

LAWS THAT PROTECT GROCERY SUPPLIERS (GSCOP) POLICY

WHY IT MATTERS TO M&S

Just as customers expect high standards from M&S in terms of quality and service, they also expect us to treat our suppliers fairly and lawfully. M&S seeks fair, sustainable and mutually beneficial relationships with all its suppliers. As part of this relationship we must comply with specific laws that protect our grocery suppliers in the markets in which we operate, including the:

- Groceries Supply Code of Practice (GSCOP) for groceries sold in the UK;
- European Supply Chain initiative for groceries sold in the European Union.

Though the laws have different names the underlying obligations to suppliers are the same. As M&S is primarily a UK Food retailer this policy is focused on GSCOP.

BACKGROUND

This policy sets out our minimum expectations for complying with GSCOP and other similar laws in Europe and the Republic of Ireland. All colleagues employed by M&S and who are involved in the supply of groceries for resale to the UK, Europe and Republic of Ireland market, must comply with this policy.

WHAT IS GSCOP

GSCOP places certain obligations on M&S (and other selected retailers) and the Code is enforced by the Groceries Code Adjudicator (CCA). GSCOP applies to all supplier relationships where **'Groceries products'** are purchased for sale in the UK: this is regardless of where in the world the products are sourced and whether the products are sold through M&S, franchisees or joint venture partners.

Groceries products are defined in GSCOP to **include** food, pet food, drinks (alcoholic and non-alcoholic), cleaning products, toiletries and household goods, and **exclude** petrol, clothing, DIY products, financial services, pharmaceuticals, newspapers, magazines, greetings cards, CDs, DVDs, videos and audio tapes, toys, plants, flowers, perfumes, cosmetics, electrical appliances, kitchen hardware, gardening equipment, books, tobacco and tobacco products.

Note: This policy only applies to suppliers of Groceries products.

YOUR RESPONSIBILITIES

The key principles of GSCOP which form our ways of working at M&S, are as follows:

1. We deal fairly and lawfully with our suppliers.
2. We record all supplier agreements in writing and keep a copy.
3. We do not vary supply agreements retrospectively.
4. We do not make major changes to agreements or processes without explicit acceptance from suppliers and will always give reasonable notice to suppliers of minor changes.
5. We pay our suppliers on time and in accordance with our agreed payment terms – no delay in payments.
6. We charge suppliers in accordance with the below principles:
 - We only charge suppliers if agreed as part of our supply agreement.
 - We only deduct a charge from a supplier after giving 30 days' notice.
 - We do not require suppliers to contribute to marketing / artwork costs unless set out in our supply agreement.
 - We do not request or require suppliers to make payments for shrinkage.
 - We do not, as a rule, accept listing fees. If we were to make an exception and accept such fees, we would only ever do so in relation to genuinely new products (e.g. new lines / products to M&S).
 - We do not require suppliers to pay for wastage costs unless set out in our supply agreement.
 - We do not require payment from suppliers for better positioning of goods unless in relation to promotions.
7. We do not require suppliers to make payments as a condition of being a supplier – no 'pay to stay'.
8. We cannot require a supplier to fund more than 50% of a promotion (this can be a request only).
9. We prepare our forecasts in good faith and in consultation with suppliers.

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10. We do not impose unfair charges on suppliers for consumer complaints.
11. We do not require suppliers to use a nominated third party if M&S receives a payment.
12. Where we are de-listing a supplier and / or its products, we follow our de-listing checklist and send our de-list notice letter.

COMPLIANCE

It is important that you comply with this policy and related guidance. A breach of GSCOP can result in a formal investigation by the GCA who can impose binding recommendations and fines of up to 1% of annual turnover on M&S. The equivalent ROI and European regulators have similar fining powers to the GCA.

Failure to comply with this policy may result in disciplinary action being taken against any colleagues concerned.

SPEAK UP!

It is important that any colleague who suspects a breach of the laws that protect grocery supplies (e.g. GSCOP, EU Supply Chain initiative) or this policy, speaks up straight away. Breaches, whether confirmed or suspected, raised internally or by suppliers, must be reported as soon as possible to the Code Compliance Officer (CCO), the Legal team and your line manager. If you feel unable to raise the issue with the CCO, your line manager or the Legal team, please contact Safecall on 08000 150281 or email confidential@marksandspencer.com.

FURTHER INFORMATION

Policy Owner	Managing Director, Food
Compliance Leads	GSCOP Code Compliance Officer
Published / Effective from	March 2026
Review frequency	Annually
Next review date	March 2027

RELATED DOCUMENTS

For further information consult the GSCOP Guidance and Procedures available on the Code of Conduct hub.

QUERIES

If you have any questions on how this policy or related guidance applies or should be implemented, or if you have any other GSCOP related query (including if you receive any contact from regulators such as the Grocery Code Adjudicator), please contact:

→ GSCOP Code Compliance Officer

→ Head of Competition and Regulatory - Legal

OTHER LAWS THAT PROTECT GROCERY SUPPLIERS

As a global retailer of Grocery products, M&S is obliged to follow all local laws in place to protect its grocery suppliers. If you work in one of these markets, you are obliged to not only follow this policy but also any local laws to ensure we treat suppliers legally and fairly.