

## **Environmental, Social & Governance Committee Terms of Reference**

### **Membership**

The Board shall establish an Environmental, Social & Governance Committee of independent non-executive directors, with a minimum of two members. The Chairman of the Board may also be a member but only if they are independent at the time of appointment.

It is expected this will extend to three directors over time bringing the Committee in line with the membership requirements of the Board's other Committees.

### **Attendance – non-voting members**

Either the CEO and CFO or two members of the Executive Committee (or equivalent body).

### **Appointment**

Members of the Environmental, Social & Governance Committee shall be appointed by the Board.

### **Committee Chairman**

The Board, on the recommendation of the Nomination Committee, shall appoint the Committee Chairman from among the independent non-executive directors. The Chairman of the Board shall not be appointed Chairman of the Committee.

### **Secretary**

The Group Secretary (or their nominee) shall act as Secretary to the Committee.

### **Authority**

The Committee is authorised by the Board to:

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

### **Meetings arrangements**

#### Attendance

- a) Only members of the Committee and the Group Chairman 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.
- b) 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.

#### Meetings

- a) The quorum for meetings is two members, including the Committee Chairman or their delegate.
- b) The Committee Chairman shall ensure that the Committee meets with sufficient notice and frequency. The Committee shall meet at least three times a year or as required.
- c) 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.
- d) The Committee Chairman 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: -

#### Ensure:

- a) The Company has an Environmental, Social, and Corporate Governance (ESG) Strategy (the "Strategy") that is both inspiring and differentiates M&S from its competitors, whilst also remaining fit for purpose;
- b) That short- and long-term objectives for the Company's Corporate Social Responsibility and ESG activities are in place and key metrics are reported on;
- c) All related policies are regularly reviewed and updated and remain in compliance with any relevant national and international regulations; and
- d) The Committee's Terms of Reference are made publicly available.

Review:

- e) The effectiveness of the Strategy and the governance in place to ensure the successful delivery of activities across ESG activity. This will include:
  - i. Reviewing the adequacy of the Company's policies, principles and standards in so far as they relate to Corporate Social Responsibility;
  - ii. Holding to account area leads tasked with implementing the overall Corporate Social Responsibility and ESG Strategy;
  - iii. Reviewing relevant internal and external inputs as appropriate.
- f) The Company's Corporate Social Responsibility 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.
- g) Annually the Terms of Reference and the effectiveness of the Committee and to report to the Board, including any recommendations for improvement.

Approve:

- h) The Plan A Strategy including an implementation plan and KPIs;
- i) Any projects developed in response to the implementation of the Strategy;
- j) All ESG reporting including information to be included in the Company's Annual Report;
- k) The Company's Plan A report;
- l) The annual Task Force on Climate-related Financial Disclosures ("TCFD") report;
- m) Annually related codes of practice and policies; and
- n) The appointment of the Plan A Auditor.