

# MARKS & SPENCER

## MODERN SLAVERY STATEMENT 2018/19

This statement has been published in accordance with the Modern Slavery Act 2015. It sets out the steps taken by Marks and Spencer Group plc and other relevant group companies<sup>1</sup> ("M&S") during year ending 1 April 2019 to prevent modern slavery and human trafficking in its business and supply chains.

## INTRODUCTION

This is the fourth M&S Modern Slavery statement, and in the past year we have continued to increase the depth and breadth of our work on Modern Slavery, deepening our understanding of risk, and ensuring we have in place the most effective responses to that risk. We consider Modern Slavery to be a growing global issue and know our customers share our concern. Our commitment to our customers is very clear: we will always treat people in our business and supply chain fairly, this includes being at the forefront of eradicating modern slavery. We have been active participants in the developing Modern Slavery agenda prior to the UK Modern Slavery Act (2015) and subsequently. In addition to the work in our own supply chains and operations, we continue to prioritise collaborations, which we view as essential given the deep rooted and systemic nature of many manifestations on Modern Slavery.

According to the latest [IOM global migration report](#), more people are on the move today than at any other time in recorded history with the number of internally displaced at over 40 million and the number of refugees at more than 22 million. In 2016, the [Global consolidated figure](#) estimated 40.3 million people in modern slavery globally. Of these, 24.9 million people are in forced labour which includes 16 million in the private sector including construction, manufacturing, mining, utilities, agriculture, forestry, fishing and domestic work. This equates to 5.4 victims of modern slavery for every 1,000 people in the world.

### KEY AREAS OF FOCUS IN 18/19:

- Extending our work on Modern Slavery and into the whole breadth of our sourcing and operations with special emphasis on working with international suppliers.
- Continuing to drive and lead collaborations which are helping businesses to do more together on Modern Slavery eradication.
- Focusing on understanding further our supply chains including labour providers and recruiters to supply chain and services including, sub-contractors, distribution, equipment and services.



## M&S IS A GLOBAL MULTICHANNEL RETAILER

84,621 EMPLOYEES, 1042 UK STORES AND 444 INTERNATIONAL STORES

OPERATING  
IN **57**  
TERRITORIES 

 **32m**  
CUSTOMERS

**2,100**   
PRODUCT SUPPLIERS

 **20,000**  
FARMS

**100,000**   
SMALLHOLDERS

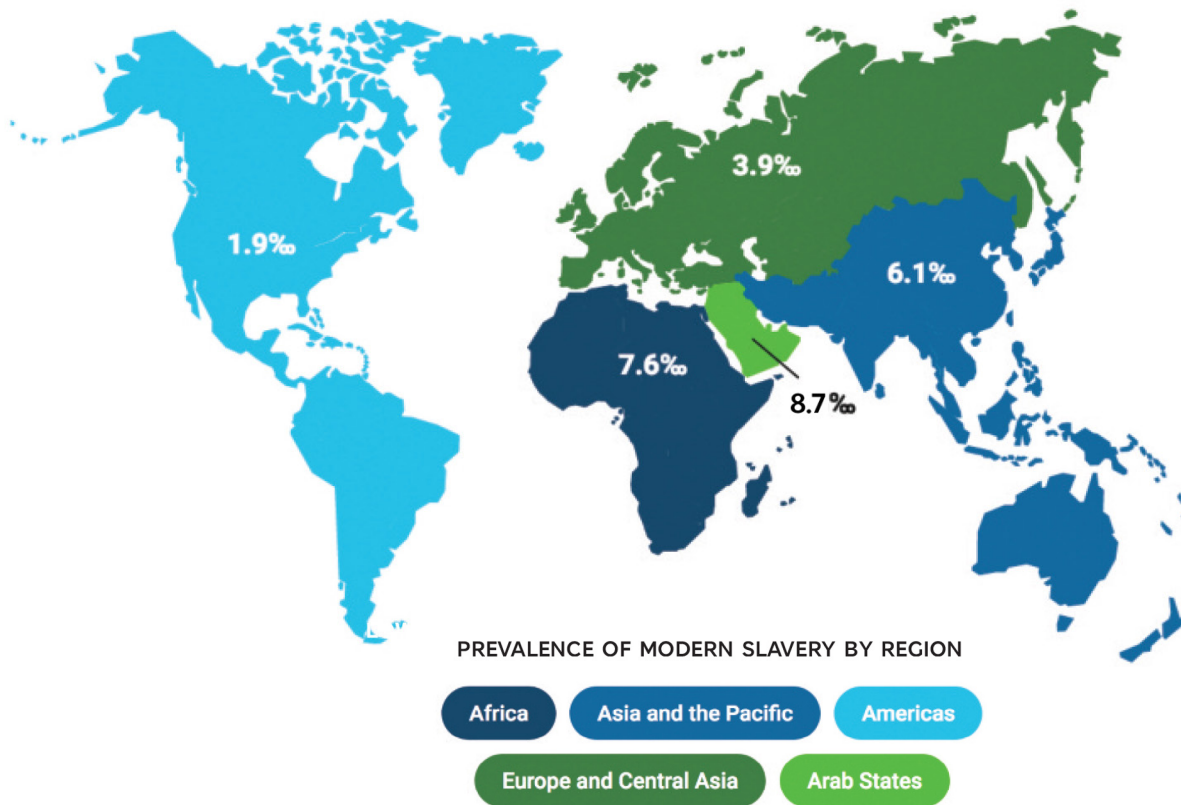
 **OVER 1,000**  
GOODS AND SERVICES  
NOT FOR RETAIL  
- EQUIPMENT FOR NEW STORES  
TO CLEANING, SECURITY AND CATERING

## MODERN SLAVERY STATEMENT 2017/18

### INTRODUCTION CONTINUED

#### OUR BUSINESS AND SUPPLY CHAINS

M&S is one of the UK's leading retailers, selling own brand food, clothing and home products in 1382 stores and online both in the UK and internationally. Further details on our [international locations](#) and our [franchise partners and locations](#) can be found on our website. The M&S Group has an annual turnover of £10.3 billion. Plan A, our ethical and environmental programme, underpins everything we do, from sourcing responsibly and reducing waste to helping the communities in which we operate. In June 2017 we updated our Plan A programme, with 100 new commitments, 19 of which were specific to human rights and which highlight our desire to be a leading retailer in addressing modern day slavery. Further detail can be found in our [2017 Human Rights report](#) and 2018 Plan A report which has Human Rights integrated into it.



Our extended product supply chains are extensive and global, with suppliers in more than 70 countries.

In June 2016, we launched the M&S interactive supply chain map. This has been updated regularly extending the information to include M&S home and beauty products, selected raw materials and to indicate the presence of a trade union and/or workers committee in a factory where they've been declared. Factories disclosed on the map represent all our first-tier manufacture. Excluded are some small continental meat and artisanal cheese suppliers. Other lower tier factories used by our suppliers, for example of those which manufacture fabric, yarn and primary food processors are not included on the map. During 2018/19, we extended coverage of the map to include details of our seafood, wool, tea and coffee raw material supply chains. Adding our tea supply chain to our interactive map was also our way of responding to [Traidcraft's 'Who picked my tea?' campaign](#). We aim to progressively add details of further raw materials supply chains to the map on an ongoing basis.

<sup>1</sup>This statement sets out the steps taken by Marks and Spencer Group plc, Marks and Spencer plc and Marks & Spencer Simply Foods Limited all of which fall within the scope of section 54(2) of the Modern Slavery Act 2015 and the Modern Slavery Act 2015 (Transparency in Supply Chains) Regulations 2015.

MODERN SLAVERY STATEMENT 2017/18

# GOVERNANCE STRUCTURE AND STRATEGY FOR MODERN SLAVERY



We seek a sector-leading approach to Modern Slavery; with appropriate and well-communicated policies, a due diligence programme based on risk assessment and effective follow up, an appropriate level of employee and supplier training, and a strong emphasis on collaborative partnerships, stakeholder dialogue and transparency.

Core to our approach is a robust governance structure. We continue to build management capacity on Modern Slavery risk assessment across the breadth of the M&S Group. The Directors of each business area (Retail Operations, Group Property, Logistics, HR, IT, Food Group, Clothing & Home, and International) are supported by a business area Human Rights practitioner and are responsible for ensuring effective modern slavery risk assessment and due diligence activity. The Human Rights Practitioner Committee now meets monthly to ensure a consistent approach and to build understanding across the group. The practitioner group reports to the Human Rights and

Modern Slavery Steering Group, co-chaired by our Director of Food Technology and Director of Sustainable Business/Plan A which has delegated responsibility for human rights matters from our Plan A Committee. The Plan A committee reports directly to our executive Operating Board chaired by Chief Executive Officer Steve Rowe, and which runs our business on a day to day basis. The steering group also meets monthly to support business areas with strengthening governance, resolving issues, developing strategy/ innovative thinking and increasing business awareness. Both the Plan A committee and the operating committee received 1 progress update in 2018/19 on modern slavery and human rights. To further strengthen our Modern Slavery governance, in 2016 we established a new independent Human Rights Advisory Group, comprising leading subject matter experts, such as Oxfam, Shift and the Institute of Business and Human Rights. This group met once in 2018-19 and also received an update call. More information on the role, composition and activities of the Human Rights Advisory Group can be found in our [2017 Human Rights report](#).

## POLICIES AND CONTRACTUAL CONTROLS

As reported in our previous statements, we have several policies in place relevant to Modern Slavery, all of which are signed off at Director level. This includes our Human Rights policy, our Code of Ethics & Behaviours, and our Whistleblowing Policy (aimed principally at our employees but also available to others working in our supply chain.) Our Global Sourcing Principles (GSP) have applied to product suppliers since 1998, and as of May 2016, have been extended to all suppliers and franchise partners – including goods not for resale. We updated our standard supplier contractual terms for new suppliers in 2016 and 2017 to include obligations on Modern Slavery Act risk assessment, controls, and notification of Modern Slavery findings and to further reference our wider Global Sourcing Principles. In 2018 we further strengthened our Global Sourcing Principles, to include a clarifying position on non-payment of recruitment fees, expectation on Supplier transparency and requirement for additional due diligence if operating or sourcing in high risk locations. For goods and services not for resale procurement, we introduced a supplier management policy which includes Global Sourcing Principles to ensure all businesses are captured.

In 17/18 we consulted suppliers on a new Global Labour Provider Policy and as a result of these consultations, we deferred launching this policy to undertake further work on responsible recruitment practices. In 18/19 we decided that supporting a joint

collaboration as founders of [responsible recruitment toolkit](#) would be a more effective way to support suppliers and partners with embedding responsible recruitment practices.

In September 2018, we also signed the [UK Apparel and General Merchandise Public Private Protocol \(PPP\)](#) an agreement between the GLAA, its strategic partners and private sector businesses around tackling labour exploitation with the UK Apparel market. This PPP with retailers and enforcement bodies strengthens our commitment to tackling modern slavery. To date we haven't had an incident that has required this protocol.

During 16/17, we conducted a critical review of grievance mechanisms available both for our employees and for the supply chain, and the extent to which issues are effectively raised within our business. This involved developing a better understanding of our existing processes, identifying what reporting data is available and using a cross-business survey to assess awareness and adoption. During 17-19 we have been working through the implementation plan to improve the understanding of what channels are available within the business, including the embedding of an independent external facility for employees in UK, internationally and in our supply chain to raise human rights concerns; and unifying the way we handle and follow-up on grievances.

## ASSESSMENT OF MODERN SLAVERY RISK WITHIN OUR SUPPLY CHAIN

The manifestations of Modern Slavery are complex and hidden, and in order to prioritise activity, our risk assessment includes detailed mapping of supply chains and operations, desk based research, supplier surveys, supplier engagement and discussions with expert stakeholders. This was described in detail in our [2017 Human Rights report](#) and previous Modern Slavery statements.

During 2018, we became aware we had an inconsistent approach across the business to tackling High Risk countries and ensuring effective mitigations are in place, so we developed a High Risk policy document and issued a High Risk Country List for each Business area to work on gaps in effective Due diligence. To inform the 2019 annual risk assessment, the external risk analysis was updated and a third party provider provided training to practitioners on emerging global trends to underpin their annual risk assessment completion.

The annual Business risk assessment approach was also strengthen aligning with the new group risk register approach considering external and internal changing risks to establish gross risk and then reviewing post mitigation net risk. Each Business Area Risk Register is signed off by the relevant Business area

responsible director and discussed at the Human Rights Steering Group and Advisory board. These have fed into a corporate level human rights risk assessment, in Retail Operations, Logistics, Food Group, Clothing & Home, and International modern slavery was identified as an increasing risk.

FIG 2.

| Modern Slavery Food highest risk countries* | Revised Modern Slavery Food highest risk countries for M&S (overlying largest sourcing countries) | Modern Slavery C&H highest risk countries* |
|---|---|--|
| Cote d'Ivoire                               | India   | Pakistan                                   |
| India                                       | Thailand  | India                                      |
| Malaysia                                    | Turkey  | Turkey                                     |
| Thailand                                    | Italy   | China                                      |
| Turkey                                      | South Africa  | Myanmar                                    |
| Italy                                       | Spain   | Vietnam                                    |

## CONTINUING TO SPONSOR MODERN SLAVERY HELPLINE

In the two years since the [Modern Slavery Helpline](#) was launched, operated by modern slavery charity Unseen, it has taken over 11,000 calls and online reports, indicating more than 12,000 potential victims of modern slavery. 54% of cases reported to the Helpline are related to those in situations of forced labour, from across a diverse range of sectors. The Helpline's collaborative approach supports businesses to better understand the nature and scale of the issue by working in close partnership using the information it receives through the Helpline to inform collective action. To further support raising awareness Unseen has also introduced a new way to report concerns and get help – the Unseen App.

Through sponsoring the Helpline, M&S gained insight into the potential risks of modern slavery and how forced labour situations are manifesting and being reported into the Helpline. This collaborative approach is vital to ensure risks can be mitigated and emerging threats are managed. Last year the Helpline dealt with potential victims from 94 different nationalities, gained insight into geographical prevalence and differing forms of exploitation and understood more about recruitment tactics and control methods.



## DUE DILIGENCE AND ASSESSMENT OF SUPPLIERS AND SUPPLY CHAIN

Having established risk, it is important that we conduct due diligence within our supply chains and operations to understand whether there is evidence of Modern Slavery issues, and whether there are sufficient controls in place. For some time, we have had a requirement that all new and existing direct Clothing and Home suppliers, all new and existing direct Food suppliers (plus a subset of Food raw material suppliers deemed to be high risk), and all Property suppliers in high risk countries have due diligence checks in place in the form of ethical audits, conducted by third parties on behalf of M&S. These audits assess compliance with the [M&S Global Sourcing Principles](#) and are, amongst other things, intended to identify any Modern Slavery practices. If issues are identified, appropriate investigative and remedial actions are taken.

During 18/19, ethical audits identified 16 compared with 28 non-compliances in 17/18 under the heading 'employment is freely chosen', 10 of those referred to improvements in management systems/policies the remaining 6 included monetary deposits, restricted movement outside the workplace, withholding passports or payment of wages. In all instances, we have verified evidence of suppliers putting corrective actions in place, or are working with suppliers to agreed timescales to achieve this.

However, we recognise the limitation of mainstream ethical audits to identify Modern Slavery issues, and to have effective Modern Slavery due diligence, we need to undertake a range of other methodologies, as appropriate for the nature of the supply chain. In the past year, our due diligence has included:

- [Bespoke due diligence audits with leading forced labour experts, including the Gangmasters & Labour Abuse Authority: Where a previous assessment, intelligence or whistleblower highlights a higher risk in relation to a Human Rights issue we will use specialists to tailor the investigation to increase the likelihood of uncovering the evidence. E.g. 2017/18 use of Fast Forward and GLAA with Car Wash providers, 18/19 Cleaning Contractor with Fast Forward.](#)

- [We sponsored the pilot of the new Stronger Together Organisational Performance Assessment, in 5 food sites. This is a two-day supportive and participatory assessment which analyses gaps, reports a business' strengths and provides the business with detailed recommendations and action plans to support organisational improvement.](#)
- [M&S team visits to high risk supply chains. E.g. 17/18 visits to Italy, Thailand, India and China, 18/19 visits to Thailand, Spain, Turkey, Morocco, Myanmar, Bangladesh, Cambodia and Vietnam.](#)
- [Partnership approaches, including the scaling of new assessment tools such as a Responsible Recruitment Toolkit.](#)
- [Understanding the possible risks within the "1st mile": Using the output from the 2018 UK survey of the Fresh Produce industry where we identified 11 diverse types of recruitment channels that are being used and a range of potential costs incurred by workers. We undertook a piece of research to understand the upstream recruitment practices in Eastern Europe – Romania and Bulgaria and identify possible risks for workers to become indebted to loan sharks and criminal gangs due to the inability to pay for costs associated with working in the UK. \(e.g. Transport and Housing\).](#)

As we have gone further down into our supply chain, we have also encountered challenges. This has included the time it takes to map supply chains several tiers down, and reluctance from entities further down the chain to undertake additional due diligence at the request of a customer several steps removed, and where our purchasing power may be small, even where funding is provided. We will continue to work on our approach to address these challenges, report transparently where we find them, and engage in collaborative work to bring greater influence on challenging areas of our supply chain.

### AUDIT CASE STUDY EXAMPLES

In SE Asia, we found a specific issue where a factory was holding workers' passports for migrant workers, who felt this was the most secure place for their personal documentation. Following our intervention, the factory returned passports ensuring workers had secure personal lockers to keep them in while on site. The factory developed a new policy on passport retention which was signed by all staff. Management and workers received training on the new policy; this emphasised migrant workers' responsibility to bring ID documents to work to ensure the factory, and the workers, met the requirements of unannounced government labour inspections.

In Sri Lanka, we found a factory that was using a Labour Provider for additional workers, but on inspection it transpired that the contract workers were not given a contract nor wage slips, so wage records were not available for verification. The Labour Provider was unwilling to amend practices and so the factory has ceased working with them. The contract workers were offered employment but declined.

## UNDERSTANDING RESPONSIBLE RECRUITMENT IN THE UK

With the tightened UK labour market, suppliers were keen to remain focussed on understanding best practice on responsible recruitment. During 18/19 we held a supplier workshop in the autumn and then dedicated a whole week in February to exploring responsible recruitment and potential pitfalls to avoid. As part of this we held a cross sector event with Institute Human Rights and Business (IHRB) and the Consumer Goods Forum with speakers from construction and logistics to highlight that many of these issues are not UK or sector specific. What became clear is how vital it is to understand the migration route and the first steps to employment. For more information please [click here](#).

One of our suppliers and partners' biggest concerns was how to encourage labour providers to adopt best practice which is why M&S became [Founding Sponsors of Responsible Recruitment Toolkit](#), the pioneering one-stop, practical capacity building tool supporting businesses to embed responsible recruitment practices in their supply chains. For the first time, experts have carefully mapped relevant international social compliance codes to define 27 responsible recruitment labour standards to cover all stages and elements of labour sourcing

and supply. As a Founding Sponsor, we are enabling our suppliers to use the Responsible Recruitment Toolkit to build capability, self-assess and report progress across all areas of responsible recruitment.

'Know the Chain's key recommendation in their April 2019 report on progress and gaps in the fight against forced labour was, "To positively impact workers' lives, it is imperative for all companies to improve their efforts on responsible recruitment". M&S is a founding sponsor of the Responsible Recruitment Toolkit, which enables their supply chain to access step by step guidance on responsible recruitment labour standards covering all stages and elements of labour sourcing and supply.'

DAVID CAMP, RESPONSIBLE RECRUITMENT TOOLKIT

## INVESTIGATING CAR WASHES

As explained in M&S 2018 statement, our retail business highlighted the use of Car Wash providers in our Car Parks as their highest modern slavery risk in 2017. This was based on intelligence from Gangmaster Licencing Abuse Authority and Modern Slavery Helpline, highlighting hidden labour exploitation in UK car washes. Given many of the sites had offered valued Car Wash services to our customers for over a decade. We were the first retailer to initiate a programme of deep dive audits in all the hand car wash companies operating on our premises and to share these results with Gangmaster Licencing Abuse Authority.

Partnering with the Fast Forward programme, each provider received training and 1:1 support prior to being audited. The audits revealed that although no evidence of modern slavery was identified, there were significant areas requiring improved labour standards. These included ubiquitous use of self-employment contracts, meaning car wash operators are not entitled to certain employment rights including national minimum wage, holiday pay and sick pay. Very few basic policies were in place and no written procedures, training, internal audits, accountability etc. on various issues such as prevention of illegal working, communication and grievances, discrimination, health and safety, environment.

Six months on, after a date the car wash providers agreed they would have made traction on action plan, the car wash companies were re-audited (March 2018). Although all the companies have shown some improvements with policies and processes beginning to be initiated and proactive steps aiming

to reduce modern slavery risks being implemented. Two businesses were downgraded due to unwillingness to share Tax details. They were all still using self-employment contracts for car wash operators which means there are days where operators will earn no money or are unable to work due to weather (with little or no warning). Workers interviewed stated they would prefer to be on employment contracts. Although all of the car wash companies cited that they were prepared to improve where necessary and provided a detailed action plan to support them. M&S concluded that until they can make further improvement M&S would cease Car wash services in M&S car parks. Between June 2018 and September 2018 M&S worked with car wash providers and our stores to exit the service from each site.

'We praise M&S for taking such a proactive approach to trying to raise standards with their car wash providers. From GLAA's perspective 'As long as the existing model remains of apparent self-employed workers trying to earn their "rental" cost then we are always going to have the issues of forced labour, debt bondage and exploitation and for those that operate within the retail sites this cannot be good.'

DARYL DIXON, GLAA

## MODERN SLAVERY TRAINING

Training and raising awareness remains a key focus for the business and our extended supply chains building on the work 15/16, 16/17 and 17/18 where we built the capacity of our key staff; practioners, leadership teams who have been given increased responsibility for understanding and mitigating Modern Slavery risk as well as raising awareness across business through training and our buyer site visit 'Many Eyes' Toolkit. Building on the specialist modern slavery training held in our China and Hong Kong regional offices in 17/18 and the attendance of the Ethical Trading Initiative (ETI) modern slavery training we have continued to roll out the awareness training in our other sourcing offices in India and Turkey. In addition to the Many Eyes Toolkit we have converted the content into a phone App called "Everyone's Business" empowering all buying team members to contribute to responsible sourcing. It is a progressive web app that provides guidance on responsible sourcing principles, country specific human rights information and advice on how to spot potential issues at suppliers. This will be rolled out to all Foods and Clothing and Home buying teams throughout 19/2020. In China we have trained 135 of our own employees on Modern Slavery within 18/19.

Capacity building of our suppliers remains a key focus. Within Foods, where we believe our risk is greatest, we supported the scaling of the Stronger Together Initiative to South Africa launching it at our joint December 2017 conference with Woolworths South Africa. We also actively supported supplier modern slavery upskilling through a multi retailer Spanish forum, the scaling of Food Network Ethical trade (FNET), supply chain events with Issara, CGF and IHRB. At suppliers' request, we have updated the Food Sustainability score card which over 95% of our food suppliers are engaged in with greater guidance on responsible recruitment and included a new pillar on extended Supply chains to increase greater focus on modern slavery risk at lower tiers. Our Clothing and Home team have continued to upskill UK suppliers via Fast Forward training sessions in the UK and ran a supplier conference in Vietnam on Modern slavery. In 18/19 in Clothing and Home factories in China our compliance team have trained 62,000 workers on Modern Slavery through workshops.

**40.3**  
MILLION PEOPLE  
**ARE IN  
MODERN SLAVERY  
GLOBALLY**



(SOURCE: INTERNATIONAL LABOUR ORGANIZATION)

**MODERN  
SLAVERY  
IS THE GREAT  
HUMAN  
RIGHTS *issue*  
of our time**



**TRAFFICKING  
IN PERSONS  
HAS AN ANNUAL  
TRADE VALUE  
OF AROUND  
US \$150 billion**



(SOURCE: INTERNATIONAL LABOUR ORGANISATION)

## SECOND INTERNATIONAL HUMAN RIGHTS AND MODERN SLAVERY CONFERENCE

Recognising a gap in capacity building and building on the success of our previous international conference in India. We brought together 172 attendees from Turkish retail and sourcing offices, Turkey Clothing and Home, Logistics, Foods Supply base and the franchise partners and sourcing offices in neighbouring regions, for a flagship Forced Labour and Human Rights conference in Istanbul. For 76% of attendees this was their first conference focusing on human rights and modern slavery. This event set out to build the capacity of these partners to understand and manage Modern Slavery risk in their operations and wider supply chain. Refugees were a key topic of



conversation, which is no surprise as Turkey hosts five million of the world's 65 million refugees and there are lots of examples of good practice where businesses have supported refugees. Turkey is a key country for M&S; we have 48 stores and it's a significant sourcing country for our Clothing and Home business and key for certain Food raw materials like Hazelnuts, where 75% of the world's supply comes from Turkey! Given increasing levels of migration and the scale of many systemic human rights

issues, including forced labour, we recognise this is a key area where we need to increase our collaboration and so were pleased many of our partners were in the room and speaking at this event.

We heard from multinational corporations, such as Nestle and Coca-Cola Icecek (who we collaborate with on responsible recruitment through the Leadership group on Responsible Recruitment) on the importance of collaboration and supply chain mapping.

We were also proud to host United Work, which dispelled some of the myths around employing Syrian Refugees and detailed the support available for business. Alfred Le Prevost from British Embassy in Ankara highlighted to the audience the expectations of the British Government and reminded us of the ever-increasing number of victims of modern slavery in the UK – now at over 13,000.

Didem Ileri, Head of Region EMEA and Pakistan, said: "We are delighted to welcome our Clothing, Home and Food suppliers, franchise partners, international brands and wider organisations we are collaborating with, to our first Turkish Human Rights conference. Many of the issues raised today are bigger than one organisation to solve. We hope today will act as a stimulus for the organisations attending to work more collaboratively together in the future."

Click here for a short film of the event. At the event we also launched a new Turkish version of our International Forced Labour Toolkit for Suppliers and Partners, which we have made open source as we are keen to develop with stakeholder feedback.



## PARTNERSHIPS

We recognise the crucial role of partnerships in tackling Modern Slavery. It is important that when we undertake involvement in partnerships, we are clear on the role they play and the value they add. Based on the risk assessment and last year's due diligence, we have reviewed and reduced the number of partnerships we have so we can focus on those that tackle the root causes of our biggest risks. Below is the table of all our key partnerships and how they help M&S progress on modern slavery.

| PARTNERSHIP   | HOW IT HELPS OUR PROGRESS ON MODERN SLAVERY  |
|---|--|
|  <p>Institute for Human Rights and Business <u>Leadership Group for Responsible Recruitment</u> focusing on the Employer Pays Principle</p>  | <p>M&amp;S is a committed member of the Leadership Group for Responsible Recruitment which seeks to use collective brand leverage to promote and support efforts towards the the establishment of a more professional and ethical recruitment industry; one that is effectively supervised and regulated by governments. The Leadership Group now comprises 14 international brands, civil society organisations and intergovernmental organisations the ILO and IOM. Group members share best practice and guidance, take part in roundtable meetings with other stakeholders, to promote in particular, the Employer Pays Principle which states: <b>No worker should pay for a job. The costs of recruitment should be borne not by the worker but by the employer.</b> The Employer Pays Principle is increasingly referenced by a wide range of stakeholders including business, civil society and governments and the work of the Group has been a significant factor in the increased attention on responsible recruitment globally.</p> <p>As well as ongoing work with suppliers in the Global South during February 2019 M &amp; S organised Responsible Recruitment Week a series of events focussed on how workers were being recruited in supply chains in Europe. These popular events enabled the company to share best practice amongst suppliers and promote better understanding of how flawed recruitment practices increase vulnerability to exploitation including forced labour and trafficking.</p> |
|  <p>Ethical Trading Initiative</p>   | <p>Our membership with the ETI enables us to work collaboratively with Companies, Trade Unions and civil society on difficult human rights issues including modern slavery that cannot be solved by individual companies working alone by:</p> <ul style="list-style-type: none"> <li>- Forming alliances for joint action in key sourcing countries.</li> <li>- Raising awareness and advocacy with Governments and international labour agencies to influence policy and legislation.</li> <li>- Access to practical information and tools.</li> </ul> <p>In 2018/19 we continue being part of ETI Italian Produce Working Group, ETI TMNS Tamil Nadu Multistakeholder initiative and the Turkey platform Syrian refugees and recruitment fees.</p>  |
|  <p>Consumer Goods Forum Social Mission on <u>Forced Labour</u></p>  | <p>Our membership of Consumer Goods Forum Social Mission on Forced Labour enables us to:</p> <ul style="list-style-type: none"> <li>- Work collaboratively to influence forced labour eradication in palm oil and the Thai fishing industry.</li> <li>- M&amp;S co-chairs the sustainability pillar until April 2019.</li> <li>- Contributed to Force Labour Booklet and CCF Blog.</li> <li>- Cohosted with IHRB and M&amp;S Responsible recruitment event.</li> </ul>   |
|  <p>Stronger Together – awareness raising how to spot signs of Modern Slavery, and how to approach Modern Slavery in supply chains. We have sponsored Stronger Together since its inception.</p> | <p>Our sponsorship of Stronger Together initiative delivers:</p> <ul style="list-style-type: none"> <li>- We were a founder sponsor of Stronger Together and over the past 5 years it has played a strong role in giving Food suppliers the knowledge of how to identify Modern Slavery in their own businesses, and how to implement a Modern Slavery strategy in supply chains. In 2017 we supported extension to other supply chains such as Logistics and Construction Sector and sponsored impact assessment of Stronger Together within our UK Food Supply Base.</li> </ul> <p>In 2017/18 we supported the extension of Stronger Together to South Africa launching it at M&amp;S and Woolworths Joint sustainability conference to 200 South African suppliers. We are a member of the Global Supply Chain Steering Group for Stronger Together enabling us to contribute to the programme roll out in South Africa and other international locations and identify best practice.</p>   |
|  <p><u>Gangmasters &amp; Labour Abuse Authority</u></p>  | <p>We have a long standing close relationship with the Gangmasters Licensing Abuse Authority which has played a role in our Food Supply Chain for many years.</p>  |
|  <p><u>Fast Forward</u></p>  | <p>We continue to be active members of innovative UK Fast Forward programme which has specific audit methodology designed to identify potential triggers of modern slavery and are now members of the Steering Group. All UK Clothing and Home and car wash providers have completed the training. All car wash providers were audited twice before M&amp;S exited car wash provision in summer 2018.</p>  |
|  <p><u>Issara Institute</u></p>  | <p>M&amp;S are Strategic Partners in Issara Institute in Thailand, which promotes a different model of issue detection, based on 'empowered worker voice'.</p> <p>In 18/19 M&amp;S visited all M&amp;S Thai suppliers to understand their progress and challenges in relation to implementing the responsible recruitment diagnostic. This included a workshop with Issara, and M&amp;S suppliers to look launch responsible recruitment toolkit and now continuing to track progress. For more details on this partnership please refer to previous Modern Slavery Statements.</p>  |
|  <p><u>Unseen Modern Slavery helpline</u></p>  | <p>M&amp;S continue to sponsor the UK Modern Slavery helpline and Resource Centre, run by the charity Unseen. Working closely with Unseen allows us not only to assist victims but also to gain extra insight into the manifestations of Modern Slavery in the UK.</p>   |
|  <p><u>Food Network for Ethical Trade</u></p>  | <p>We have been an active member in the Recruitment Fees working group, working with other retailers and suppliers to understand more about recruitment fees and understand how best to gather detailed information further down supply chains.</p>  |

We are also working closely with other retailers and our supplier on risks associated with Spanish food production and migrant labour, as well as with Seafish on risks associated with fishing vessels in the UK and internationally.

To promote greater business awareness of Modern Slavery, we regularly speak on the topic at conference and similar events. In 2018/19 this included speaking at Ethical Trading Initiative Norway's annual conference April 2018, British Embassy Rome Roundtable in Rome on Promoting Ethical Supply Chains to Counter Labour Exploitation June 2018, Northern Ireland Business and Human Rights Forum Sept 2018, Coca Cola Human Rights workshop Oct 2018, Stronger Together 5 years conference October 18, Business Action Against Forced Labour debate Geneva Nov 18, ASOS House of Lords Human Rights event March 2019, Sedex conference March 2019.



**MODERN SLAVERY STATEMENT 2017/18**

# REPORTING ON KPIS, AND NEXT STEPS

In our 15/16 statement, we committed to report on the following priorities, and the chart below details our key points of action, which are described in the narrative above:

|   |  |
|---|--|
| Staff training levels   | Building on 212 trained in 16/17. In 17/18 Training was provided to 538 (82 in our regional teams in Clothing and Home, 65 in the Logistics business and 391 in Property and Retail teams) In 2018 we trained 135 staff in our Far East region Total and 25 in our Turkey region. <b>Trained to date 910.</b>  |
| Actions taken to strengthen supply chain auditing and verification  | Continued to actively support development of supply chain auditing and verification through SMETA Modern Slavery work, Fast Forward and Responsible Recruitment toolkit. Recognising the limitations of mainstream ethical audits, we have continued to build supplier capacity, and to work with leading forced labour experts on bespoke due diligence audits.   |
| Steps taken to upskill our high risk suppliers, and assessing their ability to detect and mitigate modern slavery risk in supply chains   | We have continued to implement Stronger Together within our Food business and supported the expansion of Stronger Together into South Africa. As described above we have held a flagship conferences in India and Turkey, developed a new International Modern Slavery toolkit in Turkish and supported roll out of Issara responsible recruitment toolkit. We have supported Car wash providers through training and audit and encouraged Vietnamese, Thai, Italian, Spanish and Malaysian suppliers to access relevant collaborations training.  |
| Investigations undertaken into reports of Modern Slavery and remedial actions taken in response   | Examples included of typical audit issues and deeper investigations into Thai supply chain and carwashes. We report above on a number of issues identified within SMETA audits under the issue title 'Employment is Freely Chosen'.  |
| Identify risks regarding recruitment practices of third party labour providers in M&S operations and supply chains  | During 17/18 we have undertaken research with a select number of suppliers and labour providers to further understand how growers and labour providers in the UK Produce industry undertake direct recruitment from origin countries and the costs incurred. Following this, in 18/19 We undertook a piece of research to understand the upstream recruitment practices in Eastern Europe – Romania and Bulgaria and identify possible risks for workers to become indebted to loan sharks and criminal gangs due to the inability to pay for costs associated with working in the UK (e.g. Transport and Housing).  |
| Develop and implement scalable pilot activities on modern slavery / ethical recruitment practices in selected areas of focus where M&S has leverage and can take a leadership role. | Examples include: Issara, Carwashes and Responsible Recruitment Toolkit.   |
| Identify and use opportunities for collaboration to verify and help resolve risk issues (e.g. IHRB, IOM, etc.)  | In 18/19 we have continued to be part of ETI Italian Produce Working Group, ETI TMNS Tamil Nadu Multistakeholder initiative and the Turkey platform Syrian refugees working with all other ETI member Brands on modern slavery risks, labour providers and recruitment fees practices.<br>We have partnered with MUDEM, a refugee support association in Turkey, and have signed a cooperation protocol on 'remediation of working conditions of refugees'. This NGO provides a confidential mechanism for Syrians and other refugees, to raise complaints or issues in our factories anonymously and MUDEM then liaise with M&S to resolve the issues with the factory. To date we have had no issues raised. |

This statement was approved by the Board of Marks and Spencer Group plc.

Signed



Steve Rowe, CEO  
May 2019