

FRAUD POLICY

POLICY STATEMENT

M&S operates a zero-tolerance approach to fraud. We require everyone to act with honesty and integrity, to safeguard the resources for which they are responsible and to protect our customers, shareholders, suppliers, colleagues and brand from fraudulent activity in any form.

BACKGROUND

Fraud is a deliberate act (or deliberately assisting/allowing one by another person) to create, falsify, destroy, deface or conceal any account, balance, record or document, or impersonate, deceive, or misuse their position with the intention of:

- obtaining money, discounts, assets, services, information or any other benefit which would otherwise be denied;
- distorting personal or business performance irrespective of reason;
- causing a loss to M&S or another party (such as a supplier, third party contractor, customer or colleague); and/or
- prejudicing the business's rights, competitive position or business reputation, or those of another party.

The definition of fraud and application of this policy covers instances where fraud is perpetrated by M&S or by third parties and agents involved in our business activities, or where M&S is the victim.

This policy forms part of our 'reasonable procedures' to prevent fraud under the Economic Crime and Corporate Transparency Act 2003 (Failure to Prevent Fraud).

Legal context

From a legal perspective, fraud offences most likely to be relevant to M&S are:

- Fraud by false representation;
- Fraud by failing to disclose information;
- Fraud by abuse of position;
- Possession of articles for use in fraud;
- Making or supplying articles for use in fraud;
- Obtaining services dishonestly;
- Participation in a fraudulent business;
- False statements by company directors;
- False accounting;
- Fraudulent trading; and
- Cheating the public revenue.

To have committed fraud a person must have acted dishonestly and with the intent to (i) make a gain for themselves or someone else, including where there is a direct or indirect gain for M&S, and/or (ii) cause loss to another or expose another to a risk of loss.

Fraud in the workplace affects us all by reducing Company profits, damaging our culture and potentially tarnishing the M&S Brand. The consequences can be wide reaching and include increased prices for customers, poor returns for investors, reputational damage, fines and reduced staff benefits. The Failure to Prevent Fraud could subject M&S to unlimited fines. This includes where the colleague, agent or third party (acting for M&S), who perpetrates a fraud benefitting M&S, is based overseas.

OUR COMMITMENT

Our commitments as a business are to:

- set a clear 'tone at the top' and communicate a zero tolerance approach to managing fraud across all parts of M&S;
- maintain a register of significant or material fraud risks;
- establish policies, procedures and controls with defined responsibilities and aligned with the Company's risk profile, to mitigate the risk of fraud in our day-to-day activities – recognising this may not always prevent fraudulent acts;
- maintain an environment and culture that relies on and is supportive of colleagues in identifying and reporting suspected fraud;
- maintain appropriate anti-fraud awareness programmes for colleagues;
- establish governance and assurance processes to monitor and assess the effectiveness of anti-fraud measures and controls in our business units and functions;
- maintain an effective, independent and confidential whistleblowing channel for the reporting of allegations;
- fully investigate whenever fraud is suspected - irrespective of monetary value due to the corrosive impact on values and behaviours;

FRAUD POLICY

- report instances of significant or serious fraud to the M&S Executive leadership and to the Audit & Risk Committee;
- enforce appropriate sanctions when fraud is confirmed including disciplinary action that may lead to dismissal and civil recovery proceedings to recover losses; and
- report criminal acts to the police or other authorities where appropriate.

YOUR RESPONSIBILITIES

All colleagues

All colleagues have a responsibility to:

- be aware of what is happening around them to help prevent and detect fraud;
- report any suspected wrongdoing – whether involving colleagues, suppliers or other third parties; and
- to think ‘what is the right thing to do?’ – challenging whether existing ways of working are acceptable and reporting anything that appears inappropriate.

This mindset needs to be applied to all potentially fraudulent activities – ranging, for example, from staff discount abuse or inappropriately accepting gifts through to falsely reporting on performance, abusing a position of power or obtaining services dishonestly.

Where fraud is suspected, colleagues should report their concern immediately to either a member of their business unit/functional leadership team, the Head of Internal Audit & Risk, the General Counsel or through the confidential reporting process. (Further details are below in ‘Reporting & queries’).

Colleagues **should not**:

- confront individuals suspected of fraud;
- discuss the suspicion more widely;
- take any personal action to address, or
- begin any local investigation.

It is important to note that **UK legislation protects colleagues from dismissal or being disadvantaged when they report wrongdoing by their employer or other colleagues**. For example, there may be instances where fraud is suspected but no wrongdoing is found when investigated. In these circumstances, no disciplinary action will be taken if the disclosure was reasonable, made in good faith, believed to be true and indicative of the

individual’s concern for the Company’s best interests.

Business unit/functional leadership teams

The leadership teams of our business units and functions are, in addition to the responsibilities set out above, responsible for:

- identifying potentially significant or material fraud risks linked to their business activities; and
- establishing, maintaining and assessing the effectiveness of an appropriate system of internal controls which mitigate the occurrence of fraud and agreeing remediation plans for any gaps in effectiveness.

COMPLIANCE

Applicability

This policy is applicable to all parts of M&S’s business activities in both the UK and Overseas.

For business operations which are not wholly owned, such as Joint Ventures and other significant undertakings, the respective business and functional leadership teams are responsible for satisfying themselves that the underlying entity has adopted this policy or has appropriate fraud policies and procedures in place. Where there are individually significant fraud risks or issues which could impact M&S, these should be reported to the Head of Internal Audit & Risk.

Consequences

Fraud is deemed gross misconduct. As described above, all reported concerns of fraud or potential fraud will be subject to investigation. Where confirmed, the business will enforce appropriate sanctions including disciplinary action that may lead to dismissal, civil recovery proceedings to recover losses and reporting criminal acts to the police or other authorities.

Compliance reporting

The business and functional leadership teams are responsible for reviewing and confirming the effectiveness of controls to mitigate the risk of significant or material fraud in the relevant part of the business on a periodic basis.

The Head of Internal Audit & Risk is responsible for collating details of significant frauds identified by the business or from confidential reporting and providing details to the Executive leadership and the Audit & Risk Committee. Each business/functional leadership team is responsible,

FRAUD POLICY

therefore, for reporting significant issues in their part of the business to the Head of Internal Audit & Risk as soon as they are identified or suspected.

The Executive Risk Committee is responsible for overseeing the operation of the fraud risk management framework across the business and report at least annually to the Audit & Risk Committee.

REPORTING AND QUERIES

Any colleague's suspicion of fraud should be reported immediately to a member of their business unit/functional leadership team, the Head of Internal Audit & Risk, the General Counsel or

through the Company's confidential reporting process:

- Calls from the UK: Freephone: 08000 150 281
- Calls from ROI: Freephone 1800 812 740
- Weblink: www.safecall.co.uk/report
- Via the My Safety app
- (Other international numbers are published on the M&S intranet site)

Anyone contacted about a suspicion of fraud should report the incident directly to the Head of Internal Audit & Risk or via the confidential reporting process explained above.

FURTHER INFORMATION

Policy Owner	General Counsel & Company Secretary
Compliance Lead	Head of Internal Audit & Risk
Published/Effective from	March 2026
Review frequency	Annually
Next review date	March 2027