### PERFORMANCE SUMMARY

#### WELLBEING

<table>
<thead>
<tr>
<th>Category</th>
<th>Total Commitments</th>
<th>Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Healthy Food Products</td>
<td>13</td>
<td>2</td>
</tr>
<tr>
<td>Clothing &amp; Home Products</td>
<td>13</td>
<td>2</td>
</tr>
<tr>
<td>Colleague Wellbeing</td>
<td>13</td>
<td>2</td>
</tr>
<tr>
<td>Supply Chain Wellbeing</td>
<td>13</td>
<td>2</td>
</tr>
</tbody>
</table>

#### COMMUNITY

<table>
<thead>
<tr>
<th>Category</th>
<th>Total Commitments</th>
<th>Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Connecting with Communities</td>
<td>13</td>
<td>2</td>
</tr>
<tr>
<td>Skills and Employment</td>
<td>13</td>
<td>2</td>
</tr>
<tr>
<td>Inclusive Business</td>
<td>13</td>
<td>2</td>
</tr>
<tr>
<td>Human Rights</td>
<td>13</td>
<td>2</td>
</tr>
</tbody>
</table>

#### PLANET

<table>
<thead>
<tr>
<th>Category</th>
<th>Total Commitments</th>
<th>Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inspiring our Customers</td>
<td>13</td>
<td>2</td>
</tr>
<tr>
<td>Supply Chain GHG Emissions</td>
<td>13</td>
<td>2</td>
</tr>
<tr>
<td>Supply Chain Raw Materials</td>
<td>13</td>
<td>2</td>
</tr>
<tr>
<td>Refrigeration</td>
<td>13</td>
<td>2</td>
</tr>
<tr>
<td>Store climate adaptation</td>
<td>13</td>
<td>2</td>
</tr>
</tbody>
</table>

#### COMMITMENT PERFORMANCE SUMMARY

<table>
<thead>
<tr>
<th>Commitment Status</th>
<th>Total Commitments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not started</td>
<td>37</td>
</tr>
<tr>
<td>Not achieved</td>
<td>0</td>
</tr>
<tr>
<td>Behind plan</td>
<td>13</td>
</tr>
<tr>
<td>On plan</td>
<td>48</td>
</tr>
<tr>
<td>Achieved</td>
<td>2</td>
</tr>
</tbody>
</table>

** Assured by DNV GL
We believe that taking care of ourselves is the first step to helping the people around us. As a society, we need to re-balance our diet to eat more healthy food. It’s not only obesity that’s a challenge but what comes with it in terms of increased heart disease and type 2 diabetes.

**TARGET FOR HEALTHIER FOOD SALES BY 2022**

50%

**TARGET FOR DONATIONS TO WELLBEING CAUSES BY 2025**

£25m

**OUR GOAL**

IS TO HELP 10 MILLION PEOPLE LIVE HAPPIER, HEALTHIER LIVES

**HEADLINE TARGETS**

- By 2019, we’ll incentivise and reward our customers for making healthier choices.
- By 2022, 50% of our global Food sales will come from healthier products.
- By December 2018, M&S single serve portion sizes of snacks, confectionery and ice cream will contain no more than 250 calories.
- Between 2017 and 2025, we’ll help to make a positive difference to people who are affected by either cancer, heart disease, mental health, loneliness or dementia by helping to raise £25m for charities that support these causes.
- By 2022, we’ll enable our M&S colleagues worldwide to complete a health risk assessment, including health checks, where appropriate. We’ll use this data to tailor our interventions/advice and report annually on progress.

**IN THIS SECTION**

Healthy food products 13
Clothing & Home products 14
How we sell 14
Colleague wellbeing 15
Supply chain wellbeing 15
### IMPROVED INDULGENT FOOD**

**Aim**
By 2019, our indulgent M&S Food categories will have 20% fewer calories, saturated fat and total* sugar in total compared to 2017.

**Progress**
As of March 2018, we have reduced total calories by 4%, saturated fat by 7% and total sugar by 5% across the top 10 indulgent categories that contribute most to UK diets. This is based on a progressive measurement rolled-up from October 2016.

Examples of areas where we have achieved calorie reductions include a 13% reduction in single ice creams and a 12% reduction across our most popular café cakes.

However, we’re still in the process of developing our plans to reach these ambitious 20% reduction targets by 31 March 2019.

**TARGET CALORIE REDUCTION IN M&S FOOD BY 2019**

<table>
<thead>
<tr>
<th>Category</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>Healthy Food</td>
<td>20%</td>
</tr>
</tbody>
</table>

* Originally published as an ‘added’ in error.

### VEGETARIAN OPTIONS

**Aim**
By 2020, we’ll have grown a comprehensive range of vegetable-based protein convenient meal solutions and components for cooking.

**Progress**
As of April 2018, we have launched a new range of vegetable-based protein alternatives, including soya mince, soya chunks, marinated tofu and a tofu-based salad – none of which were available in our baseline year of 2016.

We have also relaunched our vegetarian range with 12 plant-based meat alternative dishes. We are still working with our suppliers and chefs to expand choice.

### DESTINATION OF CHOICE (FOOD)

**Aim**
By 2020, we’ll rationalise our number of health brands and simplify our on-pack messages in order to maintain M&S Food being the destination of choice for healthy food for our customers as shown by the overall results from nutritional benchmarking, number of healthy products within a category and market trends analysis.

**Progress**
This year, we’ve simplified our health brands and health offering by bringing them all together under the Eat Well sunflower logo. Our ‘Count on Us’ and ‘Balanced For You’ ranges focus on calorie management; other on-pack labelling highlights specific diet choices, such as vegetarian, vegan, gluten-free, vitamin D and no added sugar. As a result, we have removed other M&S health brands, such as Active Health and Guilt Free Snacking.

We continue to benchmark the nutritional content and health qualities of M&S food and drinks and use this information each time we review a product’s recipe.

82% of M&S Food meets the Department of Health’s 2017 salt targets and we have improved the nutritional content of benchmarked lines by increasing Eat Well choices and five-a-day content as well as offering vegetarian, vegan and gluten-free options.

We are still developing our plan to define and measure Destination of Choice.

### 50% HEALTHIER FOOD**

**Aim**
By 2022, 50% of our global Food sales will come from healthier products.

**Progress**
As of April 2018, 43% of M&S Food sales came from healthier products. This percentage excludes non-M&S brands, wine and hospitality lines, but includes any healthy or healthier food and drink product, such as those labelled as Eat Well.

### CALORIE-CAP SINGLE PORTION FOOD**

**Aim**
By December 2018, M&S single serve portion sizes of snacks, confectionery and ice cream will contain no more than 250 calories.

**Progress**
As of April 2018, 75% of our single serve port sizes of snacks, confectionery and ice cream will contain no more than 250 calories.

**Assured by DNV GL**
**PILLAR 1: WELLBEING CONTINUED**

### CLOTHING & HOME PRODUCTS

#### CLOTHING HEALTH ATTRIBUTES

**Aim**
By 2025, 20% of all M&S clothing will have a special Plan A health or wellbeing attribute (e.g. SkinKind™ accessories and specialist/adapted clothing).

**Progress**
We already have a small number of special Plan A health or wellbeing attributes. As of April 2018, 8% of the volume of M&S clothing items sold worldwide had one of these attributes.

#### FRANCHISE CONFECTIONERY TILLPOINTS

**Aim**
By 2021, we'll work with our franchise partners to remove confectionery from tillpoints in all key franchise partner operated M&S stores worldwide (excluding petrol station forecourts).

### HOW WE SELL

#### WELLBEING ADVICE TO CUSTOMERS

**Aim**
By 2020, we will extend our health and wellbeing advice to our customers to help them live happier, healthier lives.

**Progress**
This year, we've published more wellbeing advice for customers online, including blogs about alcohol consumption, the impact of processed foods, healthy food trends, and plant-based diet options. We’ve also conducted small trials of face-to-face Health MOT interviews in stores.

#### REWARDING CUSTOMERS (HEALTH)**

**Aim**
By 2019, we’ll incentivise and reward our customers for making healthier choices.

**Progress**
This year, we’ve developed a programme of future in-store and Sparks card activities to help people make healthier choices.

#### £25M FOR HEALTH CAUSES**

**Aim**
Between 2017 and 2025, we’ll help to make a positive difference to people who are affected by either cancer, heart disease, mental health, loneliness or dementia by helping to raise £25m for charities that support these causes.

**Progress**
This year we’ve supported a number of charities who address cancer, heart disease, mental health, loneliness or dementia, raising £7.4m towards our £25m target.

Fundraising activities included Breast Cancer Awareness Month, Fashion Targets Breast Cancer for Breast Cancer Now, Sparks Card donations and Charity Christmas cards.

For the eighth year running, M&S Cafés, Food Halls and Simply Foods stores participated in Macmillan Cancer Support’s World’s Biggest Coffee Morning, which together with activities throughout the year, raised £3.5m. This total included over £1.5m raised by our colleagues and Macmillan volunteers in our stores (last year £1.2m).

#### ANNUAL FUNDRAISING FOR MACMILLAN CANCER SUPPORT

**£3.5m**

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**See more** [https://corporate.marksandspencer.com/blog](https://corporate.marksandspencer.com/blog) **Assured by DNV GL**
PILLAR 1: WELLBEING CONTINUED

COLLEAGUE WELLBEING (ALSO A SALIENT HUMAN RIGHTS ISSUE)

COLLEAGUE WELLBEING FRAMEWORK

Aim
By 2019, we’ll launch an independently benchmarked retail industry leading health and wellbeing framework, providing support to M&S colleagues worldwide on physical and mental health as well as nutrition and wellbeing.

Progress
Since we launched this commitment, further research has shown that robust, independent benchmarks for retail industry wellbeing frameworks are not readily available. These could be established, but we believe it’s more important to focus our efforts on improving wellbeing outcomes for our colleagues. To reflect this change of emphasis and allow time for delivery, we’ve updated the wording of this commitment to read:

By 2020, we’ll launch an improved health and wellbeing framework, providing support to M&S colleagues worldwide on physical and mental health as well as social wellbeing.

COLLEAGUE HEALTH ASSESSMENT**

Aim
By 2022, we’ll enable our M&S colleagues worldwide to complete a health risk assessment, including health checks, where appropriate. We’ll use this data to tailor our interventions/advice and report annually on progress.

HEALTH & SAFETY DATA**

Aim
We will continue to report on our UK and ROI health and safety data and extend to owned international operations from 2020.

WELLBEING IN EMPLOYABILITY

Aim
By 2022, health and wellbeing learning and support will be included in all our employability programmes worldwide.

MENTAL HEALTH TRAINING

Aim
By 2022, we’ll offer training on mental health to M&S colleagues in our offices, stores and warehouses worldwide.

2017/18 UK AND ROI HEALTH AND SAFETY**

<table>
<thead>
<tr>
<th>RIDDOR injury rate per 100,000 employees</th>
<th>Fatal</th>
<th>Specified</th>
<th>Over 3 or 7 days</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>M&amp;S UK retail</td>
<td>0</td>
<td>25</td>
<td>130 (7)</td>
<td>155</td>
</tr>
<tr>
<td>2016/17 HSE UK retail benchmark</td>
<td>0.11</td>
<td>48</td>
<td>172 (7)</td>
<td>220</td>
</tr>
<tr>
<td>M&amp;S NI retail</td>
<td>0</td>
<td>74</td>
<td>148 (3)</td>
<td>222</td>
</tr>
<tr>
<td>M&amp;S ROI retail</td>
<td>0</td>
<td>38</td>
<td>193 (3)</td>
<td>231</td>
</tr>
<tr>
<td>M&amp;S warehouse</td>
<td>0</td>
<td>52</td>
<td>262 (7)</td>
<td>314</td>
</tr>
<tr>
<td>2016/17 HSE UK warehouse benchmark</td>
<td>1.42</td>
<td>325</td>
<td>1,252 (7)</td>
<td>1,577</td>
</tr>
</tbody>
</table>

** Assured by DNV GL

PROGRESS KEY

1 Not started
2 Not achieved
3 Behind plan
4 On plan
5 Achieved

SUPPLY CHAIN WELLBEING (ALSO A SALIENT HUMAN RIGHTS ISSUE)

FRANCHISE/SUPPLIER WELLBEING

Aim
By 2019, we’ll define our expectations on nutrition and physical and mental wellbeing for our franchise partners and direct suppliers and by 2022 launch a range of initiatives, including health checks where appropriate, to enable them to tailor their interventions and advice. We’ll report annually on progress.
We believe we can achieve more together than we can on our own. Throughout our 134 year history, we’ve supported our local communities. We know that working with our customers to support vibrant communities is essential for our own future success.

OUR GOAL IS TO HELP TRANSFORM 1,000 COMMUNITIES

HEADLINE TARGETS
– By 2020, in 10 locations we will have completed programmes that aim to secure meaningful economic, social and environmental benefits in the communities around our stores and beyond. We’ll build on our insights and roll out programmes in 100 further locations in the UK and internationally by 2023, then share our learnings with 1,000 locations by 2025.
– By 2025, 50% of our full line M&S operated stores and offices in the UK will have space available for community groups, charities and local interest groups to use.
– Between 2017 and 2025, we’ll support M&S colleagues worldwide to provide one million hours of work-time community volunteering.
– By 2025, we want all edible surplus food from M&S stores, key franchises and direct M&S Food suppliers worldwide to be diverted for human consumption.

IN THIS SECTION
Connecting with communities 17
Skills and employment 18
Inclusive business 19
Human rights 21

TARGET NUMBER OF HOURS OF PAID COLLEAGUE COMMUNITY VOLUNTEERING BY 2025
1m
PILLAR 2: COMMUNITY CONTINUED

CONNECTING WITH COMMUNITIES

ALL FOOD EATEN BY PEOPLE**

** Assured by DNV GL

** Aim By 2025, we want all edible surplus food from M&S stores, key franchises and direct M&S Food suppliers worldwide to be diverted for human consumption.

** Progress See the Food waste (reduction) commitment on page 31 for progress at UK M&S stores.

EDUCATION PARTNERSHIP

** Aim By 2020, we’ll launch an education programme in the UK in partnership with others to promote the importance of wellbeing, employability and sustainability in schools and colleges.

** Progress Having commissioned research, in 2018/19 we plan to develop content focused on selected aspects of health and wellbeing, employability and sustainability. This content will then be trialled in schools connected to our ‘Helping transform communities’ commitment. If successful we intend to make this content available to other schools and colleges in 2019/20.

VOLUNTEERING**

** Aim Between 2017 and 2025, we’ll support M&S colleagues worldwide to provide one million hours of work-time community volunteering.

** Progress In 2017/18, we provided at least 30,534 hours of work-time volunteering, including our Making Every Moment Special in the Community event, which was run across the UK and ROI in June 2017.

UK COMMUNITY SPACE**

** Aim By 2025, 50% of our full line M&S operated stores and offices in the UK will have space available for community groups, charities and local interest groups to use.

** Progress Our aim is that by 2025, around half of our larger stores in the UK will regularly provide space for the use of community groups, charities and local interest groups. We’ve started to research the best ways of providing this space and the number of M&S stores that already do so.

SUPPORTING LOCAL FUNDRAISING

** Aim Between 2017 and 2025, we aim for M&S operated and key franchise stores worldwide to make a positive difference to their local community by supporting local charities through fundraising, volunteering and product donations.

** Progress This year, 502 of our stores in the UK and ROI have adopted a charity of the year and helped to raise over £1m for local and national charities working in the local community. In addition, 514 stores have donated surplus food to local charities as well as contributing most of the 30,534 hours of work-time volunteering.

M&S stores in our joint venture in India also raised in excess of £40,000 supporting two main charities of CRY (Child Rights & You) and OGAAN Cancer Foundation.

HELPING TRANSFORM COMMUNITIES**

** Aim By 2020, in 10 locations we will have completed programmes that aim to secure meaningful economic, social and environmental benefits in the communities around our stores and beyond. We’ll build on our insights and roll out programmes in 100 further locations in the UK and internationally by 2023, then share our learnings with 1,000 locations by 2025.

** Progress This year, we’ve met representatives from communities to find out what they want us to achieve in their local area. There have been differences from one area to another, but it is clear that ‘education and employability’ and ‘social wellbeing’ should be our two priorities.

We’re now planning a series of trials to test different approaches.

“The kids are bored and they fight for something to do. They need something else to focus on.”

MEMBER OF THE COMMUNITY LIVERPOOL
TOWN CENTRE REGENERATION

**Aim**
By 2019, 200 of our retail managers will have taken a lead role in collaborations which aim to revitalise and secure lasting social benefits in city and town centre locations.

**Progress**
Building on the Business in the Community backed ‘Healthy High Streets’ programme, this year, 58 of our retail managers have played a hands-on, lead role, in collaborations to improve town and city centres. These include a wide range of activities to support the development of Business Improvement Districts (BIDs) across the UK.

COMMUNITY DONATIONS**

**Aim**
We will report annually on our community donations and amounts raised with support from customers and suppliers.

**Progress**

<table>
<thead>
<tr>
<th></th>
<th>2016/17 £m</th>
<th>2017/18 £m</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>10.6</td>
<td>*5.9</td>
<td>-44</td>
</tr>
<tr>
<td>Time</td>
<td>1.8</td>
<td>1.2</td>
<td>-33</td>
</tr>
<tr>
<td>In-kind</td>
<td>6.2</td>
<td>6.5</td>
<td>+5</td>
</tr>
<tr>
<td>Total</td>
<td>18.6</td>
<td>13.6</td>
<td>-27</td>
</tr>
</tbody>
</table>

Leveraged (additional funds raised from other sources as a result of M&S activities): 79 £m *12.1 +53

* Carrier bag proceeds for 2017/18 have moved to leveraged in line with new London Benchmarking Group guidance and include funds used to support key M&S community activities.

SOCIAL DIVIDEND

**Aim**
By 2019, we’ll develop an approach for calculating and accounting for the financial and non-financial support enabled by M&S and the associated benefits to society. We’ll then measure and report on our performance on an annual basis.

M&S ENERGY

**Aim**
By 2025, M&S Energy will help at least 200 communities to reduce their carbon footprint through the installation of renewable energy generation or energy efficiency measures, including battery storage.

**Progress**
In 2017/18, the M&S Energy Community Energy Fund supported low-carbon energy installations in 26 communities across the UK. Over 130,000 people voted for their favourite projects including two competing schemes in Greater Manchester, each registering over 6,000 votes.

The winners included a range of projects to install solar pv panels and LED lighting, as well as a new asphalt surface made using waste plastic. In total, projected greenhouse gas emission savings are around 222 tonnes a year.

**Read more** on M&S Energy Fund winners

COMMUNITY ENTREPRENEUR AWARD

**Aim**
By 2019, we’ll launch an annual Community Business Competition to support and recognise local community entrepreneurs who bring positive benefits to society. We’ll report annually on progress.

FOOD ARTISAN STRATEGY

**Aim**
By 2019, we’ll launch a strategy to support growing artisan and smallholder producers in the M&S Food supply chain.

**SKILLS GAP RESEARCH**

**Aim**
From 2019, we’ll undertake regular research to understand the current and future labour market skills gaps for our business. We’ll then provide an annual update on our actions.

**Progress**
In 2018/19, we plan to collate wide-ranging research on skills gaps in the labour market and analyse how current trends will impact M&S. We will then develop responses.

**NEXT GENERATION TECHNOLOGIES**

**Aim**
By 2020, we’ll complete collaborative research into the likely employment impacts of next generation technologies. We’ll then provide an annual update on our actions to prepare our people for the future, whether they work for M&S or other employers.
**INTERNATIONAL MARKS & START**

**Aim**
By 2019, we aim to have an employability programme in all countries where we have M&S operated stores and will report on our progress of launching programmes in countries where we have franchised stores.

**Progress**
As of 31 March 2018, we have employability programmes available in the UK and ROI, Greece, Czech Republic and our joint-venture in India.

In addition, we’ve also supported a similar scheme with our franchise partners in Hong Kong.

---

**SKILLS AND EMPLOYMENT**

**CONTINUED**

**INTERNATIONAL MARKS & START**

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By 2019, we aim to have an employability programme in all countries where we have M&S operated stores and will report on our progress of launching programmes in countries where we have franchised stores.

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---

**UK AND ROI EMPLOYEE TURNOVER**

<table>
<thead>
<tr>
<th></th>
<th>2016/17</th>
<th>2017/18</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>17%</td>
<td>17%</td>
<td></td>
</tr>
<tr>
<td>Unplanned</td>
<td>11%</td>
<td>11%</td>
<td></td>
</tr>
</tbody>
</table>

**GLOBAL EMPLOYEE YOUR SAY SURVEYS RESULTS**

<table>
<thead>
<tr>
<th></th>
<th>2016/17</th>
<th>2017/18</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participation</td>
<td>80%</td>
<td>81%</td>
<td>+1</td>
</tr>
<tr>
<td>Engagement score</td>
<td>80%</td>
<td>82%</td>
<td>+2</td>
</tr>
<tr>
<td>Plan A score</td>
<td>82%</td>
<td>78%</td>
<td>-4</td>
</tr>
</tbody>
</table>

From 2017/18 onward, we will be using new indices to measure employee experience: Empowerment (84%) and Enablement (78%). We will report progress against these new indices from next year.

---

**UK AND ROI EMPLOYEE TURNOVER**

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<table>
<thead>
<tr>
<th></th>
<th>2016/17</th>
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<th>% change</th>
</tr>
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<tr>
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**GLOBAL EMPLOYEE YOUR SAY SURVEYS RESULTS**

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</tr>
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</table>

From 2017/18 onward, we will be using new indices to measure employee experience: Empowerment (84%) and Enablement (78%). We will report progress against these new indices from next year.

---

**RETAIL ACCESSIBILITY BENCHMARK**

**Aim**
By 2022, we’ll undertake regular benchmarking to ensure we have the most accessible and inclusive retail proposition in store and online.

We’ll aim to extend this approach to our international locations from 2023.

**Progress**
We’ve developed a project plan and are currently scoping research into consumer expectations about accessibility and inclusion, and into how these can be benchmarked.

While working on this new programme, we’ve maintained our commitment to the DisabledGo disability store access checker.

---

**INCLUSIVE BUSINESS (ALSO A SALIENT HUMAN RIGHTS ISSUE)**

**Aim**
By 2022, we’ll undertake regular benchmarking to ensure we have the most accessible and inclusive retail proposition in store and online.

We’ll aim to extend this approach to our international locations from 2023.

**Progress**
We’ve developed a project plan and are currently scoping research into consumer expectations about accessibility and inclusion, and into how these can be benchmarked.

While working on this new programme, we’ve maintained our commitment to the DisabledGo disability store access checker.

---

**INCLUSIVE DESIGN STANDARDS**

**Aim**
Between 2020 and 2025, we’ll implement new Inclusive Design Standards to ensure M&S Food and Clothing & Home products and packaging are accessible to and usable by as many people as possible. These new Inclusive Design Standards will be created by a detailed review to be published in 2019.

---

**INCLUSION STRATEGY**

**Aim**
By 2019, we’ll launch an independently endorsed retail industry leading inclusion strategy that is locally relevant for our business, franchise partners and supply chain.

**Progress**
We’re creating an internal diversity and inclusion group to help shape a new M&S Inclusion Strategy. The group will include representatives from across M&S and independent specialists will also be invited to make contributions to its work. The group will focus on addressing local needs across our business.
INCLUSIVE BUSINESS (ALSO A SALIENT HUMAN RIGHTS ISSUE) CONTINUED

DIVERSITY

Aim
By 2025, we want M&S workforces to reflect the diversity of each region in which we operate. We’ll report on progress from 2019.

Progress
This year, we were again recognised in the Times Top 50 Employers for Women (eight years running). We run four employee-led networks on gender, ethnicity (BAME), sexual orientation (LGBT) and health conditions. This year, we also held our second Diversity and Inclusion festival, engaging thousands of colleagues across M&S.

M&S GROUP GENDER DIVERSITY
(including M&S operated locations and joint-ventures)

<table>
<thead>
<tr>
<th></th>
<th>Women employees</th>
<th>Women managers</th>
<th>Women store managers</th>
<th>Women in senior management</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>72%</td>
<td>63%</td>
<td>48%</td>
<td>42%</td>
</tr>
<tr>
<td>2017</td>
<td>72%</td>
<td>61%</td>
<td>48%</td>
<td>41%</td>
</tr>
</tbody>
</table>

* Management is defined as people with first line supervisory responsibilities or professional and technical specialists.

M&S UK AND ROI WORKFORCE GENDER DIVERSITY

<table>
<thead>
<tr>
<th></th>
<th>Women employees</th>
<th>Women managers*</th>
<th>Women store managers</th>
<th>Women in senior management</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>73%</td>
<td>63%</td>
<td>49%</td>
<td>42%</td>
</tr>
<tr>
<td>2017</td>
<td>72%</td>
<td>62%</td>
<td>49%</td>
<td>41%</td>
</tr>
</tbody>
</table>

* Management is defined as people with first line supervisory responsibilities or professional and technical specialists.

M&S UK WORKFORCE ETHNIC DIVERSITY

<table>
<thead>
<tr>
<th></th>
<th>Employees from ethnic minority backgrounds</th>
<th>Managers from ethnic minority backgrounds*</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>11%</td>
<td>13%</td>
</tr>
<tr>
<td>2017</td>
<td>11%</td>
<td>13%</td>
</tr>
</tbody>
</table>

* Management is defined as people with first line supervisory responsibilities or professional and technical specialists.

M&S UK AND ROI WORKFORCE AGE AND EXPERIENCE

<table>
<thead>
<tr>
<th>% of total UK workforce</th>
<th>Employees aged 25 years and under</th>
<th>Employees aged 50 years and over</th>
<th>Employees aged 60 years and over</th>
<th>Employees aged 65 years and over</th>
<th>Employees with over 11 years' service</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>23%</td>
<td>39%</td>
<td>13%</td>
<td>5%</td>
<td>32%</td>
</tr>
<tr>
<td>2017</td>
<td>23%</td>
<td>37%</td>
<td>12%</td>
<td>4%</td>
<td>29%</td>
</tr>
</tbody>
</table>

All data as of March 2018.

SENIOR MANAGEMENT DIVERSITY

Aim
By 2022, we aim to have 50% female and at least 15% BAME (Black, Asian, and Minority Ethnic) representation on the M&S senior management team.

Progress
As of 31 March 2018, 42% of senior management are women. As we’re still developing our plans this commitment is Behind plan.

COLLEAGUE SOCIAL MOBILITY

Aim
By 2020, we’ll measure the socio-economic and educational background of our global M&S employee base and establish a target to improve our social mobility by 2025.

GENDER EQUALITY PROGRAMME

Aim
By 2019, we’ll help advance women’s human rights and combat gender discrimination by launching programmes and initiatives that promote gender equality and women’s empowerment in our business and supply chains.

Progress
Our new Inclusion Strategy will address gender equality (see our commitment on Inclusion Strategy). We also supported supply chain programmes including the Business for Social Responsibility HerProject which benefited over 18,000 women last year and the Emerging Leaders programme. While these programmes will continue at the same level in 2018/19, no further initiatives are planned to be launched, making us Behind plan.
COLLEAGUE GENDER PAY GAP**

Aim
We’ll aim to reduce the non-demographic gender pay gap within M&S in the UK (this is the gap adjusted for different gender demographic by grade and the impact of disproportionately high female numbers in our retail operation) by at least 10% by 2020 and by 25% by 2025 compared to 2017.

Progress
The gender pay gap is the difference between the average hourly rates paid to men and women across the UK. In March 2018, we published our first gender gap data for our UK employees:

<table>
<thead>
<tr>
<th></th>
<th>2017 M&amp;S UK</th>
<th>Retail sector* UK*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median (or mid-point) pay gap</td>
<td>3.3%</td>
<td>9.3%</td>
</tr>
<tr>
<td>Mean (or average) pay gap</td>
<td>12.3%</td>
<td>16.4%</td>
</tr>
<tr>
<td>Non-demographic (equal numbers of men and women at all levels) pay gap</td>
<td>1.5%</td>
<td></td>
</tr>
</tbody>
</table>

* Based on estimates from the Office for National Statistics.

Our gender pay gap is largely attributable to the fact that more of our customer assistants are women than men, while the reverse is true of our senior management roles.

HUMAN RIGHTS (GOVERNANCE AND MANAGING SALIENT ISSUES)

OXFAM HUMAN RIGHTS PROGRAMME**

Aim
We’ll enter into a new collaboration with Oxfam over three years focusing on the UK and India to develop a deeper understanding of the connection between our sourcing practices and our human rights impacts. Oxfam will report the findings independently, while M&S will develop a programme of actions and report annually on our progress from 2018.

Progress
This collaboration will focus on our Food suppliers in the UK and Footwear suppliers in India. At the request of Oxfam, the timetable has been delayed for four months. This means that Oxfam’s final report has been re-scheduled for early 2020 and this may delay our own progress report.

RAISING HUMAN RIGHTS CONCERNS

Aim
By 2019, we’ll put in place mechanisms to make human rights complaints or raise concerns, which are accessible to all individuals and communities connected with our business. From 2020, we’ll report annually on the use and performance of these mechanisms.

Progress
We’ve re-launched our grievance reporting, which includes human rights, with plans to improve processes for logging human rights concerns, tracking how they’re handled, training our colleagues and giving better guidance to suppliers and business partners. This will allow us to start reporting publicly from 2020 but we’re currently behind where we’d planned to be.
**FRANCHISE REWARD FORUMS**

**Aim**
From 2018, we’ll run Reward Forums for key franchise and third-party operators to set out our approach to delivering higher rates of pay in the UK based around paying the living wage in a sustainable way.

**Progress**
In April 2018, we ran the first Reward Forum to share experiences on pay and the living wage with some of our key UK franchise partners. We intend to hold further Reward Forums, if required, as our approach develops.

---

**HUMAN RIGHTS (GOVERNANCE AND MANAGING SALIENT ISSUES)** continued

**ANTI-SLAVERY**

**Aim**
We will further our work to eradicate modern slavery. By 2018, we will report annually on scaling-up responsible recruitment and better management of third-party labour providers as well as our progress towards ensuring no worker pays for a job.

**Progress**
This commitment forms part of our mandatory annual statement on modern slavery.

---

**SUPPLIER WORKER PAYMENTS**

**Aim**
By 2020, all workers in our first-tier Food and Clothing & Home manufacturing sites will have the opportunity to be paid digitally.

**Progress**

---

**SUPPLIER WORKER REPRESENTATION**

**Aim**
By 2020, we’ll carry out and publish a review of the effectiveness of workers’ representation arrangements for enabling improved workers’ rights, within our Food and Clothing & Home first-tier manufacturing supply chain. We’ll develop a programme of actions and report annually on our progress.

---

**SUPPLIER FEEDBACK**

**Aim**
By 2019, we’ll develop and launch a mechanism that enables all M&S Food suppliers and raw material suppliers to report transparently on their experience of working with M&S and for M&S to report on steps taken to improve our score.

---

**SUPPLIER ETHICAL AUDITS**

**Aim**
By 2019, we’ll work with others to review and implement ethical assessment methodologies that drive better outcomes for workers in our supply base and report annually on our progress.

**Progress**
We’re working with a specialist consultancy to review different types of ethical assessment methodologies with the aim of identifying an improved range of assessment tools.

---

**GLOBAL COMMUNITY PROGRAMME**

**Aim**
Between 2017 and 2025, our Global Community Programme will benefit one million people in our supply chain communities by working in partnership with others to help build livelihoods, protect the environment and improve wellbeing focusing on our areas of biggest human rights and environmental impact.

**Progress**
Last year, the programme operated in nine countries covering subjects such as health, finance, farming techniques and gender equality. While we believe that this plan can scale-up to meet our eventual target, we are not currently able to quantify the number of beneficiaries.

---

**IN-WORK POVERTY**

**Aim**
By 2019, we’ll carry out and publish a detailed review of our potential impact on in-work poverty and develop a programme of transformative interventions to improve livelihoods in our business and supply chains, enabling progress on our living wage commitments and demonstrating sector leadership. We’ll report annually on progress.

**Progress**
We held a roundtable meeting to create ‘pen-picture’ examples of how in-work poverty occurs in our operations and supply chains. For UK employees, we’ve started work on a financial education micro-site with the first section, about borrowing money, to be launched in 2018/19. We are also reviewing options for programmes to address in-work poverty in our supply chains. As these supply chain programmes still need to be implemented and we have yet to extend support to our international M&S employees and demonstrate sector leadership, this commitment is considered as being Behind plan.

---

**LIVING WAGE**

**Aim**
By 2025, we’ll aim for a living wage for all our direct employees as set by us and reviewed by credible stakeholders in a way that is sustainable for M&S and demonstrate how we’ve encouraged our key franchises and direct supply chains to do the same.
### HUMAN RIGHTS (GOVERNANCE AND MANAGING SALIENT ISSUES) CONTINUED

**M&S FOOD SUPPLIER ETHICAL AUDITS 2017/18**
All direct M&S Food suppliers and our most important raw material suppliers are required to undertake ethical audits at a frequency determined by risk.

<table>
<thead>
<tr>
<th>Continent</th>
<th>Supplier sites</th>
<th>Audited supplier sites</th>
<th>Workers at supplier sites</th>
<th>Audits</th>
<th>Improvements required</th>
<th>Improvements required per audit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td>31</td>
<td>7</td>
<td>15,350</td>
<td>7</td>
<td>25</td>
<td>3.6</td>
</tr>
<tr>
<td>Asia</td>
<td>24</td>
<td>24</td>
<td>43,669</td>
<td>26</td>
<td>109</td>
<td>4.2</td>
</tr>
<tr>
<td>Europe</td>
<td>962</td>
<td>251</td>
<td>233,677</td>
<td>264</td>
<td>1,124</td>
<td>4.3</td>
</tr>
<tr>
<td>North America</td>
<td>19</td>
<td>0</td>
<td>4,980</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Oceania</td>
<td>32</td>
<td>0</td>
<td>30,777</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>South America</td>
<td>28</td>
<td>6</td>
<td>7,980</td>
<td>6</td>
<td>32</td>
<td>5.3</td>
</tr>
<tr>
<td>Total</td>
<td>1,123</td>
<td>288</td>
<td>336,433</td>
<td>303</td>
<td>1,290</td>
<td>4.3</td>
</tr>
</tbody>
</table>

**TYPES OF IMPROVEMENT REQUIRED**

<table>
<thead>
<tr>
<th></th>
<th>% to total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Health and safety</td>
<td>49</td>
</tr>
<tr>
<td>2 Working hours</td>
<td>12</td>
</tr>
<tr>
<td>3 Regular employment</td>
<td>8</td>
</tr>
<tr>
<td>4 Wages</td>
<td>11</td>
</tr>
<tr>
<td>5 Other</td>
<td>20</td>
</tr>
</tbody>
</table>

**M&S CLOTHING & HOME SUPPLIER ETHICAL AUDITS 2017/18**
All direct M&S Clothing & Home suppliers are required to undertake ethical audits at a frequency determined by risk.

<table>
<thead>
<tr>
<th>Continent</th>
<th>Supplier sites</th>
<th>*Audited supplier sites</th>
<th>Workers at supplier sites</th>
<th>*Audits</th>
<th>*Improvements required</th>
<th>Improvements required per audit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td>17</td>
<td>13</td>
<td>12,907</td>
<td>15</td>
<td>76</td>
<td>5.1</td>
</tr>
<tr>
<td>Asia</td>
<td>956</td>
<td>566</td>
<td>653,852</td>
<td>679</td>
<td>2,181</td>
<td>3.2</td>
</tr>
<tr>
<td>Europe</td>
<td>297</td>
<td>130</td>
<td>68,068</td>
<td>144</td>
<td>524</td>
<td>3.6</td>
</tr>
<tr>
<td>North America</td>
<td>3</td>
<td>1</td>
<td>1,077</td>
<td>1</td>
<td>4</td>
<td>4.0</td>
</tr>
<tr>
<td>Oceania</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>South America</td>
<td>1</td>
<td>1</td>
<td>10</td>
<td>1</td>
<td>5</td>
<td>5.0</td>
</tr>
<tr>
<td>Total</td>
<td>1,274</td>
<td>711</td>
<td>735,914</td>
<td>840</td>
<td>2,790</td>
<td>3.3</td>
</tr>
</tbody>
</table>

*Figures lower than last year due to a transition to a longer audit window of 3 months.

**PROGRESS KEY**

1. Not started
2. Not achieved
3. Behind plan
4. On plan
5. Achieved
OVERVIEW

PLAN A WELLBEING COMMUNITY PLANET ABOUT PLAN A FRAMEWORKS AND ASSURANCE

PLANET

We believe that we should leave the planet better than we found it. We aim to offer our customers the great value, high quality products and services they expect from us while also caring for the environment on which we all depend.

OUR GOAL
IS TO BECOME A ZERO-WASTE BUSINESS

HEADLINE TARGETS
- By 2020, 100% of M&S products will have at least one Plan A attribute and by 2025 every product will have attributes which address all priority social, ethical and environmental impacts.
- By 2022, all M&S product packaging in the UK that could end up with our customers will be not only ‘recyclable’, but ‘widely recycled’. To achieve this, we will actively collaborate with others to bring about changes in local government recycling policy. By 2022, we will also assess the feasibility of making all M&S plastic packaging from one polymer group, which will help maximise the use of recycled content.
- By 2025, the 50 key raw materials used for M&S products will come from sources verified as respecting the integrity of ecosystems, the welfare of animals and the wellbeing of people and communities. This will cover over 80% of M&S raw material usage by volume.

IN THIS SECTION
Inspiring our customers 25
M&S greenhouse gas emissions 27
Energy consumption and sourcing 28
Refrigeration 29
Store climate adaptation 30
Supply chain greenhouse gas emissions 30
Zero waste in M&S operations 31
Supply chain raw materials 32
Suppliers 34
PILLAR 3: PLANET CONTINUED

INSPIRING OUR CUSTOMERS

PRODUCT PLAN A ATTRIBUTES**

- **Aim**: By 2020, 100% of M&S products will have at least one Plan A attribute and by 2025 every product will have attributes which address all priority social, ethical and environmental impacts.

- **Progress**: As of April 2018, based on the volume of items sold worldwide, 83% of M&S products have at least one Plan A attribute (last year 79%). This includes 84% of M&S Food products (last year 81%) and 75% of M&S Clothing & Home products (last year 68%).

M&S PRODUCTS WITH AT LEAST ONE PLAN A ATTRIBUTE

- **Food**: 84% (+3%)
- **Clothing & Home**: 75% (+7%)

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SUPPLY CHAIN TRANSPARENCY**

- **Aim**: We’ll become even more transparent about how we operate. We aim to add further Food and Clothing & Home supply chain details by 2019 and details of raw materials suppliers by 2022. We’ll ensure all information can be easily viewed by our customers in-store or online worldwide by 2025.

- **Progress**: This year, we launched new online content, including information about our Food Animal Welfare performance, data on our suppliers’ usage of antibiotics in agriculture, and the locations of M&S Milk Pool farms.

LABELLED SUSTAINABLE PRODUCTS

- **Aim**: By 2019, we’ll develop and launch a mechanism enabling products that meet certain sustainability criteria to be clearly labelled, helping customers worldwide identify these products in-store or online.

- **Progress**: We’ve developed a project to map our Plan A product attributes against the issues that are most important to our customers and the relevant ways of communicating them at the point of purchase.

REWARD CUSTOMERS (SUSTAINABILITY)

- **Aim**: By 2022, we’ll incentivise and reward our customers for making more sustainable choices.

RECYCLABLE PACKAGING**

- **Aim**: By 2022, all M&S product packaging in the UK that could end up with our customers will be not only ‘recyclable’, but ‘widely recycled’. To achieve this, we will actively collaborate with others to bring about changes in local government recycling policy. By 2022, we will also assess the feasibility of making all M&S plastic packaging from one polymer group, which will help maximise the use of recycled content.

M&S food packaging

** Assured by DNV GL
CLOTHING REUSE AND RECYCLING**

Aim
Between 2017 and 2025, we’ll help customers around the world give clothes a second life, by facilitating the collection of at least three million garments a year for reuse and recycling.

Progress
It’s now over 10 years since we launched our first clothing re-use and recycling scheme in January 2008.

In that time, we’ve helped our customers to donate over 30 million used garments.

In 2017/18, our customers donated 3.1 million garments, mainly through our UK and ROI Shwopping partnership with Oxfam.

Men’s Shwop suit made from recycled materials

DONATED GARMENTS SINCE 2008

30m

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CLOTHING & HOME REPAIR SERVICES

Aim
By 2022, we’ll introduce a range of repair services for M&S Clothing & Home products.

CLOTHING & HOME CIRCULAR ECONOMY STANDARDS

Aim
Between 2020 and 2025, we’ll implement new circular economy standards to ensure that M&S Clothing & Home products are made to last and can be reused or recycled in the most effective way. These new circular economy standards will be documented in a detailed review to be published in 2019.

FOOD WASTE (HOUSEHOLD TOP 10)

Aim
By 2022, we’ll introduce messaging and implement relevant design changes to our top 10 most wasted food products (as defined by WRAP) to help our customers prevent food waste in the home.

Progress
Working with WRAP (Waste Resources Action Programme) we’ve identified the top 10 most wasted food products that we sell. These include bread, potatoes, milk, drinks, poultry, meat and cakes. We’ve also held a workshop and started to identify actions we could take to help customers reduce food waste in their homes.

CLOTHING & HOME RECYCLED MATERIALS

Aim
By 2025, at least 25% (by volume) of M&S Clothing & Home products will be made using at least 25% reused or recycled materials.

FOOD WASTE (DIGITAL CAMPAIGN)

Aim
By 2019, we’ll develop a digital strategy and campaign to engage customers on the value of food.

Progress
We are developing digital content, including films, to highlight the care and attention that goes into producing a range of ingredients for M&S Food. We plan to make these available in the UK on various digital platforms. We will then assess how they influence customers’ opinions about the value of M&S Food.
PILLAR 3: PLANET CONTINUED

M&S PLAN A REPORT 2018

OVERVIEW
PLAN A
WELLBEING
COMMUNITY
PLANET
ABOUT PLAN A
FRAMEWORKS AND ASSURANCE

M&S GREENHOUSE GAS EMISSIONS

SCIENCE-BASED TARGET EMISSIONS**

Aim
By 2030, in line with climate science, we aim to reduce greenhouse gas emissions from M&S operations worldwide by 80% compared to 2006/07, en route to a 90% reduction by 2035.

CARBON NEUTRAL OPERATIONS**

Aim
We’ll maintain carbon neutrality for our worldwide operations up to at least 2025. We will develop a strategy to ensure that by 2022, participants of our supply chain can benefit from our carbon credit purchases.

Progress
To the best of our knowledge, we’re still the only major retailer in the world with carbon neutral global operations, achieved and maintained by using a combination of reductions, procuring renewable energy, and purchasing and retiring high quality carbon offsets. As a signatory to the United Nation’s Climate Neutral Now initiative, we procured 10% of the offsets retired for 2017/18, through the Clean Development Mechanism (CDM) process. For more information see: climateneutralnow.org.

In 2017/18, our location method emissions were 430,000 tonnes CO₂e, down by 33% on 2006/07 (640,000 tonnes CO₂e). Around 30,000 tonnes of the reduction achieved in 2017/18 was due to the further lowering of UK grid factors.

Our market method emissions were 157,000 tonnes CO₂e, down by 75% on 2006/07 (640,000 tonnes CO₂e), putting us in a strong position to achieve our science-based target reduction of 80% by 2030.

You can find full disclosure of M&S climate risks by registering as a user at cdp.net.

More detailed data by source covering several years can also be accessed here.

** Assured by DNV GL

M&S GROUP CO₂ EMISSIONS

<table>
<thead>
<tr>
<th></th>
<th>Plan A baseline</th>
<th>Last year</th>
<th>This year</th>
<th>Achievement on 2006/07</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOCATION METHOD (USING NATIONAL GRID AVERAGES)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct emissions from operations (SCOPE 1)</td>
<td>246</td>
<td>185</td>
<td>182</td>
<td>-26%</td>
</tr>
<tr>
<td>Indirect energy emissions from operations (SCOPE 2)</td>
<td>394</td>
<td>293</td>
<td>248</td>
<td>-37%</td>
</tr>
<tr>
<td>Total of scope 1 and scope 2 emissions</td>
<td>640</td>
<td>478</td>
<td>430</td>
<td>-33%</td>
</tr>
<tr>
<td>Total location method emissions per 1,000 sq ft of sales floor</td>
<td>40</td>
<td>24</td>
<td>23</td>
<td>-43%</td>
</tr>
<tr>
<td>MARKET METHOD (USING CONTRACTED ENERGY SUPPLIES AND OTHER INSTRUMENTS)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct emissions from operations (SCOPE 1)</td>
<td>246</td>
<td>173</td>
<td>157</td>
<td>-36%</td>
</tr>
<tr>
<td>Indirect energy emissions from operations (SCOPE 2)</td>
<td>394</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Total of scope 1 and scope 2 emissions</td>
<td>640</td>
<td>173</td>
<td>157</td>
<td>-75%</td>
</tr>
<tr>
<td>Total market method emissions per 1,000 sq ft of sales floor</td>
<td>40</td>
<td>9</td>
<td>8</td>
<td>-80%</td>
</tr>
<tr>
<td>CARBON NEUTRALITY</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carbon offsets purchased and retired</td>
<td>0</td>
<td>173</td>
<td>157</td>
<td></td>
</tr>
<tr>
<td>Total net emissions</td>
<td>640</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Total net emissions per 1,000 sq ft of sales floor</td>
<td>40</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

Emissions are shown in compliance with the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard Revised and have been calculated using revised carbon conversion factors published by BEIS in August 2017. For international electricity, 2017 IEA Scope 2 factors have been used. Additional refrigeration gases are drawn from Bitzer Report 19. This includes all activities where we have operational control. It excludes all non-metered premises and shopping service contract supplies. Renewable electricity tariffs have been calculated in accordance with the March 2015 WRI/WBCSD GHG Scope 2 Guidance on procured renewable energy. We have also added a conservatively estimated 2006/07 baseline for our international operations based on 2013/14 data. Scope 3 emissions shown in previous years are now included in our new Science-Based Target Footprint commitment.

** Assured by DNV GL

PROGRESS KEY

1. Not started
2. Not achieved
3. Behind plan
4. On plan
5. Achieved

90%
UK AND ROI ENERGY EFFICIENCY**

** Aim  
By 2020, we aim to improve energy efficiency in M&S operated stores, offices and warehouses in the UK and ROI by 50% compared to 2006/07, rising to 60% by 2025.

** Progress  
This year, total energy efficiency across our stores, offices and warehouses was up 40%, to 34.4 KWhs/sq ft, compared with 2006/07 (57.4 KWhs/sq ft).

Store energy efficiency was +40% at 40.8 KWhs/sq ft; compared to 67.9 KWhs per sq ft in 2006/07. Gas usage included in our calculation has been adjusted using standard degree days to reflect changes in the number of cold days (43.9 KWhs/sq ft before adjustment).

This modest progress is due to a number of factors, including the opening of more energy intensive food footage which cancelled out some improvements.

We improved energy efficiency in our warehouses by 39% at 16.1 KWhs/sq ft compared with 2006/07: 26.4 KWhs/sq ft and we improved energy use in our offices by 11% at 43.8 KWhs/sq ft (2006/07: 49.4 KWhs/sq ft).

Our current performance is below the level required to achieve our 50% target by 2020.

** ENERGY EFFICIENCY IMPROVEMENT  
40%  

INTERNATIONAL ENERGY EFFICIENCY**

** Aim  
By 2020, we aim to improve energy efficiency in M&S operated international stores and warehouses outside of ROI by 30% compared to 2013/14.

** Progress  
Last year, we operated stores in 11 countries outside the UK and ROI, including a joint-venture business in India. Around a quarter of these international stores' total footage uses energy provided by the landlord and is outside our operational control. We've only included the energy and footage over which we have operational control.

Throughout the year, we ran a store closure programme and all data is pro-rata. We now have continuing retail operations in the Czech Republic and Greece and a joint venture in India. In 2017/18, we reduced our energy consumption by 13%, achieving 24.3 KWhs/sq ft compared to 2013/14 (279 KWhs/sq ft). Energy consumption in our international stores is much lower than in those in the UK and ROI because most International stores don’t sell chilled food and use heating and air conditioning provided by the landlord.

We also have four international warehouses. These warehouses showed a 70% improvement in efficiency, due to changes in the way they use their footage.

** INTERNATIONAL STORES (OUTSIDE OF ROI)  
Total store energy usage in KWhs/sq ft

<table>
<thead>
<tr>
<th></th>
<th>2013/14 Actual</th>
<th>2016/17 Actual</th>
<th>2017/18 Actual</th>
<th>2020 Target</th>
<th>Achievement on 2013/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013/14</td>
<td>279</td>
<td>25.5</td>
<td>24.3</td>
<td>19.5</td>
<td>-13%</td>
</tr>
</tbody>
</table>

** INTERNATIONALLY-LOCATED WAREHOUSES  
Total warehouse energy usage in KWhs/sq ft

<table>
<thead>
<tr>
<th></th>
<th>2013/14 Actual</th>
<th>2015/16 Actual</th>
<th>2016/17 Actual</th>
<th>2020 Target</th>
<th>Achievement on 2013/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013/14</td>
<td>9</td>
<td>6.9</td>
<td>2.7</td>
<td>6.3</td>
<td>-70%</td>
</tr>
</tbody>
</table>
PILLAR 3: PLANET CONTINUED

ENERGY CONSUMPTION AND SOURCING CONTINUED

RENEWABLE ELECTRICITY**

Aim
Between 2017 and 2035, 100% of electricity purchased for M&S operated stores, offices and warehouses worldwide will be classified as renewable.

Progress
This year, all the electricity purchased for M&S operated stores, offices and warehouses worldwide came from on-site generation, green tariff renewable sources, or was supported by renewable electricity certificates. A small amount of electricity (1,738 MWh), equivalent to 0.3% of our consumption, was generated on-site using diesel generators to assist relief of peak grid demand in the UK.

BIOMETHANE**

Aim
By 2025, all gas procured for M&S operated stores, offices and warehouses in UK and ROI will be certified biomethane.

Progress
In 2017/18, we purchased 133 GWhs of biomethane gas, equivalent to 57% of our annual usage (last year 27%). This reduced our market-method reported emissions by nearly 24,500 tonnes. However, as we still need to secure future contracts to ensure that we achieve this commitment, we are Behind plan.

CLOTHING & HOME FLEET FUEL EFFICIENCY**

Aim
By 2025, we aim to improve fuel efficiency for M&S Clothing & Home deliveries to store in the UK and ROI compared to 2006/07.

Progress
During the year, our Clothing & Home store delivery greenhouse gas emissions were 26.2 kg CO$_2$e per 1,000 singles delivered, compared to 25.4 kg CO$_2$e in 2006/07 and our 2025 target of 15.2 kg CO$_2$e. Although this exceeds our 2025 target we’re showing this commitment as On plan (rather than Achieved) because of potential changes that may impact this progress in the near future.

FOOD FLEET FUEL EFFICIENCY**

Aim
By 2025, we aim to improve fuel efficiency for M&S Food deliveries to store in the UK and ROI by 40% by 2025 and 60% by 2030 compared to 2006/07.

Progress
During the year, our Food store delivery greenhouse gas emissions were down 46% at 3.6 kg CO$_2$e per store per month, compared to 6.7 kg CO$_2$e in 2006/07 and our 2025 target of 4.0 kg CO$_2$e. Although this exceeds our 2025 target we’re showing this commitment as On plan (rather than Achieved) because of potential changes that may impact this progress in the near future.

STORE REFRIGERATION (EMISSIONS)**

Aim
By 2025, we aim to reduce refrigeration gas carbon emissions by 80% in all M&S operated stores in the UK and ROI.

Progress
This year, our emissions from UK and ROI refrigeration and air-conditioning were 54,000 tonnes CO$_2$e. Allowing for changes in store footage, emissions were down 67% at 3.1 tonnes CO$_2$e/1,000 sq ft (2006/07: 9.4 tonnes CO$_2$e/1,000 sq ft).

UK AND ROI STORE REFRIGERATION AND AIR-CONDITIONING EMISSIONS

<table>
<thead>
<tr>
<th>Year</th>
<th>2006/07</th>
<th>2016/17</th>
<th>2017/18</th>
<th>2020 Target</th>
<th>Achievement on 2006/07</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual</td>
<td>9.4</td>
<td>3.1</td>
<td>3.1</td>
<td>19</td>
<td>-67%</td>
</tr>
</tbody>
</table>

** Assured by DNV GL
### Store Refrigeration (HFCs)**

**Aim**
By 2030, we aim to replace HFCs in refrigeration systems in all M&S operated stores in the UK and ROI.

**Progress**
69 M&S stores now have HFC-free sales floor refrigeration systems, our standard specification for all new-build stores. This represents a significant increase on last year's total of 37 stores. However, we have not devised a plan for our existing stores to be converted by 2030, making it Behind plan.

### Refrigeration and Air-Conditioning Cases Used in M&S UK and ROI Stores

<table>
<thead>
<tr>
<th>Case Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>HCFC</td>
<td>1%</td>
</tr>
<tr>
<td>HFC</td>
<td>68%</td>
</tr>
<tr>
<td>HFO</td>
<td>0%</td>
</tr>
<tr>
<td>Other natural fluids and gases</td>
<td>31%</td>
</tr>
</tbody>
</table>

### Store Climate Adaptation

**Aim**
By 2025, we’ll install building fabric solutions in 20 stores at high risk of climate-related weather events, to improve our resilience to climate risks.

**Progress**
We’ve identified the M&S stores in the UK which we believe are at the highest risk of climate-related weather events using our Climate Risk and Mitigation Tool, cross referenced with other relevant data. We’ve also developed a delivery programme but are not currently in a position to proceed at the required scale in order to achieve this commitment by 2025.

### Supply Chain Greenhouse Gas Emissions

**Science-Based Target Footprint**

**Aim**
By 2030, in line with climate science, we’ll reduce our indirect greenhouse gas emissions from upstream and downstream sources by at least 13.3 million tonnes.

**Progress**
We’ve modelled our total value-chain greenhouse gas emissions at around 6 million tonnes in total for 2016. This includes small quantities of emissions from operational, waste and business travel (previously shown separately) but is mainly split equally between our Food and Clothing & Home product value-chains.

We’ve appointed specialist consultants, 3Keel, to help us collate data from existing Plan A activities that contribute carbon reductions, such as ‘Sustainable cotton’, ‘Sustainable food factories’ and ‘Reducing food waste’ and to help us develop new activities. We intend to start reporting on our progress for the first time in our 2019 Plan A Report.

### Sustainable Animal Protein

**Aim**
By 2019, we’ll establish a new partnership to increase our understanding and definition of sustainable animal protein and report about the action we take to implement our findings.

**Progress**
We’ve developed a new partnership to start collating the data required to create a definition of sustainable animal protein and to assess how we might make improvements.

### Food Supplier Climate Plans

**Aim**
By 2022, all of our strategic Food suppliers will be required to have implemented a 10-year strategic climate mitigation and adaptation plan.

### Clothing & Home Air Freight

**Aim**
By 2022, we’ll end the use of air freight for Clothing & Home products.
PILLAR 3: PLANET CONTINUED

ZERO WASTE IN M&S OPERATIONS

**ZERO LANDFILL**

**Aim**
We'll maintain zero waste to landfill for M&S operations in the UK and ROI and extend this to our M&S and key franchise operations worldwide by 2025.

**Progress**
In 2017/18, our UK and ROI operations once again effectively recycled 100% of the waste generated in our stores, offices and warehouses (2008/09: 41%). Our total waste was down by 30%, to 81,000 tonnes compared with 116,000 tonnes in 2008/09. At present we're only able to report on M&S operated stores in the UK and ROI.

**UK AND ROI STORE, OFFICE AND WAREHOUSE WASTE IN 000 TONNES**

<table>
<thead>
<tr>
<th></th>
<th>2008/09</th>
<th>2016/17</th>
<th>2017/18</th>
<th>Achievement on 2008/09</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total waste</td>
<td>116</td>
<td>83</td>
<td>81</td>
<td>-30%</td>
</tr>
<tr>
<td>Waste per sq ft of sales floor (kgs)</td>
<td>77</td>
<td>47</td>
<td>4.6</td>
<td>-40%</td>
</tr>
<tr>
<td>Waste to landfill</td>
<td>69</td>
<td>47</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>% recycled in all forms*</td>
<td>41%</td>
<td>100%</td>
<td>100%</td>
<td>+59%</td>
</tr>
</tbody>
</table>

* Includes a wide range of recycling technologies with energy-from-waste as a last option.

**FOOD WASTE (REDUCTION)**

**Aim**
By 2020, we plan to reduce food waste in our UK stores by 20% per sq ft against 2013/14. In addition, we will review opportunities to donate an increased amount of food to charities.

**Progress**
In 2017/18, our UK retail food waste was 3.86 tonnes per 1,000 sq ft of food sales floor, down 9% compared to 2013/14. This is Behind plan to reach 20% by 2020.

**UK M&S OPERATED STORE RETAIL FOOD WASTE**

<table>
<thead>
<tr>
<th></th>
<th>2013/14</th>
<th>2016/17</th>
<th>2017/18</th>
<th>2019/20 Target</th>
<th>Achievement on 2013/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tonnes of food waste per 1,000 sq ft of M&amp;S operated food sales floor</td>
<td>4.22</td>
<td>4.06</td>
<td>3.86</td>
<td>3.38</td>
<td>-9%</td>
</tr>
</tbody>
</table>

* UK M&S operated store retail food waste calculated by taking the total weight of unsold food collected and deducting averaged estimations for packaging, café and other types of waste.

By working with the Neighbourly social network, we ensured that 626 charities benefited from the redistribution of over 840 tonnes of surplus food (2014/15: 60 tonnes). Between June 2015 and March 2018, we donated over 2.3 million meals to those in need.

**FOOD WASTE (HALVE)**

**Aim**
By 2025, we'll halve net food waste relative to sales from M&S operated and franchised locations worldwide against a newly established baseline.

**REUSED SHOP FIT-OUT**

**Aim**
By 2025, 95% (by weight) of equipment and other fit-out materials arising from UK and ROI store refresh/refurbishment projects will be reused.

**CONSTRUCTION WASTE**

**Aim**
By 2025, we'll have reduced total waste from M&S Property activities (including packaging) in the UK and ROI by 50% against a newly developed baseline and will recycle at least 95% of the waste that's produced.

**Assured by DNV GL**
** PILLAR 3: PLANET CONTINUED **

**WATER CONSUMPTION**

**TOTAL UK AND ROI, STORE, OFFICE AND WAREHOUSE WATER EFFICIENCY**

In litres per 1,000 sq ft

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Achievement on 2006/07</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006/07</td>
<td>1,266,704</td>
<td>-10%</td>
</tr>
<tr>
<td>2016/17</td>
<td>1,179,558</td>
<td></td>
</tr>
<tr>
<td>2017/18</td>
<td>1,141,911</td>
<td></td>
</tr>
</tbody>
</table>

**SUSTAINABLE COTTON**

**Aim**
We'll source 100% of cotton from sustainable sources by 2019 and by 2025 will aim to have increased the proportion of Fairtrade, organic and recycled sources to 25%.

**Progress**
This year, 77% of the cotton sourced by suppliers for M&S products came from Better Cotton Initiative, Fairtrade, organic or recycled sources (last year 49%).

**SUPPLY CHAIN RAW MATERIALS**

**ZERO DEFORESTATION**

**Aim**
Building on the substantial progress we've already made, and in recognition of forest protection as part of climate change mitigation, we're aiming to ensure zero deforestation from the use of palm oil, soy, cattle, wood and wood derived materials in the production of M&S products by 2020.

**Progress**
In 2016, we published our sourcing policies for palm oil, soy, cattle and paper materials.

**Read more on natural resources**

As of April 2018:

**Palm oil:** In 2017/18, all the palm oil used in M&S products was Roundtable on Sustainable Palm Oil (RSPO) certified. *97% was a mix of segregated and mass balance (last year *90%), with the remaining *3% covered by the purchase of RSPO Credits (previously known as GreenPalm certificates) to encourage the transition to sustainable supplies.

**Soy:** Nearly all the soy used in M&S supply chains is in animal feed. We've communicated a standard for sourcing soy to our suppliers as part of an Animal Feed Code of Conduct. In 2017, we became signatories of the Cerrado Manifesto with the aim of protecting biodiversity in this region of Brazil and we remain members of the Amazon Soy Moratorium Customer Group.

We also purchased 15,000 Round Table for Sustainable Soy credits to match our Oakham chicken feed to support the transition to sustainable supplies. However, robust global systems of stewardship will need to be available for us to be able to achieve this commitment by 2020.

**Brazilian leather:** We already have sourcing policies and traceability assessments in place to ensure that none of the leather used in M&S products contributes to deforestation.

**Paper materials:** These are covered by our responsible paper sourcing policy and we're currently developing plans for a new measurement system.

**PALM OIL USED IN M&S PRODUCTS CERTIFIED BY RSPO 100%**

* Calendar year data

**Assured by DNV GL**
M&S FARMING FOR THE FUTURE**

** Assured by DNV GL

Aim
From 2018, we’ll report on our use of animal welfare and environmental outcome-indicators for fresh meat, farmed fish, poultry, fresh milk and laying hens. We’ll use this data to shape future production standards and drive a continual improvement culture across our farm supply base.

Progress
We’ve started to report on our animal welfare and environmental outcome-indicators covering fresh meat, farmed fish, poultry, fresh milk and laying hens.

Read more on Farming for the Future

We’ve also started using the results from these indicators to set best practice improvement targets with our suppliers.

CLOTHING & HOME ANIMAL WELFARE

Aim
By 2025, we’ll implement independently endorsed retail industry leading standards on animal welfare for Clothing & Home products.

SOIL HEALTH

Aim
By 2019, in collaboration with our suppliers and other partners, we will carry out and publish a detailed review of the potential for adopting restorative/regenerative agricultural practices aimed at improving soil organic matter, sequestering carbon and reducing the dependency on artificial inputs within our food supply base. We’ll then provide an annual update on our actions to implement.

Progress
We’ve started to conduct research with the consultancy, Forum for the Future, and plan to hold an initial workshop in 2018.

FOREVER FISH**

Aim
By 2021, we will strengthen our Forever Fish programme, rolling out globally best practice for crew welfare, expanding responsible fisheries management and advocating for policy reform to protect the marine environment.

Progress
Our Forever Fish programme currently includes work on social standards, education and sustainable sourcing.

We are involved in education partnerships with the Blue Marine Foundation and the Seafood School at Billingsgate Fish Market.

Our Wild Caught Fish Sourcing Data for 2017/18

1. Sustainable practice applied or participating in a fisheries improvement project: 87%
2. Working with WWF for improvement: 13%

See Blue Marine Foundation: bluemarinfoundation.com
See Sea Food Training: seafoodtraining.org

RESPONSIBLY SOURCED RAW MATERIALS**

Aim
By 2025, the 50 key raw materials used for M&S products will come from sources verified as respecting the integrity of ecosystems, the welfare of animals and the wellbeing of people and communities. This will cover over 80% of M&S raw material usage by volume.

Progress
This commitment is currently being developed – please see our separate commitments on Sustainable cotton, Zero deforestation, M&S Farming for the Future, and Forever Fish.

SUPPLIER WATER STEWARDSHIP

Aim
By 2020, we’ll implement a programme to put in place water stewardship plans for our most material and at-risk watersheds in our Food and Clothing & Home supply chains.
CONSTRUCTION AND SHOP FIT PLAN A ATTRIBUTES

**SUSTAINABLE FOOD FACTORIES**

**Aim**
By 2020, at least 95% of M&S Food (by volume) will come from factories that achieve Silver level on our Food Sustainability Scorecard and by 2025 at least 50% will achieve Gold level.

**Progress**
As of April 2018, the proportion of M&S Food products provided by Silver level suppliers had increased to 63% (last year 56%) as a result of the validated performance of 134 supplier sites. To achieve this standard, a site has to perform at Silver level or above across three areas: human resources, environment and resource efficiency.

Looking ahead to next year, we have reviewed and improved our Food Sustainability Scorecard by introducing better governance and a new fourth area called Supply Chain. We’ve also added an expanded Silver-flex category designed for small suppliers or those that only supply us with a small percentage of their total output. From next year, our data will be re-calibrated using this new approach.

**SUSTAINABLE CLOTHING & HOME FACTORIES**

**Aim**
By 2025, at least 50% of M&S Clothing & Home products (by volume) will come from factories that achieve Gold level on a new Clothing & Home Sustainability Scorecard and 95% of other factories have achieved at least Silver.

**SUSTAINABLE CLOTHING & HOME PROCESSING**

**Aim**
By 2025, for our M&S Clothing & Home products, we’ll only use dyehouses, printers, laundries, tanneries and finishing facilities that meet credible independent standards of environmental and social sustainability.

**CLOTHING & HOME SUPPLIER WATER EFFICIENCY**

**Aim**
By 2019, we’ll develop a credible methodology for measuring the water efficiency of our textile and garment wet processing and set targets for reduction by 2025.

**Progress**
We’ve adopted the widely used Higg Index as our credible methodology for measuring water efficiency in our Clothing & Home supply chain. We are now working with a consultancy to develop a roll-out programme for suppliers.

**SUSTAINABLE PROPERTY SUPPLIERS**

**Aim**
By 2025, at least 50% of all our major UK and ROI direct property suppliers will achieve Gold level on a new Property Sustainability Scorecard and 95% of our other major UK and ROI direct suppliers will have achieved at least Silver.