

## Independent limited Assurance Report to the Directors of Marks and Spencer PLC

Independent limited Assurance Report by Deloitte LLP to the Directors of Marks and Spencer PLC on selected KPIs (“Selected KPIs”) within the RCF Sustainability KPI Performance Update of Marks and Spencer PLC for the year ended 30 March 2024.

### Our assurance conclusion

Based on our procedures described in this report, and evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected KPIs, as presented on page 1 of the RCF Sustainability KPI Performance Update, for the year ended 30 March 2024, and as listed below have not been prepared, in all material respects, in accordance with the Applicable Criteria, which includes the Basis of Reporting prepared by the Directors.

### Scope of our work

Marks and Spencer PLC has engaged us to perform an independent limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* (“ISAE 3000 (Revised)”), and the International Standard on Assurance Engagements 3410 *Assurance Engagements on Greenhouse Gas Statements* (“ISAE 3410”) issued by the International Auditing and Assurance Standards Board (“IAASB”), and our agreed terms of engagement.

The Selected KPIs in scope of our engagement, as presented on page 1 of the RCF Sustainability KPI Performance Update for the year ended 30 March 2024, and as listed below are as follows:

Reporting period	Selected KPI description	Unit of measurement	Reported amount
<b>KPI 1: % Metric tonnes of soy sourced from physically certified deforestation and conversion free supply chains of total soy used in animal feed in the year ended 31 December 2023.</b>			
Reporting period 1 January 2023 to 31 December 2023	% Metric tonnes of soy sourced from physically certified deforestation and conversion free supply chains of total soy used in animal feed.	%	71
<b>KPI 2: % Metric tonnes of the polyester in clothing and home products coming from verified recycled sources of the total polyester in clothing and home products in the financial year ended 30 March 2024.</b>			
Reporting period 2 April 2023 to 30 March 2024	% Metric tonnes of the polyester in clothing and home products coming from verified recycled sources of the total polyester in clothing and home products.	%	69.7
<b>KPI 3: Cumulative annual metric tonnes of CO2e Scope 1 and 2 emissions reduced from the property estate calculated against a baseline of the financial year ended 2 April 2022.</b>			

Reporting period 4 April 2021 to 2 April 2022 [baseline year]  less  Reporting period 3 April 2022 to 1 April 2023 [current year]  less  Reporting period 2 April 2023 ending 30 March 2024	Cumulative annual metric tonnes of CO2e Scope 1 and 2 emissions reduced from the property estate calculated against a baseline of the financial year ended 2 April 2022.	Tonnes CO2 equivalent	26,968
<b>KPI 4: Cumulative number of plastic pieces (million units) removed from packaging portfolio since the start of the financial year ended 2 April 2022, comprised of:</b>			
Reporting period 4 April 2021 to 30 March 2024 (3 consecutive financial years)	Number of plastic pieces (million units) removed from packaging portfolio.	Units (millions)	252.2

The Selected KPIs, as listed in the above table, need to be read and understood together with the Applicable Criteria set out in the RCF Sustainability KPI Performance Update and available here: <https://corporate.marksandspencer.com/RCFperformanceupdate>.

#### **Inherent limitations of the Selected KPIs**

We obtained limited assurance over the preparation of the Selected KPIs in accordance with the Applicable Criteria. Inherent limitations exist in all assurance engagements.

Any internal control structure, no matter how effective, cannot eliminate the possibility that fraud, errors or irregularities may occur and remain undetected and because we use selective testing in our engagement, we cannot guarantee that errors or irregularities, if present, will be detected.

The self-defined Applicable Criteria, the nature of the Selected KPIs, and absence of consistent external standards allow for different, but acceptable, measurement methodologies to be adopted which may result in variances between entities. The adopted measurement methodologies may also impact comparability of the Selected KPIs reported by different organisations and from year to year within an organisation as methodologies develop.

Our engagement provides a limited assurance report over the preparation of the Selected KPIs in accordance with the Applicable Criteria. We draw your attention to the following specific limitations:

- The Soy and Polyester KPIs listed in Appendix 2 are derived from supplier information regarding the certification of deforestation and conversion free soy and specification of recycled polyester

materials (respectively). Our procedures did not include obtaining assurance over the information provided by suppliers.

### **Directors' responsibilities**

The Directors are responsible for:

- Selecting and establishing the Applicable Criteria.
- Preparing, measuring, presenting and reporting the Selected KPIs in accordance with the Applicable Criteria.
- Publishing the Applicable Criteria publicly in advance of, or at the same time as, the publication of the Selected KPIs.
- Designing, implementing, and maintaining internal processes and controls over information relevant to the preparation of the Selected KPIs to ensure that they are free from material misstatement, including whether due to fraud or error.
- Providing sufficient access and making available all necessary records, correspondence, information and explanations to allow the successful completion of our limited assurance engagement

### **Our responsibilities**

We are responsible for:

- Planning and performing procedures to obtain sufficient appropriate evidence in order to express an independent limited assurance conclusion on the Selected KPIs.
- Communicating matters that may be relevant to the Selected KPIs to the appropriate party including identified or suspected non-compliance with laws and regulations, fraud or suspected fraud, and bias in the preparation of the Selected KPIs.
- Reporting our conclusion in the form of an independent limited Assurance Report to the Directors.

### **Our independence and competence**

In conducting our engagement, we complied with the independence requirements of the FRC's Ethical Standard and the ICAEW Code of Ethics. The ICAEW Code is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We applied the International Standard on Quality Management (UK) 1 ("ISQM (UK) 1"), issued by the International Auditing and Assurance Standards Board. Accordingly, we maintained a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Key procedures performed**

We are required to plan and perform our work to address the areas where we have identified that a material misstatement in respect of the Selected KPIs is likely to arise. The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement in respect of the Selected KPIs, we performed the following procedures:

- Performed an assessment of the criteria (the benchmarks used to measure or evaluate the underlying information) to determine whether they are suitable for the engagement circumstances.

- Performed analytical review procedures to understand the underlying subject matter and identify areas where a material misstatement of the Selected KPIs is likely to arise.
- Through inquiries of management, obtained an understanding of the Company, its environment, processes and information systems relevant to the preparation of the Selected KPIs sufficient to identify and further assess risks of material misstatement in the Selected KPIs, and provide a basis for designing and performing procedures to respond to assessed risks and to obtain limited assurance to support a conclusion.
- Through inquiries of management, obtained an understanding of internal controls relevant to the Selected KPIs, the quantification process and data used in preparing the Selected KPIs, the methodology for gathering qualitative information, and the process for preparing and reporting the Selected KPIs. We did not evaluate the design of particular internal control activities, obtain evidence about their implementation or test their operating effectiveness.
- Through inquiries of management, documented whether an external expert has been used in the preparation of the Selected KPIs, then evaluated the competence, capabilities, and objectivity of that expert in the context of the work performed and also the appropriateness of that work as evidence.
- Inspected documents relating to the Selected KPIs, including board committee minutes and where applicable internal audit outputs to understand the level of management awareness and oversight of the Selected KPIs.
- Performed procedures over the Selected KPIs, including recalculation of relevant formulae used in manual calculations and assessment whether the data has been appropriately consolidated.
- Performed procedures over underlying data on a statistical sample basis to assess whether the data has been collected and reported in accordance with the Applicable Criteria, including verifying to source documentation.
- Performed procedures over the activities of significant third parties that perform key controls relevant to the Selected KPIs.
- Conducted site visits at a sample of sites (virtually and in person), selected on a judgemental basis to determine consistency in understanding and application of the Applicable Criteria, checked understanding of processes, and performed completeness testing.
- Performed procedures over the Selected KPIs including assessing management's assumptions and estimates.
- Accumulated misstatements and control deficiencies identified, assessing whether material.
- Read the narrative accompanying the Selected KPIs with regard to the Applicable Criteria, and for consistency with our findings.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

## Use of our report

This report is made solely to the Directors of Marks and Spencer PLC in accordance with ISAE 3000 (Revised) and ISAE 3410, and our agreed terms of engagement. Our work has been undertaken so that we might state to the Directors of Marks and Spencer PLC those matters we have agreed to state to them in this report and for no other purpose.

Without assuming or accepting any responsibility or liability in respect of this report to any party other than Marks and Spencer PLC and the Directors of Marks and Spencer PLC, we acknowledge that the Directors of Marks and Spencer PLC may choose to make this report publicly available for others wishing to have access to it, which does not and will not affect or extend for any purpose or on any basis our responsibilities. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Marks and Spencer PLC and the Directors of Marks and Spencer PLC as a body, for our work, for this report, or for the conclusions we have formed.

Readers of this assurance report are made aware that the Applicable Criteria are designed specifically to measure the Selected KPIs as defined for the Revolving Credit Facility to which they are linked. As a result, the Selected KPIs may not be suitable for another purpose.

*Deloitte LLP*

**Deloitte LLP**

London

8 July 2024