

MARKS AND SPENCER GROUP PLC RIGHTS ISSUE GUIDE

For shareholders holding shares in their own name on the register of members and issued with a Provisional Allotment Letter (“PAL”) or through the Share Service and issued with a Form of Instruction (“FOI”)

! This document is important and requires your immediate attention

This document is an advertisement for the purposes of the Prospectus Rules of the UK Financial Conduct Authority (“FCA”) and not a prospectus (or prospectus equivalent document) for the purposes of EU Directive 2003/71/EC or Part VI of the Financial Services and Markets Act 2000 (as amended). A prospectus has been published by Marks and Spencer Group plc (“M&S”) in connection with the rights issue and is available at www.marksandspencer.com/shareholder. Any decision to apply for shares in M&S should be based solely on the published prospectus.

This document is not a summary of the Prospectus or the PAL and should not be regarded as a substitute for reading the full prospectus and PAL. You should read the Prospectus for detailed information about the Rights Issue before deciding whether or not to invest in the nil paid rights, fully paid rights or New Ordinary Shares.

You have various options available to you which have different deadlines. **You can make your election online by visiting www.marksandspencer.com/shareholder** or by returning your completed PAL or FOI and cheque.

If you are in any doubt as to what action you should take, you are recommended to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent financial adviser, who is authorised under the Financial Services and Markets Act 2000 (as amended), if you are resident in the UK or, if not, from another appropriately authorised independent financial adviser in your own jurisdiction.

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No action has been taken by the Company or Morgan Stanley that would permit a public offer of the securities or possession or distribution of any offering or publicity material relating to the rights issue in any jurisdiction where action for that purpose is required, other than the United Kingdom, Ireland, France, Germany and Spain.

The price and value of securities can go down as well as up. Past performance is not a guide to future performance. Information in this document cannot be relied upon as a guide to future performance. Before purchasing any securities referred to in this document, persons reading this document should make sure that they fully understand and accept the risks which are set out in the prospectus referred to above. Potential investors should consult an independent professional advisor. The contents of this document are not to be construed as legal, financial, investment or tax advice.

BACKGROUND

Marks and Spencer Group plc (“M&S”) is undertaking a Rights Issue to raise gross proceeds of approximately £601.3 million. You can read all about the Rights Issue and our rationale for undertaking it at www.marksandspencer.com/shareholder.

As a shareholder, you have a number of options available to you and these are summarised in this document. Capitalised terms used but not defined in this Guide have the meanings assigned to them in the Prospectus published on 24 May 2019. The Prospectus is available at www.marksandspencer.com/shareholder.

WHAT IS A RIGHTS ISSUE?

A rights issue is a way for a ‘**listed company**’ to raise additional capital. Rather than going to the market, a company issues new ‘**shares**’ and gives its existing shareholders the right (the ‘**Rights**’) to buy the new shares in proportion to their existing holding.

WHAT ARE THE TERMS OF THE OFFER?

The Rights Issue is an offer for Qualifying Shareholders to subscribe for 1 New Ordinary Share, at an issue price of 185 pence (the ‘**Rights Offer Price**’), for every 5 Existing Ordinary Shares held as at the close of business on 22 May 2019, which was the Record Date.

The right to buy the New Ordinary Shares is potentially valuable. You should therefore consider any decisions that you make in connection with the Rights Issue carefully.

KEY DATES

- Record Date for entitlement under the Rights Issue: 22 May 2019
- Dispatch of Provisional Allotment Letter and Share Service Form of Instruction: 28 May 2019
- Latest time and date for Sales and Cashless Take-up elections to be submitted: 5pm on 5 June 2019
- Latest time and date for acceptance and payment in full and registration of renounced Provisional Allotment Letters: 11am on 12 June 2019
- Commencement of dealings in New Ordinary Shares fully paid on the London Stock Exchange: 13 June 2019
- Earliest date Sale advices & Cheques issued for Sales/Tail Swallow: 10 June 2019
- Premium Payments made by BACS: 26 June 2019
- Dispatch of definitive share certificates for New Ordinary Shares in certificated form: 26 June 2019

HOW WILL THE RIGHTS ISSUE AFFECT MY EXISTING ORDINARY SHARES?

If you decide to take up all of your Rights to subscribe for New Ordinary Shares, the proportion of M&S shares that you own will remain the same as it was before the Rights Issue (subject to rounding down of fractional entitlements). If you decide to sell some or all of your shares, or you take no action and let your entitlement to the Rights lapse, then the proportion of M&S that you own will be smaller once the Rights Issue is completed.

If you hold fewer than 5 Existing Ordinary Shares as at close of business on the Record Date, you will not be entitled to subscribe for any New Ordinary Shares under the terms of the Rights Issue.

WHAT DO I NEED TO DO NOW?

Read this Guide, which outlines what your Options are in relation to the Rights Issue, and how you can apply for them. Further information on the Rights Issue and the options available to you can be found at www.marksandspencer.com/shareholder.

The Company Secretary’s letter enclosed with this Guide sets out the reference numbers you will need to complete your Rights Issue application.

Please also read the Prospectus (available at www.marksandspencer.com/shareholder) carefully before taking any action and contact your broker, bank, or other appropriately authorised financial adviser if you wish to seek advice about the action you should take.

All references in this booklet to ‘Rights’ are to nil paid rights to which you are entitled, unless expressly stated.

WHAT ARE MY OPTIONS?

If you are a Qualifying Certificated Shareholder or Qualifying Share Service Shareholder, there are a number of options available to you.

OPTION 1: TAKE UP ALL YOUR RIGHTS

You will have the right, for a limited time, to buy a certain number of new shares at the Rights Offer Price. Taking up these Rights in full ensures that the value of your existing shareholding will not be 'diluted'. In other words, your percentage ownership of M&S will remain the same before and after the Rights Issue.

OPTION 2: TAKE UP SOME OF YOUR RIGHTS

You can also choose to take up only some of the Rights to which you are entitled at the Rights Offer Price, in which case your shareholding will be diluted proportionately.

OPTION 3: SELL ALL OF YOUR RIGHTS*

The Rights to which you are entitled can be traded in the market and have an intrinsic value. They are

* Option 3 and Option 4 are only available to those shareholders who are nationals of, and resident in, the UK, Jersey, Guernsey, Isle of Man, EEA and Gibraltar.

Please note: You can also choose to do nothing and your entitlement to the Rights will lapse. If your Rights lapse and the share price on the day that happens to be is below the Rights Offer Price, your Rights will expire worthless. However, if the shares are trading above the Rights Offer Price on that day, then you may receive a cash payment per nil-paid share approximately equal to the share price less the Rights Offer Price.

known as 'nil-paid rights'. You can opt to sell your nil-paid rights to someone else in return for cash, without having to sell your existing shares. Your shareholding will, however, be diluted.

OPTION 4: CASHLESS TAKE-UP OR 'TAIL-SWALLOWING'

You can choose to sell some of your nil-paid rights to cover the cost of new shares that you buy in the Rights Issue; this is known as 'tail-swallowing'. Under this option, you would sell a sufficient number of your nil-paid rights to take up the balance of your entitlement under the Rights Issue, using the net proceeds from the sale of the Rights to do so – no further investment is required to take up the balance. Your shareholding will be diluted, but not by as much as if you were to sell all your Rights.

HOW DO I PARTICIPATE?

You can participate in the Rights Issue by visiting www.marksandspencer.com/shareholder and selecting your chosen Option ('**Online Application**'). Full instructions on completing your Online Application, including where to find your login details, can be found in this Guide.

If you are unable to access the Online Application, a paper application has also been sent to you. For Qualifying Certificated Shareholders this is a white Provisional Allotment Letter ('**PAL**'), and for Qualifying Share Service Shareholders this is a green Share Service Form of Instruction ('**FOI**').

APPLICATION DEADLINES

Depending on your chosen Option, your application must be received by Equiniti no later than:

→ Option 1: 11am (UK time) on 12 June 2019

→ Option 2: 11am (UK time) on 12 June 2019

→ Option 3: 5pm (UK time) on 5 June 2019

→ Option 4: 5pm (UK time) on 5 June 2019


PARTICIPATION EXCEPTIONS

Please note that if you have a registered address or are located or resident in any of the Excluded Territories, you will not be able to participate in the Rights Issue. For further information, please see our FAQs on page 7 of this Guide.

COMPLETING YOUR ONLINE APPLICATION

You can access your Online Application by visiting www.marksandspencer.com/shareholder and following the instructions below. The login details required can be found on the Company Secretary's Letter that was sent to you along with this Guide. Please note that by submitting an Online Application you declare that only one application has been made and that any paper form of your application will be destroyed.

STEP 1 – START YOUR APPLICATION

<p>Login</p> <p>Your Rights Issue Reference Number and Allotment Number can be found at the top of the Provisional Allotment Letter that has been sent to you.</p> <p>Reference Number <input type="text"/> ⓘ</p> <p>Allotment Number <input type="text"/> ⓘ</p> <p>Security Check</p> <p>Follow the instructions below.</p> <p><input type="checkbox"/> I'm not a robot</p> 	<p>WHERE TO FIND YOUR LOGON DETAILS</p> <p>Rights Issue Reference Number</p> <p>Your Rights Issue Reference Number can be found on your Company Secretary's Letter. It is also on your PAL or FOI (as applicable).</p> <p>Allotment Number</p> <p>Your Allotment Number can be found on your Company Secretary's Letter. It is also on your PAL or FOI (as applicable).</p>
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STEP 2 – APPLICATION

<p>Your Options</p> <p>Please make an election from one of the following options. Note: you cannot make more than one election.</p> <p>Payment is required by a debit card that has been issued by a bank that has enrolled with 3D Secure (fraud protection). No credit cards are accepted.</p> <p><input type="radio"/> Option 1: Take-up your Rights in Full Closing time: 11:00 on 10 June 2019</p> <p><input type="radio"/> Option 2: Partial Take-up of your Rights Closing time: 11:00 on 10 June 2019</p> <p>No payment required.</p> <p><input type="radio"/> Option 3: Sell ALL your Rights Closing time: 17:00 on 03 June 2019</p> <p><input type="radio"/> Option 4: Cashless Take-up (all-swallow) Closing time: 17:00 on 03 June 2019</p> <p>Your Email Address</p> <p>You'll be sent a confirmation of your Application by email. It's recommended that you provide a private personal email address.</p> <p>Email Address <input type="text"/></p> <p>Confirm Email Address <input type="text"/></p> <p>Your Contact Number</p> <p>A contact telephone number will only be used if there is a query about your Application.</p> <p>Contact Telephone Number <input type="text"/></p>	<p>Your Options</p> <p>Please select your choice from one of the four options as outlined on page 01 of this Guide.</p> <p>If you do not want to take up your Rights, you do not need to do anything and your Rights will lapse. Arrangements have been made for lapsed Rights to be sold through the underwriters. If a premium above the Rights Offer Price is achieved, the premium proceeds will be distributed to shareholders.</p> <p>Full details around the premium payment can be found in Part IX of the Prospectus.</p> <p>Your Email address and Contact Number</p> <p>→ Please enter the email address that you would like the confirmation of your application to be sent to.</p> <p>→ Please enter a contact telephone that we will be able to contact you on if there is a query with your application.</p>
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STEP 3 – OPTION SELECTION

Take-Up Your Rights In Full

You have elected to **Take-up your Rights In Full**

[Change option](#)

Before completing this Application, you should read the Prospectus relating to the Rights Issue and make your investment decision based only on the information in the Prospectus.

Number Of Rights To Take Up	Amount To Pay
208	420.76 GBP

* Apply online with payment by a UK or EEA debit card, or any other debit card that has been issued by a bank that has enrolled in 3D Secure (fraud protection), in your name (maximum application amount £10,000). Note: you cannot apply using a credit card

[Next](#)

Your Selected Option [Change](#)

Election Choice Take-up your Rights In Full	Number Of Rights Elected 75
Total Cost Of Rights 122.46 GBP	

OPTION 1: TAKE UP ALL OF YOUR RIGHTS

Selection details

If you have selected Option 1, you will be presented with the following details which you should check carefully:

- Election Choice
- Number of Rights Elected
- Total Cost of Rights

OPTION 2: PARTIAL TAKE-UP OF YOUR RIGHTS

Selection details

If you have selected Option 2, you will be presented with the following details which you should check carefully:

- Election Choice
- Number of Rights Elected
- Total Cost of Rights

OPTION 3 & 4: SELL ALL OF YOUR RIGHTS OR CASHLESS TAKE-UP (TAIL-SWALLOW)

Special Dealing Service

If you have selected Option 3 or Option 4 to sell all of your Rights or effect a Cashless Take-up, you are opting to sell all or some of your Rights through Equiniti's Special Dealing Service, the terms and conditions of which can be found on pages 9-13 of this Guide. The proceeds from the sale of your Rights will be sent to you via a cheque.

To use the Special Dealing Service, you will need to identify your nationality from the drop down menu and then provide the following information in the Online Application screen. Please note this information can only be used by Equiniti Limited and Equiniti Financial Services Limited.

These options incur a commission charge due to brokerage costs at a preferential fixed rate of 1.5% with no minimum fee deducted from the sale proceeds.

For UK Nationals:

- Date of Birth
- National Insurance Number

For EEA Nationals, Isle of Man, Jersey, Guernsey and Gibraltar:

- Date of Birth

STEP 3 – OPTION SELECTION CONTINUED

OPTION 3 & 4: SELL ALL OF YOUR RIGHTS OR CASHLESS TAKE-UP (TAIL-SWALLOW) CONTINUED

IMPORTANT: Please note that due to the Transactional Reporting Requirements there are restrictions over who can use this Special Dealing Service online. Nationals of the following countries will **NOT** be able to make an Online Application to sell all or some of their Rights.

- Estonia
- Iceland
- Italy
- Malta
- Poland
- Spain

Furthermore, corporate holders will also **NOT** be able to sell all or some of their Rights via an Online Application.

Corporate holders and nationals of the countries listed above will therefore need to complete the paper PAL or FOI to use the Special Dealing Service in a sale of some or all of their Rights.

STEP 4 – YOUR DECLARATION AND ACKNOWLEDGEMENT

I declare that:

1. I have read and understood the Terms and Conditions of the Rights Issue within the Prospectus.
2. My decision in the Rights Issue has been made based only on the information in the Prospectus.
3. I confirm that any shares I have applied for will be distributed to me as a Share Certificate in accordance with the Terms and Conditions of the Rights Issue within the Prospectus and I agree to be bound by those Terms and Conditions.
4. I confirm that after submitting my election online I will destroy the Provisional Acknowledgment Letter.
5. This is the only Application being made in the Rights Issue for the shareholding this Application is for.

I acknowledge that:

1. The information in this Application will be held by and on behalf of Marks and Spencer Group plc, who will handle the information on a confidential basis subject to and in accordance with the Terms and Conditions of the Rights Issue within the Prospectus, and
2. The information in this Application will be shared with Equiniti Limited, who will process the data for the purposes stated in the Terms and Conditions of the Rights Issue within the Prospectus.

DECLARATION AND ACKNOWLEDGEMENT

To complete your Online Application, you must click both of the following boxes:

→ 'I declare that'

→ 'I acknowledge that'

IMPORTANT: The declarations and acknowledgement statements differ depending on how you hold your shares (Ordinary Certificated Holder versus Share Service shareholder), so please read these carefully.

STEP 5 – PAYMENT DETAILS

If you have selected Option 1 or 2 to take up all or some of your rights, you will need to pay in full for all of the Rights that you take up.

IMPORTANT: Making your payment online

TO MAKE A VALID ONLINE PAYMENT YOU MUST:

- Have sufficient cleared available funds as the money will be authorised immediately and debited from your account on the next working day.
- Make payment using a valid, in-date UK, EEA or US debit card that has been issued by a bank that has enrolled with 3D secure* (fraud protection). The card must be registered:

- in the name of the shareholder (or a joint shareholder if applicable); and
- with a billing address which is the same as the registered shareholding.

- Not make payment by credit card. Payments by credit cards will not be accepted. There will be no additional charge levied by the Company, or the Receiving Agent for payments for shares.
- Not make a payment exceeding the maximum online payment allowed of £10,000. If taking up all or some of your Rights would amount to more than £10,000, you will need to complete the paper application (PAL or FOI) instead.

* 3D Secure is an online authentication to reduce fraud by allowing the issuer (bank) to check whether the user of the debit card is who they say they are. Most UK, EEA and US banks are enrolled for 3D Secure but, if you are unsure as to whether your bank is enrolled for 3D Secure, you should contact your bank to check with them.

STEP 6 – APPLICATION COMPLETE

Once your application is complete you will be presented with a printable summary of your application containing the following:

APPLICANT DETAILS

- Reference Numbers
- Name and Address

CONFIRMATION OF RIGHTS ISSUE ENTITLEMENT

- Rights Issue Entitlement
- Total cost of Rights

YOUR SELECTED OPTION

- Election Choice
- Number of Rights taken up/sold
- Total cost of Rights taken up (if applicable)

WHAT HAPPENS NEXT/EXPECTED TIMETABLE

- Links to Rights Issue Guide
- Expected timetable

SHAREVIEW PORTFOLIO/ COMMUNICATION PREFERENCES

- Link to your Shareview Portfolio

COMPLETING THE PAL OR FOI

If you are unable to access and complete your Online Application or your take up of Rights amounts to more than £10,000, you can use the paper Provisional Allotment Letter (**PAL**) or Share Service Form of Instruction (**FoI**) that was sent to you with this Guide.

Option 1: Take up ALL of my Rights

Eligible participants can make elections online immediately at www.marksandspencer.com/shareholder



Option 2: Take up SOME of my Rights

Eligible participants can make elections online immediately at www.marksandspencer.com/shareholder



Option 3: SELL ALL of my Rights

Eligible participants can make elections online immediately at www.marksandspencer.com/shareholder



Option 4: Perform a Cashless take up

This is where some of your Rights will be sold, and the money raised from the sale will be used to take up your remaining Rights

Eligible participants can make elections online immediately at www.marksandspencer.com/shareholder



On the form, select your chosen Rights Issue Option by placing an "X" in the corresponding box.

Payment

If you are taking up all or some of your Rights, you will need to complete a cheque for the relevant amount. Cheques must be completed in black ink, signed and dated, and for Ordinary Shareholders who have received a PAL the cheque should be made payable to "Equiniti Ltd Re M&S Rights Issue".

For Share Service Shareholders who have received a green Form of Instruction the cheque should be made payable to "Equiniti FS Ltd Client AC CSN RI M&S".

Special Dealing Service

If you are selling all or some of your Rights, you are opting to use Equiniti's Special Dealing Service.

If you do not wish to use Equiniti's Special Dealing Service and intend to arrange the sale of some or all of your Rights through another broker, you should contact your stockbroker or financial adviser who may be able to help.

Signature & customer data

All Share Service shareholders must sign in Part 2. Ordinary Shareholders only need to sign Part 2 if you have elected for either choice 3 or 4.

In addition all shareholders must enter their nationality, national identifier (NI number in the UK) and date of birth in Part 2 if you have elected for either choice 3 or 4.

For non-UK shareholders, to assist with the identification of the correct national identifier required, please visit

www.nationalitycalculator.co.uk

Your contact telephone number

Please provide your contact telephone number in case we need to contact you.

POSTAL APPLICATION DEADLINES

If you post your form within the UK by first-class post, it is recommended that you allow at least four business days for delivery.

Depending on your chosen Option, your application must be received by Equiniti no later than:

→ Option 1: 11am (UK time) on 12 June 2019

→ Option 2: 11am (UK time) on 12 June 2019

→ Option 3: 5pm (UK time) on 5 June 2019

→ Option 4: 5pm (UK time) on 5 June 2019

FAQS

What if the number of New Ordinary Shares which I am entitled to apply for is not a whole number? Am I entitled to a fraction of a share?

Your entitlement to New Ordinary Shares will be calculated as at close of business on the Record Date. If this is not a whole number, you will not receive a fraction of a New Ordinary Share and your entitlement will be rounded down to the nearest whole number.

For Ordinary Shareholders M&S intends to sell or seek subscribers for the New Ordinary Shares representing any aggregated fractions, and an equivalent amount will accrue for the ultimate benefit of the Company. For Share Service shareholders Equiniti will arrange to sell the aggregated fractions and will distribute the net proceeds to the shareholder as per the Share Service terms and conditions.

What are the Excluded Territories and what should I do if I have a registered address or I am located or resident outside the UK or EEA?

If you have a registered address, or are located or resident in any Excluded Territory, subject to certain exceptions, you will not be eligible to participate in the Rights Issue.

Your ability to take up Rights to subscribe for New Ordinary Shares may be affected by the laws of the country in which you live. You should take professional advice as to whether you require any legal, regulatory, governmental or other consents or need to observe any other formalities to allow you to take up your Rights.

The Excluded Territories are the Abu Dhabi Global Market, the Dubai International Financial Centre, Israel, Hong Kong, Japan, New Zealand, Singapore, South Africa, Switzerland, the People's Republic of China, the United Arab Emirates and the United States of America and any jurisdiction where the extension and/or availability of the Rights Issue would breach any applicable laws or regulations and Excluded Territory shall mean any of them.

I have a registered address or I am located or resident in an Excluded Territory. What will happen to my Rights?

M&S have made arrangements to try and find investors to subscribe for the New Ordinary Shares that your Rights entitled you to buy, together with those of any other Shareholders who also do not take up all of their Rights. If investors are found and agree to pay a premium above the Rights Offer Price and the related expenses of procuring those subscribers (including any brokerage and commissions and amounts in respect of value added tax), you will be entitled to a premium payment for your share of the amount (if any) of that premium above the Rights Offer Price or more. Amounts less than 185 pence per share will ultimately accrue to the benefit of the Company with exception to Share Service Shareholders who will (if applicable) receive the premium.

For Qualifying Non-CREST Shareholders, payments for the amounts due will be made in pounds sterling by BACs payment to the mandated bank account registered with Equiniti Limited for the payment of dividends, provided that where no mandated bank account has been registered with Equiniti Limited, the payment will be held until such time as a mandated bank account has been registered.

If I buy or sell Ordinary Shares after the Record Date (22 May 2019) will I be able to participate in the Rights Issue?

If you purchased your Ordinary Shares after the close of business on the Record Date but before 8.00am (UK time) on 29 May 2019 (the time when trading ex-rights on the London Stock Exchange commenced) you will most likely be eligible to participate in the Rights Issue.

If you sold your Ordinary Shares at or after 8.00am (UK time) on 29 May 2019 (the time when trading ex-rights on the London Stock Exchange commenced) you will most likely be eligible to participate in the Rights Issue.

If you bought Ordinary Shares at or after 8.00am (UK time) on 29 May 2019, you will not be eligible to participate in the Rights Issue in respect of those Ordinary Shares.

If you sold Ordinary Shares before 8.00am (UK time) on 29 May 2019, you will not be eligible to participate in the Rights Issue in respect of those Ordinary Shares.

If you are in any doubt, please consult your stockbroker, bank, or other appropriate financial adviser, or whoever arranged your sale, to understand your position and/or to ensure you claim your entitlement.

What are the tax implications of participating in the Rights Issue?

Certain information relevant to certain Qualifying Shareholders and Qualifying Share Service Shareholders who are resident and, in the case of individuals domiciled, in (and only in) the UK for Tax purposes is provided in the Prospectus available at www.marksandspencer.com/shareholder.

Qualifying Shareholders who are in any doubt as to their tax position, should consult an appropriate professional adviser as soon as possible. Please note that the Equiniti helpline is unable to assist you with taxation issues.

EQUINITI FINANCIAL SERVICES LIMITED SPECIAL DEALING SERVICE TERMS AND CONDITIONS

Risk Warning: The price and value of investments and any income from them can go down as well as up. Past performance is no guide to future performance. It is entirely your decision whether or not to conduct a transaction using this dealing service.

We have updated our Privacy Notice to clearly explain how we protect your data and how your enhanced rights apply. Please read 'Equiniti and your personal data' section on the Essential Information page enclosed for further details.

DEFINITIONS

'Company' means Marks & Spencer Group plc

'CSN' means Corporate Sponsored Nominee, also known as the Marks and Spencer Share Service

'EEA' means European Economic Area

'Equiniti' means Equiniti Financial Services Limited

'Final Cut-Off Date' means 5.00p.m. on 5 June 2019 unless that date is postponed

'Final Dealing Date' means the last date the Rights can be traded on the London Stock Exchange

'FCA' means Financial Conduct Authority

'FCA Rules' means the rules made by the FCA as amended from time to time

'FOI' means the Form of Instruction representing the Rights held through the CSN

'M&S Rights Issue' means the Marks and Spencer Group plc Rights Issue

'PAL' means the Provisional Allotment Letter representing the Rights provisionally allotted to you

'Prospectus' means the document setting out the terms and conditions of the M&S Rights Issue

'Rights' means New Ordinary Shares in nil paid form provisionally allotted to you or the CSN on your behalf (as applicable) pursuant to the M&S Rights Issue

'We, Our, Us' means Equiniti

'You, Yours' means the person(s) named on the accompanying share dealing form

THE SERVICE

1. This dealing service is provided on an execution-only basis. In other words, we will carry out your instructions but we do not give any kind of investment or tax advice, nor advise you on the merits of any particular transaction. In particular,

we will not assess the suitability and appropriateness of transactions conducted for you or services provided to you under these terms and conditions and you are not subject to the FCA Rules on assessing appropriateness. If you are in any doubt about using this dealing service, you should consult a professional adviser.

2. You agree that this dealing service is provided on an execution-only basis, you have not asked for or received any advice from us and it is your decision alone to accept this dealing service as suitable to your requirements.

3. This dealing service is provided by Equiniti, which is authorised and regulated by the Financial Conduct Authority of 12 Endeavour Square, London E20 1JN (under reference 468631). The main business of Equiniti is investment and general insurance services. Our registered office is in the United Kingdom at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA. Registered in England and Wales, number 6208699.

4. You can use this dealing service to effect a sale of your Rights or Cashless Take-Up in connection with the M&S Rights Issue.

Instructions received after **5.00pm** on the Final Cut-Off Date will not be accepted.

INSTRUCTION TO SELL ALL OF YOUR RIGHTS

You may instruct us to sell all of your Rights by following the instructions for the sale of Rights using the online facility or by completing your PAL or FOI accordingly and returning it in the prepaid envelope provided.

Instructions received after **5.00pm** on the Final Cut-Off Date will not be accepted. We will not accept partial sales instructions through this service.

EQUINITI FINANCIAL SERVICES LIMITED SPECIAL DEALING SERVICE TERMS AND CONDITIONS CONTINUED

INSTRUCTION TO ELECT FOR CASHLESS TAKE-UP

You may elect for Cashless Take-Up following the instructions for Cashless Take-Up using the online facility or by completing your PAL or FOI accordingly and returning it in the prepaid envelope provided. We will instruct the Broker to execute the sale of your Rights to the extent required to produce sufficient sale proceeds to take up one or more of your unsold Rights.

Any cash balance of less than 185 pence which cannot be used to buy new ordinary Rights will be returned to you. A transaction advice recording both these transactions will be sent to you. A share certificate representing your new ordinary shares will be sent to you separately if applicable.

5. Please read carefully through these terms and conditions. They describe the basis on which we will provide this dealing service, and they will come into effect as soon as we have received your instructions and accepted you as a customer.

6. When giving us your instruction you appoint Equiniti as your agent to arrange to sell the Rights to which you are entitled.

7. When selling Rights you may only use this dealing service to sell Rights that belong to you and/or that you have the right to sell. When you give us an instruction to sell, you will be guaranteeing that you have the right to sell the Rights shown on your PAL or FOI free from any liens, charges and other third party rights. You also authorise Equiniti to execute a transfer to give effect to the sale of those Rights. You will indemnify Equiniti for all losses in relation to a breach of this clause 7.

8. You must be 18 or over to use this dealing service. We reserve the right to refuse to accept a dealing instruction. If your instruction is incomplete or includes a mistake, we may try to contact you for clarification or we may return your instruction without carrying it out. We will not be liable for any loss you suffer as a result of this clause. Instructions to deal Rights which are held in joint names must be signed by all registered holders.

9. Once you have sent us your PAL or FOI, you will not be able to cancel your instructions. We cannot take orders over the phone. A Rights price may change significantly between the time you give us your instruction and the time we actually sell your Rights.

10. The decision to sell Rights is your responsibility. This service can only be used by those with a registered address in the EEA, Isle of Man, the Channel Islands and Gibraltar. Instructions to deal Rights from any other country will not be actioned.

11. We reserve the right to extend or end this dealing service.

SHARE DEALINGS

12.1 We will normally instruct the Broker to sell your Rights on the Business Day following the Final Cut-Off Date. We reserve the right to instruct the Broker to sell your Rights on any date following the Final Cut-Off Date.

We will aggregate your instruction with all instructions received from other shareholders using this Special Dealing Service. In this case you would receive an average price for your Rights of all prices obtained by all shareholders for all instructions received for this Special Dealing Service. This may result in a more or less favourable price than if your Rights had been sold separately.

Your Rights may be sold in several transactions and on separate days in which case you would receive an average price for your Rights. This may result in a more or less favourable price than if your instruction had been executed in a single transaction or on a single day.

Based on market conditions, if on any given Dealing Date in the case of Cashless Take-Up it is in our reasonable opinion likely that the proceeds from the sale of Rights would be insufficient to meet the Charges and take up at least one of their Rights, we will not sell your Rights.

Notwithstanding any other provision of these terms and conditions, if your Rights are not sold by the Final Dealing Date, some of all of your Rights will not be sold and they will lapse. Lapsed Rights may be sold by the Company's underwriters and you will be paid in accordance with the terms and conditions within the Prospectus.

EQUINITI FINANCIAL SERVICES LIMITED SPECIAL DEALING SERVICE TERMS AND CONDITIONS CONTINUED

12.2 Orders will be transmitted by us or another of our approved entities for execution. There are currently more than ten approved entities and all of them have been selected by us because they have demonstrated that they have policies and procedures that enable them to deliver the best possible result for you, given the types of orders and the market conditions involved. In particular, these entities will treat price and costs (total consideration) as the most important factors when dealing with or executing orders, although they may also take into account other factors such as speed, likelihood of execution and settlement, size or any other relevant consideration.

These approved entities will normally execute orders on a regulated market but may choose to use other execution venues (including off-exchange dealers) where this is advantageous.

We will monitor the performance of these entities and periodically review our internal arrangements and policies for dealing with orders with a view to achieving the best possible result for you.

Further information about these internal arrangements and policies (including a full list of our approved entities) is available on request.

CHARGES

13. We will charge you commission of 1.5% to sell your Rights through this service. Commission will be deducted from the proceeds of your sale of Rights.

TRADE SETTLEMENT POLICY

14. Due to the large size of the aggregated sales expected, we will undertake a series of processes to confirm the accuracy of transactions, register the sales and print transaction advices. We will complete these processes and send you a transaction advice and sale proceeds cheque, where applicable, as soon as reasonably practicable thereafter and only once the sales proceeds have been received from the broker.

We will make cheques or payments payable to the registered shareholder/s. We will not accept any instruction to make payments to a third party.

COMMUNICATIONS

15. The language of any agreements and transactions between you and us under these terms and conditions will be English. We will always communicate with you in English.

Please address all letters, instructions, notices and other documents for us to: Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA United Kingdom

16. If you have a complaint of any kind, please let us know. We will do our utmost to sort it out. You can put your complaint in writing to us at: Complaint Resolution, Equiniti, PO Box 4608, Worthing, West Sussex BN99 6NZ United Kingdom or email us at concerns@equiniti.com or call us on 0371 384 2030. Lines are open 8.30am to 5.30pm (UK time) Monday to Friday (excluding English and Welsh public holidays).

If we cannot resolve the issue between us, you may – if you are eligible – ask the independent Financial Ombudsman Service to review your complaint. Our leaflet what will happen if you complain has more details about our complaints procedure. You're welcome to ask us for a copy at any time.

We are a member of the Financial Services Compensation Scheme, set up under the Financial Services and Markets Act 2000. If we cannot meet our obligations, you may be entitled to compensation from the scheme. This will depend on the type of agreement you have with us and the circumstances of the claim. Most types of claims for FCA regulated business are covered for 100% of the first £85,000 per person. This limit applies to all assets held by Equiniti. The maximum compensation is £85,000. For more details about the Financial Services Compensation Scheme

→ call the helpline on 0800 678 1100 or 0207 741 4100

→ go to its website at www.fscs.org.uk

→ write to FSCS, 10th floor, Beaufort House, 15 St Botolphs Street, London EC3A 7QU.

OTHER TERMS AND CONDITIONS

17. Using this service may alter your personal tax position. Also, the levels and bases of taxation can change. To be sure you understand all the possible tax implications, you should consult a qualified tax adviser. Your tax treatment will depend on your own personal circumstances.

EQUINITI FINANCIAL SERVICES LIMITED SPECIAL DEALING SERVICE TERMS AND CONDITIONS CONTINUED

18. This agreement is only for the benefit of you and us. It will not give any benefits to, nor be enforceable by, any third party.

19. In order to comply with UK money laundering regulations, we may need to confirm your identity. To help us do this, we may

- make a search with a credit reference agency, which will keep a record of that search and will share that information with other businesses, and/or
- ask you to supply us with proof of identity.

This could lead to a delay in carrying out an instruction you've given us, or in paying you the proceeds of a sale, or not being able to carry out an instruction at all.

In any of these circumstances, we will not be responsible for any resulting loss.

20. We will not be responsible for

- any indirect, special or consequential loss (including direct or indirect loss of profit), however caused, nor
- any loss connected to the timing of a transaction

21. We will not be responsible for any delays, losses, costs, damages or expenses you suffer in the event of a 'force majeure' meaning any failure, interruption or delay in the performance of our obligations as a result of industrial action, the malfunction or failure of any telecoms or computer service, or CREST, the failure of third parties to carry out their obligations, the activities of government or international authorities, including changes in law or regulations, the circumstances contemplated by paragraph 13.2 or any other event or circumstance not within our reasonable control provided, where relevant, that we have complied with the FCA Rules on business continuity. If this type of situation arises, however, we will remedy the situation as soon as reasonably possible.

22. We will be entitled to keep any gains made in the process of correcting mistaken Rights deals, which would include buying or selling Rights at the prevailing market price without an instruction from you.

23. We will send any documents, at your risk, by post to your registered address. Neither we nor the company will be responsible for any document before it reaches us or after we have sent it to you.

OUR POLICY ON CONFLICTS OF INTEREST

24.1 We have organisational and administrative arrangements in place, that are intended to prevent conflicts of interest from adversely affecting the interests of our clients. So, we take all appropriate steps to identify and prevent or manage conflicts of interest (a) between us and our clients; and (b) between one client and another, that arise in the course of providing an investment or ancillary service. If these arrangements are not sufficient to ensure, with reasonable confidence, that the risk of damage to you will be prevented, we will tell you about the nature and/or sources of conflicts of interest and the steps we have taken to mitigate these risks, buying or selling Rights for you.

You're welcome to call and request for a copy of our policy concerning possible conflicts of interest. At the time of the issue of this document no conflicts of interest were identified which could damage your interests.

24.2 Without prejudice to clauses 12.1 and 24.1, nothing in these terms and conditions will prevent us carrying out services for others.

25. All cash balances will be held by us as client money under the FCA Rules and as follows:

- We will deposit the cash with a suitably authorised bank, or other financial institution, that is either regulated within the UK to hold client money or is regulated in another EEA country to hold deposits and permissions extend to offering these services within the UK.
- The bank will hold the cash on our behalf in an account separate to any account used to hold money belonging to us in our own right and pooled with client money of our other customers. Equiniti is committed to holding its client money with banks which are well capitalised as this better spreads the risk of any default by these institutions which could impact our customers.

EQUINITI FINANCIAL SERVICES LIMITED SPECIAL DEALING SERVICE TERMS AND CONDITIONS CONTINUED

We will not however, be responsible any acts or admissions of the bank.

- If the bank becomes insolvent, we will have a claim on behalf of our clients against the bank. If, however, the bank cannot repay all of its creditors, any shortfall may have to be shared pro rata between them.
- You will not be paid interest on cash balances. We will also keep any interest earned or any equivalent fee that the bank in question pays us.

If, for any reason, a payment we send to you under these terms and conditions does not reach you, we will continue to hold the cash as client money. However, if after a period of six years no activity has been recorded on your account, and provided we have taken reasonable steps to trace you (as outlined in the FCA's Client Assets rule book), to return these monies to you, we may cease to treat the money as client money having donated it to a charity of our choice. We will still honour any valid claims made against monies previously released to charity once the validity of the claim is established.

- If we are holding cash we may withdraw the cash and apply it towards paying any fees, charges, and other sums due to us.
- If in the course of settling a transaction, the movement of funds as part of the transaction which may be through a commercial settlement system on a "delivery versus payment" basis and for a period of time (normally less than 1 business day, but not exceeding three business days) will not be treated as client money.
- In accordance with FCA rules we are able to deposit some client monies with banks under unbreakable term deposit arrangements, or notice period accounts, of up to ninety five (95) days. In the unlikely event of any issues experienced by us or any of our banks which requires a return of any client money to you, you should be aware there may be a delay in the funds being distributed to you as a result of these extended deposit terms being applied. This change does not in any way affect your ability to withdraw funds from your account or undertake any transactions under normal conditions.
- Where a transaction results in you being entitled to a fraction of a penny which cannot be remitted to you at the time we would normally remit money to you, you consent to us releasing

any such amount to a registered charity of our choice, for or on your behalf. Accordingly, you agree that we will not remit that amount to you, nor hold it as client money for you, and you shall not have any claim, proprietary or otherwise, over such amount following payment to the charity.

26. You will be classified for the purposes of the FCA Rules as a retail client. If, however, you would otherwise be an eligible counterparty or a professional client, you may not necessarily have the rights of a retail client under the Financial Services Compensation Scheme.

For more information on complaints/compensation, please see paragraph 16 of these terms and conditions.

27. These terms and conditions are governed by English law. You agree that any disputes relating to this agreement may only be dealt with by the courts of England and Wales.

28. In accepting these terms and conditions you agree that we may transfer our obligations under this agreement to any other company, if that other company writes to you and undertakes to carry out all our duties and obligations under this agreement. If it does so, you agree that we will be released from all those duties and obligations that such company has undertaken to carry out. We shall satisfy ourselves that any such company is competent to carry out those functions and duties transferred, and is regulated do so by the FCA, if such regulation is required. As part of transferring our rights and obligations to a third party, we may transfer all of the cash, investments and information we hold under these terms and conditions to the third party or its nominee. Where funds are held by us as client money, the third party will continue to hold this as client money.

ALTERNATIVE FORMATS

To request these Terms and Conditions in an alternative format, for example Braille, large print or audio tape, please contact us on:
UK Helpline: 0371 384 2220
International Helpline: +44 121 415 0140

A text phone service is also available on:
UK: 0371 384 2255
International: +44 121 415 7028
Lines are open from 8.30am to 5.30pm (UK time)
Monday to Friday

HELPFUL INFORMATION

WEB

www.marksandspencer.com/shareholder

www.shareview.co.uk

TELEPHONE

Shareholder Helpline

Tel: 0371-384-2220

(if calling from the UK)

Tel: +44 121-415-0140

(if calling from overseas^{*)})

* Lines are open Mondays to Fridays
from 8.30 a.m. to 5.30 p.m. (UK time)
(excluding English and Welsh public holidays).

** Calls to +44 121-415-0140 from outside
the United Kingdom will be charged
at applicable international rates.

Please note that different charges may apply
to calls made from mobile telephones and calls
may be recorded and randomly monitored for
security and training purposes.

POST

Equiniti
Corporate Actions
Aspect House
Spencer Road
Lancing
West Sussex
BN99 6DA

The shareholder helpline operators can advise you on the options that are available to you and the actions that you should take once you have decided what you wish to do. Please note that the shareholder helpline agents cannot provide advice on the merits of the Rights Issue nor give financial, tax, investment or legal advice. If you are in any doubt as to the action you should take, please contact your broker, bank or other appropriately authorised financial adviser.