

DISCLOSURE COMMITTEE TERMS OF REFERENCE

Membership and quorum

Chief Finance Officer
Group Secretary
Director of Communications and Investor Relations
Head of Investor Relations
Director of Financial Control

The quorum of the meeting is any three members. The Committee members present at a Committee meeting will elect one member to chair the meeting.

Meetings

The Committee will meet (including by telephone or video conference) at such times as shall be necessary or appropriate. Meetings of the Committee may be called by any member of the Committee.

The Committee is authorised to take external professional advice as necessary and at the expense of the company, in particular from the Company's external auditors, brokers and legal advisers.

Role

The Company is required to make timely and accurate disclosure of all information that is required to be so disclosed to meet the legal and regulatory obligations and requirements arising from its listing on the London Stock Exchange. These requirements arise by virtue of both the Company's equity listing and the debt listings of various subsidiaries. The Company is also required to maintain restricted dealing lists, project lists and insider lists, being lists of those persons working for the Company with access to restricted information, restricted project specific information and inside information concerning the Company.

The Committee is constituted to assist the Company to meet the aforementioned requirements. The Committee has responsibility for, among other things, determining on a timely basis the disclosure treatment of material information, and assisting in the design, implementation and periodic evaluation of disclosure controls and procedures. The Committee also has responsibility for the identification of inside information for the purpose of maintaining the Company's insider lists.

Terms of Reference

- 1 To assist in the design, implementation and periodic evaluation of disclosure controls and procedures.
- 2 To monitor compliance with the Company's disclosure controls and procedures as outlined by current legislation.
- 3 To resolve questions about the materiality of information.
- 4 To consider whether the conditions for delaying disclosure of inside information are satisfied and, where appropriate, implement and monitor the delay procedure.
- 5 To alert Group Secretariat to the existence of inside information giving rise to the need for amendments to the Company's insider lists.
- 6 To generally review and advise on the scope and content of disclosure (see attached - Annex 1).
- 7 To review any announcements dealing with significant developments in the Company's business and ensure their accuracy.

- 8 To consider the requirement for the Company to make announcements, including but not limited to the following circumstances: (a) interim steps in a protracted process (e.g., a project); (b) a change in circumstances during the period when disclosure of inside information is delayed; (c) rumours relating to the Company; and (d) in the case of a leak of inside information and, in particular, the need to issue holding announcements.
- 9 To immediately advise all directors not present at a meeting of the decision to make an announcement to the London Stock Exchange.
- 10 To review annually and update its terms of reference, recommending any changes to the Board and to evaluate its own membership and performance on a regular basis.

ANNEX 1
Marks and Spencer Group plc (the “Company”)
Disclosing Inside Information

Inside Information

Inside information in respect of the Company is information which directly concerns the Company and which:

- is of a precise nature (specific enough to judge price effect and relating to existing facts that may be reasonably expected to occur);
 - is not generally available;
 - relates, directly or indirectly, to one or more issuers or to one or more financial instruments; and
- if made generally available, would be likely to have a significant effect on the price of the Company’s securities (judged by whether it would affect a reasonable investor’s investment decision).

Examples of Inside Information

Information likely to be inside information includes:

- dividend announcements;
- appointments to, and departures from, the board of directors;
- share dealings by directors;
- acquisitions and disposals that are required to be announced under the Listing Rules;
- profit warnings;
- annual / interim / quarterly results
- Material changes in the Company’s financial condition / business performance;
- Material changes in the Company’s expectations of performance;
- Material changes in information previously disclosed to the market; and
- significant potential litigation.

Advisers should be consulted in difficult situations.

Disclosure Requirements

The Company is required to notify an RIS (Regulatory Information Service) as soon as possible of any inside information which directly concerns the Company.

- Any such announcement must be available on the Company’s website by the end of the business day after announcement. Such information should remain on the website for one year.
- Announcement can be subject to short delay to clarify a situation where the Company is faced with an unexpected or significant event.
- Announcement can also be delayed to avoid prejudicing the Company’s legitimate interests. Any such delay must not be likely to mislead the public and the Company must ensure that confidentiality is preserved.

Delay of disclosure is likely to be appropriate for impending developments or matters in the course of negotiation where the outcome or normal patterns of negotiations would be likely to be jeopardised by premature disclosure. Where a decision to delay is taken, appropriate records must be kept, and the FCA notified of the delay after the announcement.

- Where the Company is permitted to delay disclosure, it may selectively disclose in circumstances where there is a valid reason for such selective disclosure and where the recipient is bound by the duty of confidentiality.

The categories of recipient to whom selective disclosure may be justified include: advisers, counterparties, employee representatives, government departments, statutory or regulatory bodies, major shareholders, lenders and credit-rating agencies.

- Where the Company is unable to delay disclosure or disclose selectively, it must prepare a holding announcement to be issued if there is a leak. The holding announcement should detail as

much of the subject matter as possible, set out the reasons why a fuller announcement cannot be made and include an undertaking to announce further details as soon as possible.

- Announcements must not be misleading, false or deceptive and must not omit anything likely to affect the import of the information.
- External communication of inside information should only be made by Group Secretariat, liaising with Investor Relations and Corporate Communications for wider distribution after release of the announcement by the London Stock Exchange.

Rumours

- Where largely accurate, they are likely to require an immediate announcement – at a minimum a holding announcement of the type referred to above.
- Where false or unfounded, they are unlikely to require an announcement.