companies) - our employee assistance programme with an independent, free, confidential advice service operating 24/7.

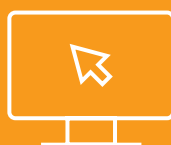
Our newly launched intranet, Marshall's NOW, features a Wellbeing Centre which covers physical and mental wellbeing as well as financial health.

In 2022, our plan will focus on:

- Recruiting and training more MHFAs and putting emphasis on recruiting at Director level
- Refresher training for current MHFAs
- Assessing the current structure to ensure we have full coverage of the business
- Continuing to use our mix of internal channels to promote mental health and wellbeing
- GAS (Go And See) walks to allow Mental Health First Aiders to check in with individuals and teams



16 new Mental Health First Aiders (MHFAs) trained



Wellbeing section added to our newly launched intranet, Marshall's NOW



Highly Commended for the Safer Through Improvements in Health and Wellbeing Award at the Mineral Products Association & British Precast Health & Safety Awards

Human Rights

Human rights



Network UK



**Ethical
Trading
Initiative**

For workers' rights.
For better business.



IOM
UN MIGRATION

**70
YEARS**



**Gangmasters &
Labour Abuse Authority**

2021 Achievements

- Active engagement with the International Year for the Elimination of Child Labour
- Independent Modern Slavery Threat Assessment programme
- Enhanced supply chain mapping using Traffik Analysis Hub
- Sustainable procurement human rights due diligence system and processes

2022 Priorities

- Launch Everyone's Business app
- Launch Safecall whistleblowing hotline to overseas supplier operations

Marshall's supports human rights as laid out in the Universal Declaration of Human Rights and we work diligently in all respects to support and uphold the UN Guiding Principles on Business & Human Rights.

Modern Slavery reporting

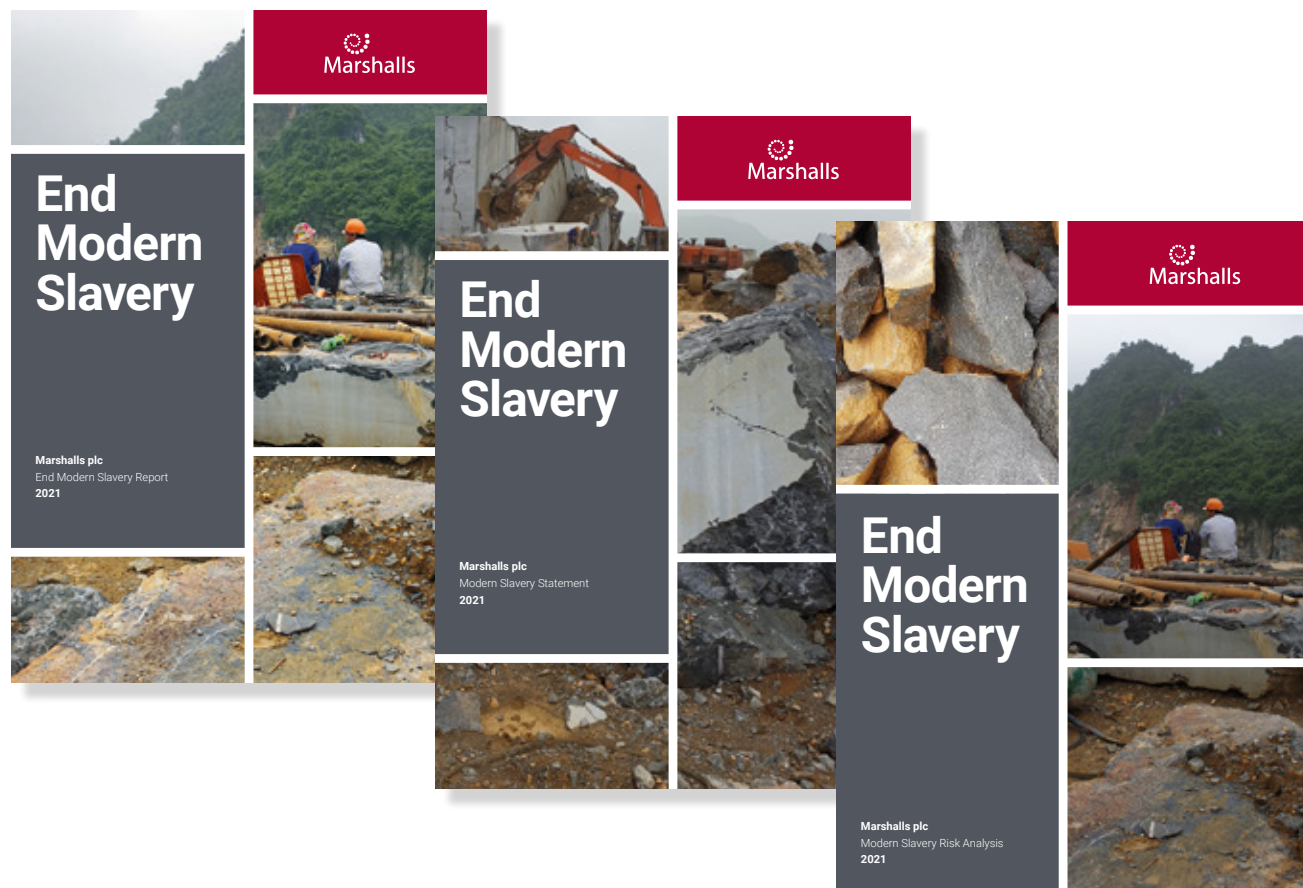
As a business with a turnover in excess of £36 million, Marshall's is legally required to produce an annual Modern Slavery Statement. We must publish this on the homepage of our website and upload to a UK Government Repository by 1 September each year, in order to be compliant.

Within our statement, we are compelled to report on the following key areas: organisational structure and supply chains, risk assessment and management, actions taken to prevent modern slavery, policies, processes and progress.

Our CEO, Martyn Coffey, signs our annual Modern Slavery Statement and has overall Board responsibility for Human Rights.

We also publish a Modern Slavery Report which outlines the steps we have taken to ensure that slavery and human trafficking are not taking place in any of our supply chains or businesses. The report details the comprehensive programme of work Marshall's and its partners have developed to eradicate slavery and uphold human rights.

Our Modern Slavery Risk Analysis Report looks at our risk assessment process and shows country risk profiles of our supply chain which have been compiled by our internal Market Intelligence Team. The data used is gathered from the best global publicly available data.



Human rights due diligence

Human rights due diligence

Our human rights due diligence approach is thorough and incorporates rigorous analysis via Verisk Maplecroft, enhanced supply chain mapping using the Traffik Analysis Hub platform, and our own country risk analysis using the best available global data. This information is supplemented with knowledge gained from our extensive networks and partners in the UK and overseas.

During 2021 we introduced a human rights due diligence 'filter' within our procurement process based on the Slavery & Trafficking Risk Template (STRT). This has allowed us to further understand and manage our risks. We also utilise the full STRT within our audit process, and in tender processes.

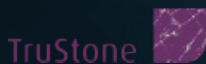
A revised and enhanced ten-stage ethical audit process has been put in place and our Business & Human Rights team is being strengthened in the UK and the EU. We have committed to further human rights programmes in both India and Vietnam to continue our human rights due diligence work and support suppliers.

- We analyse using Verisk Maplecroft data
- We use Traffik Analysis Hub data to look at the context of new or existing suppliers, or our entire supply chain
- We add to this our own analysis regarding the countries from which we source, the sectors and the commodities
- We undertake specific slavery and trafficking risk analysis using the Social Responsibility Alliance Slavery & Trafficking Risk Template
- We undertake ethical audits using the appropriate scope
- We consider children's rights using the Children's Rights & Business Principles Framework
- We increasingly use live monitoring in high risk supply chains
- We undertake specific assessment and bespoke programmes with UN agencies

TruStone



Creating Better Net Positive Futures for Everyone



What is TruStone?

TruStone is a multi-stakeholder initiative working towards responsible business conduct in the natural stone sector. It involves the Dutch and Flemish Governments, private sector organisations, NGOs and trade unions.

Why we're involved?

We've been working to uphold and support human rights in global natural stone supply chains since 2005. As longstanding United Nations Global Compact participants we're committed upholding the Guiding Principles, and to implementing the UN Guiding Principles on Business & Human Rights. We have reported on our progress each year since 2009 in our annual UNGC Communication on Progress Report.



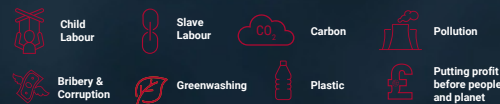
Our Business & Human Rights Roadmap

We've got a clear Business & Human Rights Roadmap to 2030 and are working for collaborative transformation in key geographies where risks are high. We actively work as part of the ILO Child Labour Platform, with the UN International Organisation for Migration, and other key partners.

We always say YES to...



We always say NO to...



Robust Human Rights Due Diligence Systems and Processes

We were the first in our sector to become members of the Ethical Trading Initiative in 2007 and to implement the ETI Base Code throughout our supply chains. We annually undertake Modern Slavery Risk Analysis and continually work to enhance our systems and processes.

TruStone Action Points for 2022

- ✓ Enhanced Supply Chain Mapping
- ✓ Roll out of Live Monitoring
- ✓ Roll out of Safecall Whistle Blowing/Grievance Hotline
- ✓ Delivery of enhanced ETI training programme
- ✓ Continued implementation of our YES! Pledge
- ✓ Co-Chairing the ILO Child Labour Platform India Programme
- ✓ Developing a guiding framework for those buying Indian
- ✓ Sandstone South India Supply Chain mapping, analysis and research
- ✓ Vietnam sectoral programme delivery with the UN IOM
- ✓ Annual reporting, analysis and policy review



BRE ELS 6002

Underpinning all of our work is independent verification. We were the first globally to achieve BRE Ethical Labour Sourcing Standard and have maintained this for five consecutive years.

marshall's.co.uk

Human rights embedded in the business

The corporate responsibility to respect human rights has never been more acute or clear.

The trajectory of human rights legislation is rapid and mandatory human rights due diligence is in view. Marking the tenth anniversary of the UN Guiding Principles for Business and Human Rights on 16 June 2021, it was good to hear Professor John Ruggie, the architect and author of the UNGPs, reflect upon corporate responsibility to respect human rights, and his emphasis on businesses' responsibility to 'know' and 'show' that they respect human rights. At the UNGC Leaders Summit event at which Professor Ruggie spoke, Marshalls' CEO stood shoulder to shoulder with other leaders from Coca-Cola, Ferrero and Louis Dreyfus, and spoke up in support of human rights. With a clear Business & Human Rights Roadmap to 2030 in place, and with the 'S' in ESG – and its focus on human rights – up front and centre, Marshalls is set to continue its journey.

Vanda Murray OBE
Chair



Our Modern Slavery Risk Assessment programme is well under way across all of our operational sites in the UK. It's important that we're alert to the very real risk of modern slavery in the UK, especially in the light of immigration changes as a result of Brexit, and the impact of the global pandemic. The increased vulnerability of many, coupled with labour shortages and increased demand, is a potent mix which demands the full attention of the private sector.

Simon Bourne
Chief Operating Officer



Embedding our Human Rights principles in all that we do has become second nature and as a result we have created immense pride in our achievements in such an important area.

Louise Furness
Chief People & ESG Officer



By continuing to deliver on our strong business and human rights strategy, we put survivors and our actions to prevent modern slavery at the heart of what we do. By sharing our insights and expertise, and remaining open to learning all that we can, we aim to be a knowledge partner for our own people, our suppliers and our customers so that we are all empowered to make good choices every day in support of human rights.

Avis Darzins
Non-Executive Director



Our call for mandatory human rights due diligence, alongside Anti-Slavery International and others in the private sector, will help to level the playing field and accelerate improvements for workers in global supply chains. Marshalls will continue to say loud and clear, 'no to slavery' and 'yes to decent work and economic growth'.

Angela Bromfield
Non-Executive Director

International Year for the Elimination of Child Labour

ILO Child Labour Platform

We're members of the ILO Child Labour Platform and an Alliance 8.7 partner. Alliance 8.7 is the global partnership for eradicating forced labour, modern slavery, human trafficking and child labour around the world. As such we jumped at the opportunity to make a public International Year for the Elimination of Child Labour Action Pledge, and we're one of 100 companies globally to do so.

The World Day Against Child Labour

The World Day Against Child Labour in June 2021 was marked by a high-level virtual event. ILO-UNICEF's alarming global estimates and trends on child labour were discussed and followed by a series of extraordinary connections between high-level speakers and youth advocates on paving the way to 2025, and highlighting efforts made to implement International Year pledges.

As part of these hard hitting and powerful conversations, our CEO Martyn Coffey addressed a question from Amar Lal, a youth advocate and former child labourer in the sandstone sector in Rajasthan, and now a child rights lawyer. As a result of this initial connection, a more intimate and progressive conversation took place with focus on sharing perspectives and finding solutions to accelerate the elimination of child labour in the sandstone sector in Rajasthan.



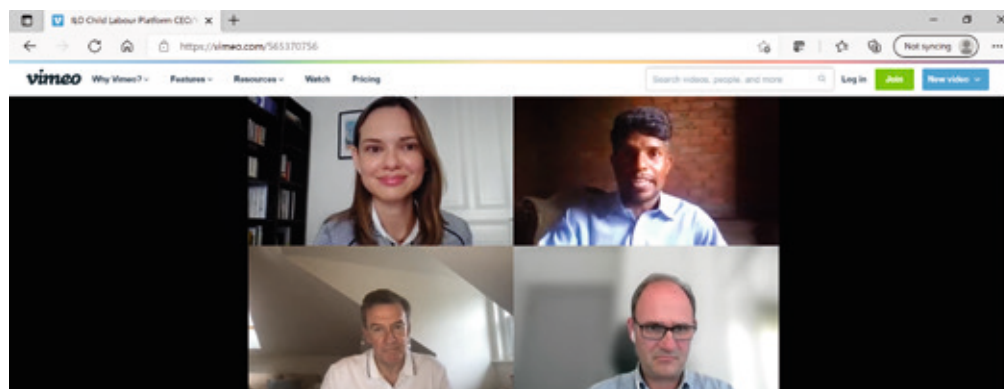
In conversation

"Amar posed a question to me asking: 'why, when the existence of child labour in the sandstone sector is well known, has so little progress been made?' He pressed me on how companies like Marshalls can help accelerate action to end child labour in this sector.

This initial brief exchange resulted in a more intimate and powerful conversation a few days later. It was very open, relaxed and genuine as together we exchanged views and searched for ways in which we could come together to accelerate progress to eliminate child labour.

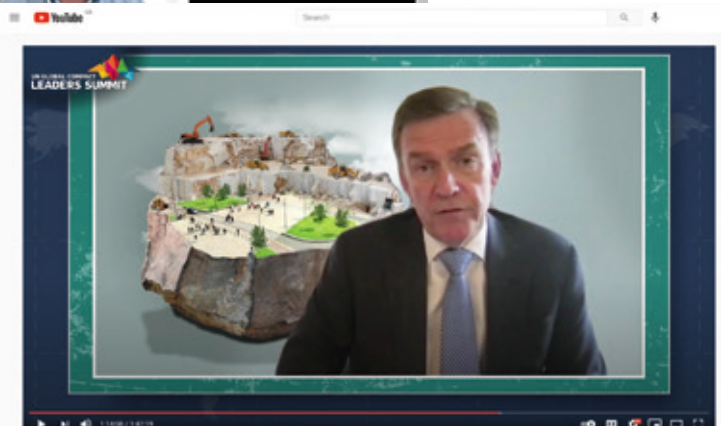
We recorded our conversation, which was facilitated by the ILO, and Amar and I both agree that it is increasingly important that we create opportunities for this kind of deeply meaningful interaction as we seek to find solutions together."

Martyn Coffey
CEO



Screenshot (above) taken in June 2021 during the ILO Child Labour Platform CEO/Youth Advocate Dialogue featuring, clockwise from top left: Katherine Torres, ILO Child Labour Platform, Amar Lal, Child Rights Ambassador & Youth Advocate, Phillippe Vanhuynegem, Director of ILO Office for Andean Countries and Marshalls CEO, Martyn Coffey.

Screenshot (right) of Marshalls CEO Martyn Coffey taken during the UN Global Compact Leaders Summit in June 2021, which was broadcast in 187 countries.



Labour standards



ETI Base Code

We have been members of the Ethical Trading Initiative (ETI) since 2006 and we commit to implement the ETI Base Code in the UK and in our overseas supply chains.

- 1 Employment is freely chosen
- 2 Freedom of association and the right to collective bargaining are respected
- 3 Working conditions are safe and hygienic
- 4 Child labour shall not be used
- 5 Living wages are paid
- 6 Working hours are not excessive
- 7 No discrimination is practised
- 8 Regular employment is provided
- 9 No harsh or inhumane treatment is allowed

2021 Achievements

- Women's Empowerment Principles (WEPs) signatory
- 102 apprenticeships
- Collection of employee diversity data
- Accreditation of BES 6002 Ethical Labour Sourcing
- Over 72% of colleagues using Marshalls NOW intranet
- Living Wage employer

2022 Priorities

- Living Wage re-accreditation
- Strengthen and evolve the Driver Academy
- Increase number of apprentices
- ETI Base Code video for overseas suppliers in four languages
- Rollout of inclusive leadership and diversity awareness programme for Marshalls leaders

Ethical Labour Sourcing accreditation

For the fifth consecutive year, we have achieved BRE Ethical Labour Sourcing Standard 6002. The power of BRE ELS 6002 is continuous improvement; as a tool to push ourselves and continually to raise our game with our human rights work. For us, independent third party assurances are an integral part of our journey. We press on apace and remain open and respond to all that independent scrutiny has to offer us as we seek to accelerate progress.

Ethical Trading Initiative

As members of the Ethical Trading Initiative (ETI) for 16 years, we continue to support the ETI's aim of improving the lives of vulnerable workers and their families in global supply chains.

We are committed to implementing the ETI Base Code in the UK and worldwide in our supply chain. In order to better communicate the ETI Base Code, we have been working on videos which explain the Base Code in detail. These videos will be produced in four languages: Mandarin, Hindi, Vietnamese and English. They are due to be released to suppliers in 2022.

In 2021, the ETI launched their Corporate Transparency Framework. The aim of the framework is to prepare companies for upcoming legislation, support them to improve their public reporting year on year, and ultimately to raise the bar in transparency. We are reporting against this framework for the first time - see page 38 for more details.

Employee Voice

In the UK, Marshalls formally recognises Unite and GMB unions. In line with the ETI Base Code, Marshalls employees have the right to form trade unions of their own choosing and to bargain collectively.

In the non-unionised areas of the business, we have our elected Employee Voice Group (EVG). The EVG has held eight official meetings in 2021 and it has been invited to steer the business on a number of areas including our ESG activity, our employee engagement strategy, and our HR and people activity.

The EVG has also contributed to decisions and discussion on people change at Marshalls, most notably the 'standardisation programme', which aims to create fairness and consistency in the terms and conditions of employment at Marshalls.

Due to the nationwide shortage of HGV drivers, we also formed a Drivers' Working Party so we could ask our drivers to input into decisions and put in place steps to improve the driving role.



**Ethical
Trading
Initiative**

For workers' rights.
For better business.



Diversity and inclusion

Diversity, equity, respect and inclusion (DERI)

In 2021, we collected diversity data from our existing employees and new starters. Around 40% of our employee base voluntarily shared details about their gender identity, sexual orientation, ethnicity, religious beliefs, generation, caring responsibilities and disabilities.

73% of our people shared their ethnicity. Of those who responded, 97% are white (British or other) and 3% of our colleagues shared that they are part of ethnically diverse communities - Asian, Black, Indian, Bangladeshi, Chinese, Pakistani, and mixed British, Asian and Black.

In our most recent employee engagement survey, we included a DERI-specific question about being treated fairly and our employees scored this 8.5 out of 10, which is 0.8 above industry benchmark.

In 2022, we plan to grow our DERI agenda through the rollout of a comprehensive education and cultural change programme for all Marshalls leaders as well as increasing our data collection activity with the introduction of new HR technology.

Leadership and development

Our comprehensive programme of development offers opportunities for everyone at Marshalls, from apprenticeships through to leadership skills. All Marshalls employees are supported in their learning and development through offline training, on-the-job training, and online training via our Marshalls Learning Zone.

Apprenticeships

2021 has been another successful year for apprenticeships at Marshalls, with 102 employees engaged in apprenticeship programmes (Level 3 to Level 7), and 19 employees successfully graduating from their apprenticeship programme.



2,700

employees (2020: 2,500)



7 years

of Living Wage accreditation



102

colleagues in apprenticeship programmes (2020: 99)



8,287

training courses completed (2020: 5,648)



£103,500

raised for Macmillan and Mind (2020: £183,000)



7.6

eNPS score – 0.3 above the industry benchmark (2020: 7.6)



761

new people in 2021



35%

of women in leadership roles



View our latest Annual Report here:
www.marshalls.co.uk/investor/results-reports-and-presentations

Environment



2021 Achievements

- Installation of solar panels at second site
- Recognised as European Climate Leader by Financial Times
- Environmental risk profiling for all sites
- Re-accreditation to Carbon Trust Standard
- Removal of non-essential packaging on standard kerb and edging ranges

2022 Priorities

- Delivery of commitment to net zero
- Installation of solar panels at third site
- Development of Environmental Product Declarations (EPDs)
- Product carbon footprinting update
- Euro 6 standard for fleet
- Certification to the Carbon Trust's Route to Net Zero Standard
- Biodiversity roadmap
- Tree planting project

Our Environmental Policy and Energy & Climate Change Policy are approved by the Board and reviewed annually.

In 2021, we were proud to announce that Marshalls has committed to being net zero by 2030. Our original science-based target was based on a well-below 2°C scenario. As part of our commitment to net zero, we have updated this to a 1.5°C pathway and alignment with the Paris Agreement. This target is due to be approved by the Science Based Targets initiative in 2022.

Mitigation and adaptation

As we aim for net zero by 2030, our journey focuses on the twin goals of mitigation – actions needed to reduce emissions that cause climate change – and adaptation – actions we need to take to manage the risks of climate change impacts.

In order to mitigate against the effects of climate change, we are focusing on manufacturing efficiencies, our product mix design and achieving our science-based targets. Adaptation will look much more at the products and infrastructure required to alleviate flooding and heat in urban environments.



Task Force on Climate-related Financial Disclosures (TCFD)

We have reported according to recommendations from the TCFD for the first time in our 2021 Annual Report and Climate Action Report 2021. According to TCFD recommendations, we are reporting on climate-related governance, strategy, risks and opportunities, and metrics and targets.

Our journey to net zero by 2030

- Green energy for all forklift trucks
- Removal of packaging ovens
- All company cars powered by electric or green energy
- All major manufacturing sites with solar power
- Net zero by 2030



View our latest Annual Report here:
www.marshalls.co.uk/investor/results-reports-and-presentations



Carbon emissions

When we started our sustainability journey over 20 years ago, we understood that sustainability would play a big part in how companies do business.

We watched and learned – and we believed the climate science.

As we reported last year, we reduced our total carbon footprint by 50% between 2008 and 2020. We re-baselined our targets in 2018 and our interim science-based targets are to reduce absolute emissions by 15% by 2025 and 27% by 2030. For relative (intensity) emissions, the targets are 23% by 2025 and 40% by 2030.

Next year, we will report on our new targets aligned with our net zero commitment.

We commit to reduce Scope 1 and 2 greenhouse gas emissions

40%

per tonne of production by 2030 from a 2018 base year

Measuring carbon emissions

We measure carbon emissions by looking at Scopes 1, 2 and 3. Scope 1 refers to all direct emissions of carbon. For Marshalls, this means our fuel usage and includes diesel, petrol, gas oil, liquefied petroleum gas ("LPG"), bio LPG, kerosene and natural gas.

Scope 2 covers our indirect emissions of carbon, so this would be electricity that we have purchased. In 2021, we reported our Scope 2 emissions in two different ways – location based (using Government emission factors) and market based (using supplier emission factors) – and we continue to do so.

Scope 3 refers to supplier emissions including cement, aggregates, shipping and transport.

Our carbon and energy data has been externally verified by BSI.

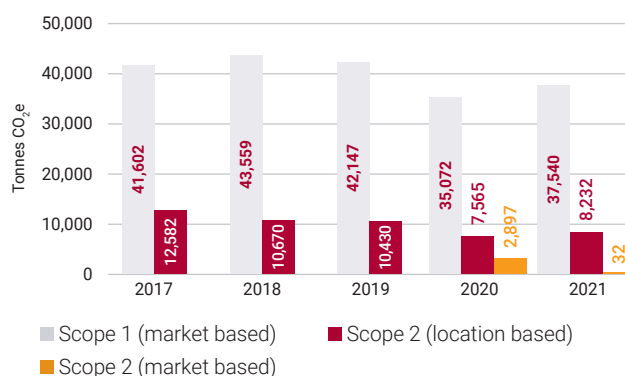
Commitment to net zero by

2030

Absolute Scope 1 and 2 emissions

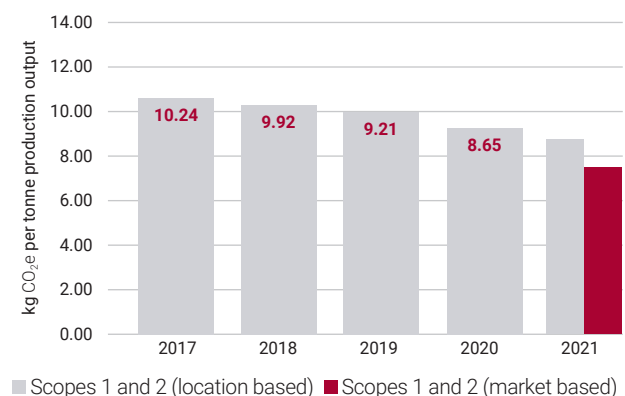
This chart illustrates the Group's absolute CO₂e emissions in tonnes (including Belgium).

Marshalls has used bio LPG rather than condition LPG for heating and to power some of the forklift truck fleet since September 2021. While we can declare these using the lower emission factor published via DEFRA, we must also declare the possible outside of scope emissions (215 tonnes CO₂e) from using this fuel source.



Relative Scope 1 and 2 emissions

This chart illustrates the Group's UK CO₂e intensity emissions as a proportion of production output, including transport activities.



Energy

Our Energy & Climate Change Policy details our commitment to improving efficiency and resource use. This is part of being a responsible business and ensuring we remain energy efficient.

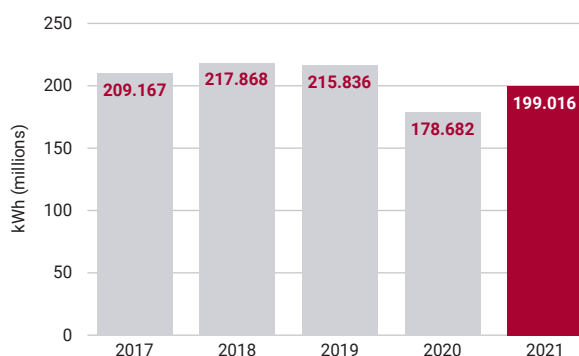
Energy usage

Three years ago, our energy usage was not as efficient as it could have been. This was identified by the energy team. They saw that poor operational control across the major production facilities was playing a big part. To combat this, they worked with site teams and external building management system companies to ensure our heating systems were under control and building fabric improved. Within three years, we installed seven building management systems returning savings of over 4GWh and 878 tonnes of CO₂. We have also ensured that our 18 packaging ovens fuelled by a mixture of LPG and natural gas switch off automatically when not in use.

Renewables

Along with electricity generated from 100% renewable energy, we have also committed to installing solar panels at our major manufacturing sites.

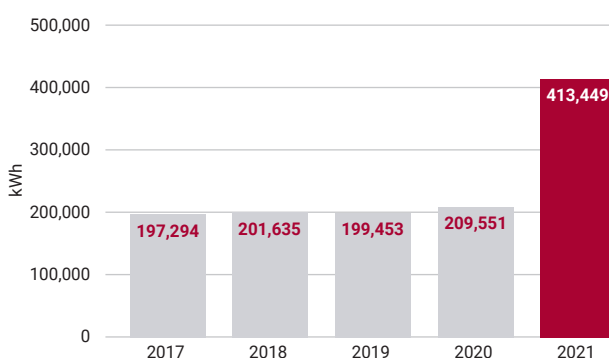
UK energy performance in kWh



413,449 kWh
generated from solar energy

97%
increase of self generated energy from renewables

Self-generated energy from renewables in kWh



Solar Panels at Sittingbourne

With a commitment of one major solar project per year, we're proud to now have solar arrays at two of our largest manufacturing sites.

Our Sandy site in Bedfordshire generated 189,749 kWh of electricity in 2021. Now it is joined by our Sittingbourne site in Kent which has become the second site with solar panels.

The array at Sittingbourne generates 10-15% of the site's overall energy needs and will generate power for the next 25-30 years.

Our next site to have solar panels will be St Ives in Cambridgeshire. The solar project is part of the site's new dual block plant and is due to start in 2022.

Water

5.29m³

water use per tonne of production

Water use

Last year, we reported water use of 252,964m³. Our water consumption in 2021 was 23,349,704m³. The difference is due to measurement discrepancy.

23,349,704m³

water consumption

The 2020 figure was based solely on direct production usage and not water used for washing, polishing or cleaning down between batches of product. In our attempt to refine our reporting and referring to our external environmental data auditor, we have decided to include all water use in our reporting from 2021 onwards. This is the right way to disclose water use, though it will impair our ability to provide a like for like comparison for the last three years.

This issue has also impacted on our reporting of water use per tonne of production. 2020 data showed 0.051m³ whereas 2021 is 5.29m³. Moving forward, we will report our entire water consumption and therefore be able to provide more accurate comparisons.

As part of our commitment to better reporting, we continue the installation of water automatic meter reading (AMR). This will improve data accuracy and frequency of monitoring of our mains water use leading to identification of potential savings.

Marshalls is committed to water harvesting and recycling at numerous sites, and utilising quarry water where appropriate in our operations.



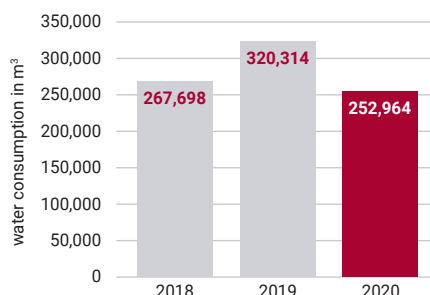
Water stress

Working to the Government's 2013 classification, developed by the Environment Agency and Natural Resource Wales, we have identified two sites within the Group (Sandy in Bedfordshire and Sittingbourne in Kent) which are located in areas of 'serious stress'. We do not abstract water in 'serious stress' areas and we have permits and consents in place, issued by the relevant regulatory bodies, to discharge trade effluent.

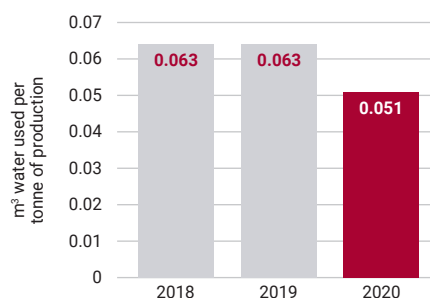
17,388m³

water used at sites in water stress areas

Water consumption



Water use per tonne of production



Waste and recycling

99.6%

recycling/recovery rate in 2021

Our target for 2022 is to achieve a recycling rate of

99%

Waste and recycling

Our Environmental Policy sets out our commitment to minimising waste. In 2021 the absolute waste total increased due to several factors. Firstly, we standardised our waste reporting procedures which enabled us to ensure that all sites were collecting and reporting the data in the same way.

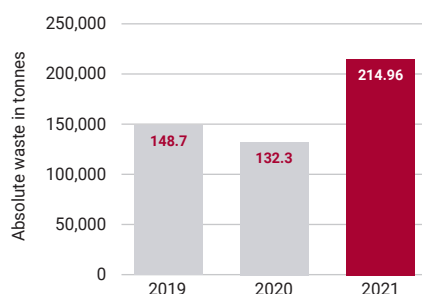
2021 also saw a number of site closures and clean-ups, which resulted in increases in both waste and hazardous waste. The dual block plant project at St Ives which started in 2021 also generated more waste which we would not expect to see next year.

Although our actual waste figures are higher for 2021, the percentage sent to landfill didn't increase, it actually reduced. We maintained a high recycling/recovery rate of 99.6% (2020: 99.2%), with waste sent to landfill equating to 0.4% of the total waste generated.

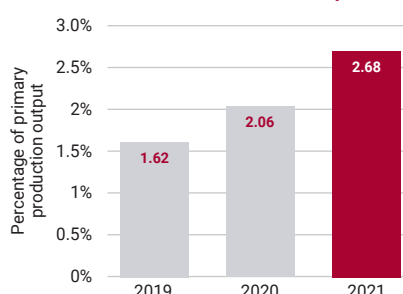
Hazardous waste

The generation of hazardous waste across the Group is generally limited to plant maintenance items such as used oils, filters and other components. The hazardous waste generated in 2021 was 597 tonnes (2020: 222 tonnes, 2019: 211 tonnes). The increase was due to site closures and clean-ups.

Absolute UK waste



Waste taken off site as a % of primary production output



Logistics

As we use our own fleet of Heavy Goods Vehicles (HGV), fuel consumption is a significant part of our reporting of Scope 1 emissions. We are committed to reducing emissions and will have our entire fleet of over 230 vehicles equipped to Euro 6 standards by 2022.

5 apprentices

recruited as part of our driver recruitment programme

Pollution

Our sites produce no emissions to air. We do not produce any methane or nitrous oxides (NOx). Any air pollutants produced come from our vehicles.

Fleet emissions

We're working to upgrade our fleet to Euro 6 standards which limit the exhaust of harmful pollutants and improve fuel economy. The bulk of our fleet has been upgraded, with the remainder targeted for 2022.

Driver training

Responding to driver shortages, our Logistics team committed to recruiting Class 2 drivers and upskilling them to be able to drive Class 1 vehicles, including training and qualification for mechanical offloading.



Driver Training Apprenticeships

2021 was a challenging year for transport, with widespread disruption and driver shortages in many sectors. Part of our ongoing recruitment activities includes apprenticeships. We're proud to have an apprenticeship programme in place in 2021, which has resulted in hiring 5 apprentices.

All elements of the apprenticeship programme are modular. Training is tailored to meet the needs of each apprentice, with support from our Marshall's Driver Trainers and 'buddy' system. The 30-week training programme includes:

- Health and safety
- The Marshall's Way
- Vehicle safety checks and load security
- Customer service
- Driver hours and regulations
- SAFED (Safe and Fuel Efficient Driving) training
- Preparing apprentices to sit the Class 1 HGV driving test



Circularity

Packaging at Marshalls is an area of focus as we continue to reduce plastic in order to improve circularity.

Packaging

We report packaging used which aligns with our duty to report under the Producer Responsibility Obligations (Packaging Waste) Regulations. In 2021, we used 12,973 tonnes of packaging (2020: 12,693) which is a slight increase on last year.

25,000

pallets reused or recycled

Plastic reduction

Following months of trials at our manufacturing sites, we announced a move to reduce packaging on several core product ranges.

Extensive testing has demonstrated that removing non-essential plastic wrapping on kerb and edging products does not affect the quality or safety of these products for transport, storage or installation.

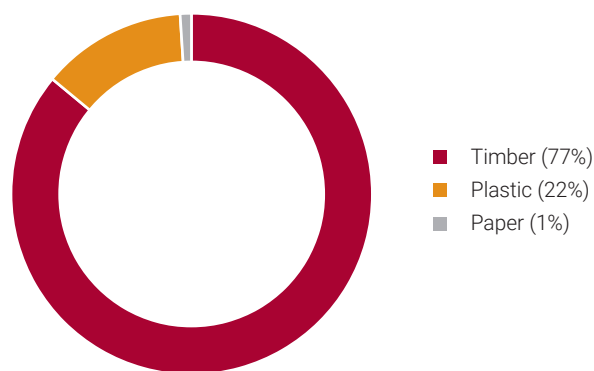
As a manufacturing company, one of the best ways we can minimise plastic sent to landfill is to reduce the amount of packaging used on our products.

Rolled out in 2021, our standard kerb and edging ranges from our Eaglescliffe, Sittingbourne, West Lane and Brookfoot sites now no longer arrive with plastic wrapping and are instead supplied with any necessary pallet and/or packaging straps where applicable.

This is not only helping to reduce the amount of plastic used in a project but also will reduce the waste on site – creating a cleaner and safer build.

This change is the first of many which will reduce our plastic impact as a business.

Reporting packaging tonnage



The Pallet LOOP

In 2021, we were proud to show our commitment to a circular economy by signing up to The Pallet LOOP.

The Pallet LOOP is a circular pallet distribution model that addresses existing inefficiencies in the management of pallets in the UK construction sector. Being part of The Pallet LOOP, we commit to:

- A comprehensive evaluation of how The Pallet LOOP could be integrated within our business.
- Championing the adoption of a circular economy pallet solution that reduces associated CO₂ emissions, delivers improved safety, and increases supply chain resilience through standardisation.
- Co-operating with other industry stakeholders to accelerate sector wide implementation – conscious that there is no Planet B and that we must act now and adopt more sustainable supply chain and distribution solutions.



Biodiversity

£10,000

donation to the Royal Society for the Protection of Birds (RSPB)

Biodiversity review

Over the years, we have engaged in a number of projects which form part of our response to minerals planning and environmental legislation and our drive to provide quality quarry restoration where possible.

In 2021, we were keen to better understand our commitments in order to classify and report clearly. Our review highlighted that our biodiversity activities can be split into three categories:

1. Centrally arranged for compliance. An example of this is the land restoration project at Barker Royd in West Yorkshire.
2. Centrally arranged when an opportunity arises. Our 15-year partnership with the RSPB on the Twite recovery project features in this category. In 2021, we donated £10,000 to this project and as part of our membership to the RSPB.
3. Locally arranged when an opportunity arises. Our Eaglescliffe manufacturing site created an orchard, where one tree is planted for every energy saving idea implemented.

Science Based Targets for Nature

As part of our commitment to set science-based targets for nature, we have put a plan in place for each step of the SBT process. Step 1 is about assessment so in 2022, we will look at materiality for each of our sites and our value chain. Once we have assessed our activities, we will move on to Step 2 in order to interpret and prioritise.

We will also continue to evolve our understanding of the requirements for biodiversity net gain, as set out in the Environment Bill (2020), which requires developments to deliver a net 10% improvement.

Working with the RSPB

We continue to support the Royal Society for the Protection of Birds (RSPB) and its Twite project. The population of these small, brown finches is almost entirely restricted to the South Pennines in Yorkshire and Derbyshire.

2021 saw 15 feeding stations run by 19 volunteers in order to fill breeding season food gaps. The project monitors the Twite population which is decreasing and now requires urgency measures to halt further decline. In 2022, the project is going to focus on nest protection work, research into winter food availability and stakeholder engagement with local farms.



Geological project

Marshall's Birkhams Quarry is a small quarry located on the cliff edge at St Bees in West Cumbria. Here we quarry sandstone which formed 250 million years ago in the Triassic period when this part of Cumbria was an arid desert. The stone has historically been quarried since medieval times and the quarry has been in existence since the 18th century.

St Bees sandstone has been used in many historically important buildings over the years, including Carlisle Castle, Worcester Cathedral and Reykjavik Town Hall.

Marshall's is working with the National Trust, Cumbria County Council and the Cumberland Geological Society to safeguard geological features within the restored part of the quarry. A geological trail now includes interpretation boards which will help highlight the importance of St Bees stone as well as to inform the public of its origins.

As well as providing an opportunity for members of the public to experience the geodiversity which has been exposed by quarrying, the ongoing restoration at Birkhams Quarry is already creating a diverse and important habitat. A variety of species has so far colonised the restored areas of the quarry including bell heather, black knapweed, creeping buttercup and silverweed.

The quarry lies within a wider area which makes up the St Bees Site of Special Scientific Interest which is an important breeding area for thousands of seabirds including guillemots, puffins and cormorants.

Anti-Corruption

Anti-corruption



Being a responsible business means doing the right things, for the right reasons, in the right way.

That's **The Marshalls Way**.

2021 Achievements

- Code of Conduct cumulative training for 80% of staff
- Core programme of compliance training on modern slavery, anti-bribery and GDPR
- Corporate Criminal Offence (CCO) training programme

2022 Priorities

- Steps to ensure 100% of employees are trained on Code of Conduct
- Set up of Compliance Steering Group
- Compliance training refresher
- Development of CCO training programme
- Rollout of Safecall whistleblowing service internationally

Code of Conduct

Formally launched in 2020, our Code of Conduct demonstrates to our people, our suppliers and our partners the way we do business. Training on the Code of Conduct continues, with 80% of employees having completed the training (cumulative).

Focus will now be on reviewing the Code of Conduct, with a view to updating and communicating it to all stakeholders.

80%

of Marshalls people trained on Code of Conduct (cumulative)

Compliance

In 2021, there were no staff disciplined or dismissed due to non-compliance with our anti-corruption policy.

2022 will see the creation of the first Compliance Steering Group. Led by Company Secretary and General Counsel, Shiv Sibal, the group will be set up to better understand different teams' areas of compliance, clarify compliance requirements and take part in horizon scanning.

Training

Our core programme of compliance training began in 2021. Available on our Marshalls Learning Zone, the training modules comprehensively cover modern slavery, anti-bribery and corruption, and GDPR. In total, our colleagues engaged in 2,018 hours of compliance training. Refresher training is planned for 2022.

Anti-bribery and corruption awareness training was completed by 41% of employees.

In 2021, we put in place Corporate Criminal Offence (CCO) training for all colleagues involved in financial transactions in order to raise awareness of tax fraud. This will be further developed in 2022.

Policies

We set up a working group in late 2021 to undertake a project to review our policies. The team have set out a programme of work that will take place in 2022 and 2023, and which will look at consistency, tone of voice and communication.

Safecall

The global pandemic has slowed down the international rollout of Safecall – our independent whistleblowing service which enables any of our people, contractors, suppliers and other stakeholders to raise their concerns.



Accreditations

Accreditations and verifications

Our approach to sustainability is underpinned by our belief in doing the hard work in the areas that are material to our business and our stakeholders, by working with organisations which are leaders in their fields and by getting external validation.

In 2021, Marshalls was named one of Europe's **Climate Leaders** by the Financial Times and Statista. We are certified to the **Carbon Trust Standard** for all UK and Belgium operations. In 2022, we will take part in certification for the new Carbon Trust Route to Net Zero Standard.

We are a **FTSE4GOOD** constituent and continue to voluntarily disclose data to **CDP (Carbon Disclosure Project)**. This disclosure includes our wider carbon management performance over time and also provides an insight for stakeholders regarding our energy, carbon and climate change impact management programme. Our 2021 submission for 2020 data scored a B.

In 2021, Marshalls committed to net zero by 2030 and has submitted revised carbon emissions targets to the **Science Based Targets initiative**. Formal approval of these targets is expected in 2022.

In 2021, we have again worked with the Carbon Trust to calculate (and publish) carbon footprints for over 5,000 products according to methodology specified in PAS2050. Our updated carbon footprints will be published in 2022.

Marshalls has retained its **Constructionline Gold** Membership in 2021. Being a Gold Member means we meet the PAS 91 and Common Assessment Standard and pre-qualify across core modules required by public and private sector buyers. We have achieved certification for **Achilles BuildingConfidence** and we are **Avetta** and **Builders Profile** accredited.

After re-engaging fully in 2021, Marshalls is a gold member of the **Supply Chain Sustainability School**. This year also saw our first submission to the **Workforce Disclosure Initiative (WDI)**.

In 2021, we were again awarded Charter Member status as part of the **Precast Sector Sustainability Charter** from MPA Precast, for passing the requirements of the annual sustainability audit.

We have maintained certification and received a Very Good rating from the Building Research Establishment (BRE) **Responsible Sourcing Standard BES 6001**. We also maintained our accreditation to **BES 6002 for Ethical Labour Sourcing** for the fifth consecutive year.

The quantification and reporting of Marshalls' environmental data (carbon, energy, waste and water) has been **independently verified** by the internationally recognised BSI against Marshalls' criteria of 5% accuracy. The verification activity has been carried out in accordance with ISO 14016:2020 and applied a limited level of assurance. The full report can be found on our website.

All data in this report is correct at time of publication.



How we work with others

Who we work with	Their position on sustainability	How we engage
Logistics UK	Logistics UK launched its Route to Net Zero campaign and member commitment in 2021. The aim is to highlight good practice already happening across the sector and engage with policymakers on the support that can help the industry to decarbonise and quickly as possible.	Membership of Logistics UK.
Mineral Products Association (MPA) and MPA Precast	MPA Precast (formerly British Precast) manufacturing members are required to sign up to the Charter Membership Scheme, including the Health & Safety and Sustainability Charters. This Charter Scheme is part of the 'Raising the Bar' initiative, which demonstrates our members' commitment to zero harm and improving environmental performance in the industry.	Our Chief Operating Officer, Simon Bourne, chairs MPA Precast and co-creates the agenda. Active membership of appropriate committees, including attendance at the Sustainable and Environmental committee and the Biodiversity, Nature and Conservation committee. Membership of Interpave. Active engagement with MPA Precast Drainage Association.
MPA UK Concrete Sustainable Construction Group	A new committee under the MPA UK Concrete platform. The Group replaces the Sustainable Concrete Forum and will oversee the new strategy through six task groups addressing Metrics & KPIs, 2030 Carbon Targets, Low Carbon Concrete definitions, Carbon Measurement & LCA, Circular Economy, and the new EPD Generator tool.	Active membership.
Construction Products Association (CPA)	Leading organisation representing and championing construction product manufacturers and suppliers with objectives including advising government and manufacturers on solutions for lowering emissions and increasing resource efficiency.	Representation on appropriate committees and chairing of the CPA Forecast Panel.
Construction Industry Research and Information Association (CIRIA) and susdrain	Construction industry research and information association which facilitates collaborative activities that help improve the industry. Includes susdrain, a community that provides a range of resources for those involved in delivering sustainable drainage systems (SuDS).	Attendance at council meetings and sponsorship of the Environmental Good Practice Site Guide update. Supporter of Susdrain, CIRIA's SuDS group.
Carbon Trust	The Carbon Trust provides solutions to the climate crisis and supports organisations globally as they accelerate towards Net Zero.	Collaboration on carbon footprint project and certification for Carbon Trust Standard which is due to be replaced by Route to Net Zero Standard.
UN Global Compact Network UK Working Groups	The network promotes practical sustainability leadership, shares knowledge across sectors, and actively shapes the responsible business environment.	Marshalls sits on the Modern Slavery, Diversity & Inclusion, Global Goals and TCFD Working Groups to share information and learning.
Supply Chain Sustainability School	The school provides a free to use online training portal for the construction industry with the objective of raising the awareness and understanding of sustainability issues.	Gold membership status, engagement with groups such as the Climate Action group, and sharing best practice in CPD sessions.

GRI standards

This report has been prepared in accordance with the GRI Sustainability Reporting Standards: Core option.

We have chosen to use the 2020 Standards as this is our first report. Next year, we will use the revised 2021 Standards.

The material in this report references the following disclosures:

FOUNDATION

GRI 101-1 to 101-10 from GRI 101: Foundation 2016

GENERAL

GRI 102-1 to 102-56 from GRI 102: General Disclosures 2016 (except disclosures not required for core option)

MANAGEMENT APPROACH

GRI 103-1 to 103-3 from GRI 103: Management Approach 2016

ECONOMIC

GRI 201-1 to 201-4 from GRI 201: Economic Performance 2016

GRI 205-1 to 205-3 from GRI 205: Anti-corruption 2016

GRI 206-1 from GRI 206: Anti-competitive Behaviour 2016

GRI 207-1 to 207-4 from GRI 207: Tax 2019

ENVIRONMENTAL

GRI 302-1 to 302-5 from GRI 302: Energy 2016

GRI 303-1 to 303-5 from GRI 303: Water and Effluents 2018

GRI 304-1 to 304-4 from GRI 304: Biodiversity 2016

GRI 305-1 to 305-7 from GRI 305: Emissions 2016

SOCIAL

GRI 403-1 to 403-10 from GRI 403: Occupational Health and Safety 2018

GRI 405-1 to 405-2 from GRI 405: Diversity and Equal Opportunity 2016

GRI 408-1 from GRI 408: Child Labour 2016

GRI 409-1 from GRI 409: Forced or Compulsory Labour 2016

GRI 412-1 to 412-3 from GRI 412: Human Rights Assessment 2016

GRI 415-1 from GRI 415: Public Policy 2016

GRI 417-1 to 417-3 from GRI 417: Marketing and Labelling 2016

GRI and ETI Correspondence continued

GRI 101 Standard	Disclosure	Our response
101-1	Stakeholder inclusiveness	The way we do business and make decisions in support of our purpose and strategy can have an impact on people, both inside and outside the business. They can affect the communities, companies and other organisations we deal with or which are otherwise interested in what we do and how we do it. Our stakeholder groups, and how we engage with them, are covered in our Annual Report on pages 24-27.
101-2	Sustainability context	Both our Annual Report 2021 and Sustainability Report 2021 explain the context in which we operate. We present our performance according to our materiality matrix, activity towards our science-based targets, our purpose and strategy, the sustainability context of our business, reporting according to the UN Global Compact's 10 Principles, TCFD recommendations and GRI Standards, and our contribution to the UN's Sustainable Development Goals (SDGs).
101-3	Materiality	We base our materiality matrix on stakeholder engagement, the SASB Standards for Construction and the UN SDGs. Building on the process we put in place in 2020, we started with a review of materiality topics through desk research, analysis of industry issues, and feedback from stakeholders including customers and colleagues. A quantitative process was then taken to our ESG Committee, a group of 19 senior colleagues from different areas of the business, in order to review the positions of each materiality topic. This was followed by consultation with our Employee Voice Group.
101-4	Completeness	Our coverage of material topics is explained on page 10 along with our contribution to the UN SDGs.
101-5	Accuracy	We report on our performance clearly and transparently. BSI provide external third party verification of our carbon, energy, waste and water data for the year ended 31 December 2021. The verification report is available on our website.
101-6	Balance	By reporting against GRI Standards and using an ESG Data Sheet (on pages 4-5), we are aiming to give a balanced view of our progress and performance over three years. Presenting information this way enables stakeholders to assess performance year on year.
101-7	Clarity	Our sustainability journey is described in our Annual Report 2021 and on our website. In the Annual Report, we have identified our material issues and we have linked our progress to the UN SDGs. We have produced an ESG Data Sheet so stakeholders can view our progress over time, along with this Reporting Index to ensure we have covered all material topics according to the GRI Standards. Our approach to ESG and sustainability is outlined in our Annual Report 2021 on pages 50-69.
101-8	Comparability	We report against our external targets, though this only applies to sections in this report where targets have been communicated. We report against the UN Global Compact's 10 Principles and this year according to GRI Standards and TCFD recommendations in our Annual Report. Our ESG Data Sheet on pages 4-5 enables stakeholders to review our performance over three years.
101-9	Reliability	BSI were engaged to provide external third party verification of our carbon, energy, waste and water data for the year ended 31 December 2021. The verification report is available on our website.
101-10	Timeliness	This is the first time we have published our Sustainability Report according to GRI Reporting Standards. It is our intention to continue to report this way.

GRI 102	GRI standard	Disclosure	Location, notes, omissions
Organisational Profile	102-1	Name of the organisation	Marshalls plc
	102-2	Activities, brands, products, and services	Page 3 (SR)
	102-3	Location of headquarters	Landscape House, Premier Way, Lowfields Business Park, Elland HX5 9HT United Kingdom
	102-4	Location of operations	Our locations (WE) https://www.marshalls.co.uk/careers/our-locations
	102-5	Ownership and legal form	Full name: Marshalls plc Registered number: 5100353 Marshalls plc is public company listed on the London Stock Exchange
	102-6	Markets served	Stakeholder engagement – pages 24-27 (AR) Scope of operations – page 8 (SR)
	102-7	Scale of the organisation	Number of employees – pages 64 and 109 (AR) Number of operations – page 8 (SR) Net sales – pages 32-33 (AR)
	102-8	Information on employees and other workers	Total number of employees – pages 64 and 109 (AR) People – pages 64-67 (AR)

GRI 102	GRI standard	Disclosure	Location, notes, omissions
	102-9	Supply chain	Scope of operations – page 8 (SR) Supplier risk – pages 3-6 (AR) Number of suppliers – Page 8 (SR)
	102-10	Significant changes to the organisation and its supply chain	None in 2021
	102-11	Precautionary principle or approach	Protecting the environment – pages 48-51 (COC) Environment – pages 22-30 (SR)
	102-12	External initiatives	Active participant of the UN Global Compact – signatory since 2009 Member of Ethical Trading Initiative – member since 2006 Journey – pages 52-53 (AR) Engagement – pages 29-30 (SR)
	102-13	Membership of associations	Engagement – pages 29-30 (SR)
	102-14	Statement from senior decision-maker	CEO Q&A – pages 14-15 (AR) CEO Statement of Support for UN Global Compact – page 6 (SR)
Strategy	102-15	Key impacts, risks, and opportunities	Risk management and principal risks – pages 34-43 (AR) Sustainability materiality – page 54 (AR) Sustainability progress – pages 56-57 (AR)
	102-16	Values, principles, standards, and norms of behaviour	Code of Conduct (COC) Policies – WE https://www.marshalls.co.uk/sustainability/document-library Responsible business – pages 8-10 (SR) Human rights and labour – pages 11-17 (SR) Anti-corruption – page 26 (SR)
	102-17	Mechanisms for advice and concerns about ethics	Safecall – page 26 (SR) Serious Concerns Policy (WE) https://www.marshalls.co.uk/sustainability/document-library
Governance	102-18	Governance structure	Corporate Governance Statement – pages 72-83 (AR)
	102-19 to 102-39		Not required for core option
Stakeholder Engagement	102-40	List of stakeholder groups	Stakeholder engagement – pages 24-27 (AR)
	102-41	Collective bargaining agreements	Page 19 (SR)
	102-42	Identifying and selecting stakeholders	Stakeholder engagement – pages 24-27 (AR)
	102-43	Approach to stakeholder engagement	Stakeholder engagement – pages 24-27 (AR)
	102-44	Key topics and concerns raised	Stakeholder engagement – pages 24-27 (AR) Materiality matrix – page 54 (AR)
Reporting Practice	102-45	Entities included in the consolidated financial statements	Financial statements – page 117 (AR)
	102-46	Defining report content and topic boundaries	Materiality matrix – page 54 (AR) UNGC Communication on Progress – page 1 (SR)
	102-47	List of material topics	Materiality matrix – page 54 (AR)
	102-48	Restatements of information	Not applicable
	102-49	Changes in reporting	Materiality matrix – page 54 (AR)
	102-50	Reporting period	January to December 2021
	102-51	Date of most recent report	March 2021 (AR) and May 2021 (SR)
	102-52	Reporting cycle	Annual
	102-53	Contact point for questions regarding the report	Contacts – back page (SR)
	102-54	Claims of reporting in accordance with the GRI Standards	GRI Table – from page 31 (SR)
	102-55	GRI content index	GRI Table – from page 31 (SR)
	102-56	External assurance	External auditing of carbon, energy, water and waste data by BSI – page 29 (SR) Report available on our website https://www.marshalls.co.uk/sustainability/document-library

GRI and ETI Correspondence continued

Topic-specific standards

The following GRI aspects are material to our business: anti-corruption, anti-competitive behaviour, tax, energy management, water management, biodiversity, emissions, occupational health and safety, diversity and equality, child labour, forced or compulsory labour, human rights assessment, public policy, and marketing and labelling. This applies to our internal and external stakeholders.

When we review our materiality matrix next year, we will also review our disclosures to these standards.

Economic material topics	GRI standard	Disclosure	Location, notes, omissions
Economic performance	103-2	The management approach and its components	Our Annual Report 2021 explains how we manage financial performance and includes both financial and non-financial KPIs. Each division is responsible for monitoring and reporting economic performance against the strategy.
	103-3	Evaluation of the management approach	The Board, the Executive Committee and management teams at division level review economic performance, tracking key performance indicators and annual operating plans. Details of financial KPIs are in the Annual Report 2021.
	201-1	Direct economic value generated and distributed	Financial statements – pages 101-147 (AR)
	201-2	Financial implications and other risks and opportunities due to climate change	Risks and opportunities – pages 6-9 (CR) Response to TCFD – page 58 (AR)
	201-3	Defined benefit plan obligations and other retirement plans	Financial statements – pages 101-147 (AR)
	201-4	Financial assistance received from government	No assistance received in 2021
Anti-corruption	103-2	The management approach and its components	We have an Anti-Bribery Code and Code of Conduct pages 28-31 (COC) Both are available on our website
	103-3	Evaluation of the management approach	Training on anti-bribery and anti-corruption is carried out yearly on the Marshalls Learning Zone and is monitored.
	205-1	Operations assessed for risks related to corruption	Information unavailable.
	205-2	Communication and training about anti-corruption policies and procedures	Training – page 28 (SR)
	205-3	Confirmed incidents of corruption and actions taken	There were no staff disciplined or dismissed due to non-compliance with our anti-corruption policy in the reporting period.
Anti-competitive behaviour	103-2	The management approach and its components	Our Code of Conduct covers anti-competitive behaviour specifically and is available on our website - pages 26-27 (COC)
	103-3	Evaluation of the management approach	Training on our Code of Conduct is carried out on the Marshalls Learning Zone and is monitored.
	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	There have been no legal actions, pending or completed, in the reporting period.
Tax	103-2	The management approach and its components	Marshalls is concerned with being a good corporate citizen which includes paying the right amount of tax at the right time. We follow relevant legislation and case law and apply professional care and judgement in approaching tax compliance. Marshalls pays a significant amount of tax to local and national government.
	103-3	Evaluation of the management approach	Our approach to tax is outlined in our Tax Policy and we are Fair Tax accredited https://www.marshalls.co.uk/about-us/policies
	207-1	Approach to tax	Tax Policy (WE) https://www.marshalls.co.uk/about-us/policies
	207-2	Tax governance, control, and risk	Taxation – page 47 (AR)
	207-3	Stakeholder engagement and management of concerns related to tax	Tax Policy (WE) https://www.marshalls.co.uk/about-us/policies
	207-4	Country-by-country reporting	Tax Policy and subsidiary information (WE) https://www.marshalls.co.uk/about-us/policies



Environmental material topics	GRI standard	Disclosure	Location, notes, omissions
Energy management	103-2	The management approach and its components	Our Energy & Climate Change Policy sets out our approach to energy management. We recognise that good energy management is vital to the future of our business and it forms part of our management and operational procedures so that it is an everyday part of what we all do.
	103-3	Evaluation of the management approach	We have set our target for energy reduction and have committed to installing solar panels at every large manufacturing site. Our energy data is externally verified by BSI (verification report is available on our website).
	302-1	Energy consumption within the organisation	We report renewable and non-renewable energy consumption, over the last three years. Energy – page 61 (AR) and page 22 (SR)
	302-2	Energy consumption outside of the organisation	This forms part of our Scope 3 emissions, which we don't currently report.
	302-3	Energy intensity	Intensity – page 61 (AR)
	302-4	Reduction of energy consumption	Energy reduction – page 61 (AR)
	302-5	Reductions in energy requirements of products and services	Information unavailable
Water management	103-2	The management approach and its components	We are committed to better monitoring our water use, especially in areas of water stress. Our Environmental Policy sets out our approach to resource use more broadly.
	103-3	Evaluation of the management approach	We report water consumption and intensity. Our water data is externally verified by BSI (verification report is available on our website).
	303-1	Interactions with water as a shared resource	Not applicable
	303-2	Management of water discharge-related impacts	Information unavailable
	303-3	Water withdrawal	Information unavailable
	303-4	Water discharge	Information unavailable
	303-5	Water consumption	Page 23 (SR)
Biodiversity	103-2	The management approach and its components	Our Environmental Policy sets out our approach to resource use more broadly and we have committed to setting science-based targets for nature.
	103-3	Evaluation of the management approach	Our reporting focuses on our relationship with the RSPB, quarry restoration, biodiversity net gain and science-based targets for nature.
	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Information unavailable
	304-2	Significant impacts of activities, products and services on biodiversity	Page 27 (SR)
	304-3	Habitats protected or restored	Page 27 (SR)
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Information unavailable

GRI and ETI Correspondence continued

Social material topics	GRI standard	Disclosure	Location, notes, omissions
Emissions	103-2	The management approach and its components	Our Energy & Climate Change Policy sets out our approach to carbon emissions reduction. We have set science-based targets for our carbon reduction programme and we have committed to being net zero by 2030.
	103-3	Evaluation of the management approach	We have set both short and long term carbon reduction targets for Scopes 1 and 2, and we have a supplier target for Scope 3. We continue to report on our progress and in 2021 reported according to TCFD recommendations. Our carbon emissions data is externally verified by BSI (verification report is available on our website).
	305-1/ 305-2	Direct (Scope 1) and indirect (Scope 2) GHG emissions	Pages 20-21 (SR)
	305-3	Other indirect (Scope 3) GHG emissions	Information unavailable
	305-4	GHG emissions intensity	Page 21 (SR)
	305-5	Reduction of GHG emissions	Pages 20-21 (SR)
	305-6	Emissions of ozone-depleting substances	Information unavailable
	305-7	Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant air emissions	Information unavailable
Occupational health and safety	103-2	The management approach and its components	Our Health & Safety Policy applies to anyone who works for Marshalls, or is working on our premises. Our objectives and targets apply to both Marshalls employees and contractors working on Marshalls premises.
	103-3	Evaluation of the management approach	Health and safety is monitored closely and we report against health and safety targets - pages 68-69 (AR)
	403-1	Occupational health and safety management system	ESG data sheet – pages 4-5 (SR)
	403-2	Hazard identification, risk assessment and incident investigation	Marshalls has taken all reasonably practicable steps to ensure the health, safety and welfare of its employees and others we engage with in, or who are affected by, the day-to-day running of the business including a process to identify and report hazards and risks and to establish measures to adequately control and mitigate them.
	403-3	Occupational health services	Mental health and wellbeing – page 13 (SR)
	403-4	Worker participation, consultation, and communication on occupational health and safety	Employee engagement and mental health first aiders – pages 12-13 (SR)
	403-5	Worker training on occupational health and safety	Training – page 12 (SR)
	403-6	Promotion of worker health	Health and wellbeing – page 13 (SR)
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Information unavailable
	403-8	Workers covered by an occupational health and safety management system	ISO 45001 in ESG data sheet – pages 4-5 (SR)
	403-9	Work related injuries	Page 68 (AR) and page 12 (SR)
	403-10	Work-related ill health	Page 68 (AR) and page 12 (SR)
Diversity and equality	103-2	The management approach and its components	Our Diversity & Inclusion Policy sets out our approach to diversity and equality. More information on our DERI agenda can be found on page 65 (AR).
	103-3	Evaluation of the management approach	We report gender data and more recently we have started to collect more employee data. We are signatories to the UN's Women's Empowerment Principles (WEPS) and in 2021 were first time responders to Workforce Disclosure Initiative (WDI).
	405-1	Diversity of governance bodies and employees	Gender balance and pay – pages 109-111 (AR) People – pages 64-67 (AR)
	405-2	Ratio of basic salary and remuneration of women to men	Pages 109-111 (AR)

Social material topics	GRI standard	Disclosure	Location, notes, omissions
Child labour	103-2	The management approach and its components	Our Human Rights Policy and Children's Rights Policy set out our approach to child labour. We are members of the Ethical Trading Initiative and activity participant of the UN Global Compact.
	103-3	Evaluation of the management approach	In 2021, we took part in a series of events for the International Year for the Elimination of Child Labour and made an Action Pledge - page 4 (MSR).
	408-1	Operations and suppliers at significant risk for incidents of child labour	Pages 2-9 (MSRA) Modern Slavery Statement (WE) Children's Rights Policy Statement (WE) https://www.marshalls.co.uk/sustainability/document-library/Respecting People (WE) https://www.marshalls.co.uk/sustainability/respecting-people
Forced or compulsory labour	103-2	The management approach and its components	Our Human Rights Policy sets out our approach to forced or compulsory labour. We are members of the Ethical Trading Initiative and active participant of the UN Global Compact.
	103-3	Evaluation of the management approach	More information in our Modern Slavery Statement and Modern Slavery Report.
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Pages 2-9 (MSRA) Modern Slavery Statement (WE) Human Rights Policy (WE) https://www.marshalls.co.uk/sustainability/document-library/Respecting People (WE) https://www.marshalls.co.uk/sustainability/respecting-people
Human rights assessment	103-2	The management approach and its components	Our Human Rights Policy sets out our approach to human rights. We are members of the Ethical Trading Initiative and the UN Global Compact.
	103-3	Evaluation of the management approach	More information in MSRA and MSR.
	412-1	Operations that have been subject to human rights reviews or impact assessments	Pages 3-6 (MSRA)
	412-2	Employee training on human rights policies or procedures	Page 14 (MSS)
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Information unavailable
Public policy	103-2	The management approach and its components	Marshalls engages with the public sector, industry associations and a broad range of similar bodies. Our approach to political contributions is outlined on page 113 (AR).
	103-3	Evaluation of the management approach	Details of our engagement with other organisations is set out on page 30 (SR).
	415-1	Political contributions	No political contributions were made in 2021 - page 113 (AR).
Marketing and labelling	103-2	The management approach and its components	We believe in providing our customers with the information they need to make an informed buying decision. We have carbon footprints, which have been calculated by the Carbon Trust, for the majority of our products.
	103-3	Evaluation of the management approach	Our carbon footprints are currently being updated and we are working on developing Environmental Product Declarations (EPDs) for our customers as well as providing other product information.
	417-1	Requirements for product and service information and labelling	Our approach is to give product information via comprehensive data sheets (available on both domestic and commercial sections of our website) as well as carbon footprints.
	417-2	Incidents of non-compliance concerning product and service information and labelling	To the best of our knowledge, we have had no incidents of non-compliance with regulations resulting in a fine, a penalty or a warning.
	417-3	Incidents of non-compliance concerning marketing communications	To the best of our knowledge, we have had no incidents of non-compliance with regulations resulting in a fine, a penalty or a warning.

GRI and ETI Correspondence continued

Ethical Trading Initiative (ETI) Corporate Transparency Framework

Minimum requirements	Location, notes, omissions
Set out internal governance and accountability structures	Pages 6-8 (MSR)
Describe how you have identified and prioritised human rights risks in your operations or supply chains	Pages 6-11 (MSS)
Include a description of your supply chains, including the geographical spread of production and/or sourcing, and areas of highest risk; and a list of first-tier suppliers (the name, geographical location, and nature of supplier)	Pages 3-6 (MSRA) Partial disclosure
Report on risk assessments	Pages 10-11 (MSS)
Report on salient risks found and plans made to mitigate risk	Page 2 (MSS) Page 9 (MSRA)
Information in the public domain should describe your current knowledge, up to date within the year	Pages 1-18 (MSS) Pages 1-13 (MSRA) Pages 1-20 (MSR)
Good practice – as above, plus:	Location, notes, omissions
Publish policies specific to salient risks identified	Human Rights Policy, Children's Rights Policy, Modern Slavery Statement, International Year for the Elimination of Child Labour Action Pledge – all available on our website
Provide evidence of relevant stakeholder input, including workers' organisations, into human rights due diligence policies and practice analysis	Human Rights Policy, Children's Rights Policy Pages 1 and 13 (MSS)
Publish supply chain information relevant to identified salient risks, including relevant disaggregated data such as gender (e.g. the number of male/female workers), trade union presence (e.g. the number of unionised workplaces), etc	Information unavailable
Report on underlying causes of salient risks, and what actions have been taken, independently or with others, to address these	Pages 14-16 (MSR)
Report on internal efforts to address mitigation or remediation of salient risks and their impact.	Pages 14-16 (MSR)
Report on collaborative efforts to address mitigation or remediation of salient risks and their impact	Pages 14-16 (MSR) Page 13 (MSS)
Share third party evaluations of risk assessments and actions taken	Information unavailable
Set out forward looking objectives and KPIs with regards to human rights due diligence	Pages 15-16 (MSR)
Report on cases of harm identified and what remediation actions were taken. Be open and transparent about risks that are not well understood	Information unavailable
Best practice – as above, plus:	Location, notes, omissions
Provide evidence that human rights considerations have been mainstreamed into all relevant HR, purchasing, and sourcing policies and practices and across the business as a whole	Code of Conduct, Human Rights Policy, Children's Rights Policy, Procurement Policy
Publish an extended supply chain map demonstrating the depth and investigation undertaken into high-risk areas	Information unavailable
Share contributions from partnerships with civil society to identify and tackle risks	Pages 10-13 (MSR)
Publish a forward looking strategy on human rights due diligence	Pages 15-16 (MSR)
Review annual progress against forward looking objectives and KPIs, with evidence demonstrating their assessment as fit for purpose, and of impact on workers	Page 14 (MSR)
Share findings of third-party evaluations of organisational approach and recommendations	BRE 6002 Ethical Labour Sourcing accreditation
Report on lessons learned from actions taken	Information unavailable

Key

AR = Annual Report 2021	CR = Climate Report 2021
SR = Sustainability Report 2021	COC = Code of Conduct
MSRA = Modern Slavery Risk Analysis Report 2021	WE = Website
MSR = Modern Slavery Statement 2021	MSR = Modern Slavery Report 2021



Stakeholder Engagement

Marshalls would like to thank all of the internal and external stakeholders who had input into this report.

If you would like any information on where to find specific information or to give us some feedback, please contact us.



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