

**Marks and Spencer Group Plc.**

---

**Qualifying Explanatory Statement  
in support of PAS 2060:2014  
self-certification**

---

**May 2020**

## Introduction

This document forms the Qualifying Explanatory Statement to demonstrate Marks and Spencer Group Plc. (M&S) has achieved carbon neutrality under the guidelines of PAS 2060:2014 and is committed to achieving carbon neutrality under the guidelines of PAS 2060:2014.

<b>PAS 2060 Information Requirement</b>	<b>Information as it relates to M&amp;S</b>
Entity making PAS 2060 declaration:	Marks and Spencer Group Plc.
Subject of PAS 2060 declaration:	The stores, offices, warehouses and delivery fleets operated by Marks & Spencer in the UK, Republic of Ireland and internationally <sup>1</sup> .
Description of Subject:	Marks and Spencer is one of the UK's leading retailers, selling high quality, great value clothing and home products as well as outstanding quality food. M&S has nearly 79,000 employees worldwide and over 1,400 stores.
Rationale for selection of the subject:	The scope and subject of this PAS2060 includes all emissions based on the operational control principle defined in the 2014 WRI GHG Protocol – Corporate Accounting Standard.
What type of conformity assessment has been/is to be undertaken?	Self-certification
Baseline date for PAS2060 programme	1 <sup>st</sup> April 2011 – 31 <sup>st</sup> March 2012
Achievement Period	1 <sup>st</sup> April 2019 – 31 <sup>st</sup> March 2020

This Qualifying Explanatory Statement contains information pertaining to the subject's carbon neutrality. Any and all information herein is believed to be correct at the time of publishing. Should any information come to light that would affect the validity of the statements herein, this document will be updated to accurately reflect the current status of any carbon neutral statement made by M&S

## Declaration of achievement of carbon neutrality

PAS 2060 Information Requirement	Information as it relates to M&S
State the period during which the entity is demonstrating achievement of carbon neutrality of the subject.	1 <sup>st</sup> April 2019 – 31 <sup>st</sup> March 2020
Location-based (gross) carbon footprint of the subject for 1 <sup>st</sup> April 2018- 31 <sup>st</sup> March 2019:	Application period: Total: <b>337,923</b> tCO <sub>2</sub> e
Which method, as defined by PAS 2060, has been followed to achieve carbon neutrality?	Method 1 Demonstrating carbon neutrality
How have the reductions in GHG emissions during this period been achieved?	Internal reduction, procurement of renewable electricity and bio-methane gas in accordance with the WRI/ WBCSD Scope 2 Guidance published in 2015 and offsets.
Location of the GHG emissions report supporting this claim.	Appendix A of this document
Location of the details describing internal reductions achieved during the period.	Appendix B of this document
Location of the details describing procurement of renewable electricity and bio-methane gas achieved during the period.	Appendix C of this document
Location of the details describing the carbon offsets.	Appendix D of this document

Name of senior representative	Signature of senior representative
<b>Carmel McQuaid, Head of Sustainable Business</b>	
Date: 28 <sup>th</sup> May 2020	

## Appendix A – Carbon Footprint Assessment

### Greenhouse Gas Emissions –

CO <sub>2</sub> e Scope and Definition	1 <sup>st</sup> April 2019-31 <sup>st</sup> March 2020
	<b>Total tCO<sub>2</sub>e</b>
1 Direct GHG emissions from vehicles/premises under control of Marks and Spencer Group Plc.	172,812
2 GHG emissions arising from the consumption of electricity on premises under control of Marks and Spencer Group Plc.	165,111
<b>Location- based (gross)Total</b>	<b>337,923</b>
Credits resulting from the procurement of renewable electricity/ instruments and bio-methane gas and the re-supply of electricity generated by M&S into the national grid.	<b>142,856</b>
<b>Market-based (net) Total</b>	<b>195,067</b>

### **Standard and methodology used**

M&S categorises its Greenhouse Gas (GHG) Emissions as Scope 1, 2 or 3 as referred to in the WBCSD-WRI Greenhouse Gas Protocol (revised edition, dated March 2014) emissions in carbon dioxide equivalent (CO<sub>2</sub>e) for Scopes 1 and 2 are calculated using the conversion factors listed in the 2019 BEIS Greenhouse Gas Conversion Factors with additional factors from the International Energy Agency (2019) and Bitzer 20 for refrigeration gases. Procured renewable electricity and gas is accounted in accordance with the WBCSD-WRI Scope 2 Guidance on procured renewable energy (2015).

### **Data Quality/Confidence**

Data from GHG emissions sources contributing over 90% of the group footprint was obtained via direct metering or derived from fuel consumption, with appropriate National or International emissions factors applied. This allows for a high confidence in the data.

## Appendix B – Carbon Footprint Management Plan

### Historical Emission Reduction Progress for the Previous Period

*Emission reduction activity to date is summarised below:*

Marks and Spencer Group Plc. have undertaken various activities as part of the “Plan A” initiative. The “Plan A” initiative including targets relating to Climate Change and will act to reduce our Greenhouse Gas emissions over time. For a detailed breakdown of our actions, please see the document titled “2020 Plan A Report”, which is publicly available on our website.

However, some of our significant achievements relating to our Carbon Footprint are detailed below

- 47% reduction in Location-based greenhouse gas emissions and a 70% reduction against market-based emissions since 2006/07.
- First major retailer to be certified to the ISO 50001 Energy Management standard in 2013.
- First retailer to be certified to the Carbon Trust’s Triple Standard on Carbon, Water and Waste in 2014.

### On-going Emissions Reduction Plan – For the PAS 2060 Commitment Period

*The on-going plan to reduce emissions over the commitment is summarised below:*

Marks and Spencer Group Plc.’s on-going activity is detailed in the document titled “2020 Plan A Report”, which is publicly available on our website.

- Science Based Target (SBT) to reduce operational greenhouse gas emissions by 80% by 2030 and 90% by 2035 (will under 2C scenario).
- Continued commitment to carbon neutral operations (scope 1 and 2)

### Appendix C – Carbon Offset Strategy

The following information covers the offset strategy for the period of carbon neutrality.

Quantity of GHG emissions to be offset: 195,067 tCO <sub>2</sub> e	
Carbon offset strategy	<ul style="list-style-type: none"><li>○ M&amp;S hold a portfolio of Carbon Instruments in excess of the Group’s predicted footprint for the period.</li><li>○ A third-party manage this portfolio on behalf of M&amp;S.</li><li>○ On a regular basis M&amp;S advise the third-party on the volume of carbon instruments that need to be retired to cover the operational emissions for that period.</li><li>○ Carbon Instruments relating to the application period 1<sup>st</sup> April 2019-31<sup>st</sup> March 2020 have already been retired (details below).</li></ul>

Carbon Instrument details for:

Application period of carbon neutrality 1<sup>st</sup> April 2019 – 31<sup>st</sup> March 2020

<ul style="list-style-type: none"><li>○ In total, 195,067 carbon credits relating to the period were offset.</li><li>○ 100% of these carbon credits were verified to the Voluntary Carbon Standard (VCS), Gold Standard or Clean Development Mechanisms (CDM).</li></ul>
--

### Appendix D – Scope 3 Emissions

In preparing our organizational GHG inventory for the purpose of carbon neutrality Marks and Spencer Group Plc adopted a traditional organisational boundary that includes all scope 1 and 2 emission sources.

By their nature scope 3 emissions are modelled or estimates.