

Environmental, Social & Governance Committee Terms of Reference

Membership

The Environmental, Social & Governance Committee (the “ESG Committee”) of Marks and Spencer Group plc shall comprise of at least three independent non-executive directors. The Chair of the Board may also serve on the committee as an additional member but only if they are independent at the time of appointment. At least one member should have the appropriate knowledge, skills and expertise to understand ESG-related strategy, targets and implementation, and the Committee as a whole shall undertake appropriate development of their skills as necessary. The quorum for meetings is two members, including the Committee Chair or their delegate.

The Board, on the recommendation of the Nomination Committee, shall appoint the Committee Chair from among the independent non-executive directors. The Chair of the Board shall not be appointed Chair of the Committee. Members of the ESG Committee shall also be appointed by the Board on the recommendation of the Nomination Committee, in consultation with the Chair of the Committee.

Meetings

The Committee Chair shall ensure that the Committee meets with sufficient notice and frequency. The Committee shall meet at least four times a year or as required.

Only members of the Committee and the Group Chair have the right to attend Committee meetings. In addition, either the CEO and CFO or two members of the Executive Committee (or equivalent body) will have a standing invitation. The Committee may invite any Director, employee, and relevant internal and external specialists to advise on specific issues. The Secretary will provide advice and guidance on statutory, regulatory and governance requirements.

The Company Secretary (or their nominee) shall act as Secretary to the Committee and will ensure that the committee receives information and papers in a timely manner to enable full and proper consideration to be given to the matters under discussion. The Committee shall have access to the services of the company secretariat on all committee matters.

The Secretary shall minute the proceedings of all meetings, which will be available to all Board Directors, except where in the opinion of the Committee Chairman a conflict of interest exists. The Committee Chair will attend the AGM to respond to any Shareholder questions on the Committee’s activities.

Responsibilities

In carrying out its responsibilities the Committee must act in accordance with the UK Corporate Governance Code and shall:

ESG strategy

1. Oversee the development and recommend for approval by the board, the Company's Environmental, Social, and Corporate Governance (ESG) Strategy (the “Strategy”). Ensure that the strategy is both inspiring and effective, and aligns with the M&S values and objectives, in order to support the long-term sustainable success of the Company.
2. Oversee the execution of the ESG strategy and approve related projects developed in response to strategy, holding to account area leads tasked with implementing the overall Plan A ESG Strategy.

Goals and metrics

3. Advise on and recommend to the board appropriate short- and long-term objectives and targets for the Company’s Sustainability and ESG activities, and ensure key metrics are reported on.
4. Review the Company’s performance against previously set objectives. To include:

- i. Ensuring the provision of adequate management information; and
- ii. Monitoring the Company's annual and overall performance against previously set KPIs.

Social issues

5. Oversee the company's interactions with and responsibilities towards its stakeholders in relation to the ESG-issues that matter most to M&S' stakeholders including customers, suppliers, and the communities in which it operates.
6. Support the board and the Audit & Risk Committee in monitoring the adequacy of its supply chain controls in relation to modern slavery and human rights risk.

Governance

7. Review the effectiveness of the governance in place to ensure the successful delivery of ESG activities including regularly reviewing the adequacy of the Company's codes of practice, policies, principles and standards and ensure they remain in compliance with any relevant national and international regulations.
8. Ensure a periodic evaluation of the Committee's own performance is carried out and to report to the Board, including any recommendations for improvement.
9. Periodically review and update the Terms of Reference recommending any changes as necessary to the Board and ensure they are made publicly available.
10. Approve the appointment of the Sustainability Auditor for the ESG report and review their effectiveness.
11. Review relevant internal and external inputs as appropriate.

Reporting Responsibilities

12. The Committee shall report to the board after each meeting on the nature and content of its discussion, recommendations and action to be taken.
13. The Committee shall advise the Audit & Risk Committee on ESG related risks, sustainability related principal risks and opportunities, including climate-related issues and disclosures.
14. The Committee shall oversee the production and approval of an annual ESG report, an annual Task Force on Climate-related Financial Disclosures ("TCFD") report, and other ESG-related disclosures, including under the Corporate Sustainability Reporting Directive ("CSRD").
15. The Committee shall produce a report of its activities to be used in the company's Annual Report, including identification of any external advisers.
16. Give due consideration to all relevant ESG related laws, regulations, published guidelines or recommendations for all externally published reporting, as appropriate.

General

17. To seek any information it requires from any employee of the Company in order to perform its duties.
18. To obtain, at the Company's expense, any outside legal or other professional advice on any matters within its terms of reference.