RESHAPING M&S

Marks and Spencer Group plc
ESG Report 2025

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About this report

This report covers the scope of our environment, social and governance (ESG) programme (see page 6). We have structured the report in line with this approach.

It was published in June 2025 and covers our financial year from 31 March 2024 to 29 March 2025.

All imagery in this report depicts M&S products, stores and our supply chain.

Find out more

- M&S corporate website
- Annual Report 2025
- TCFD Report 2025
- Modern Slavery Statement
- Basis of Reporting 2025
- Family Matters Index

CHIEF EXECUTIVE'S INTRODUCTION

CONTINUING OUR PROGRESS

At M&S, our vision is to be the most trusted retailer, doing the right thing for our customers, with exceptional quality products at the heart of everything we do. Linked to this is our purpose: to deliver the 'Magic of M&S' to every customer, whenever, wherever and however they choose to shop with us.

As an own-brand retailer, we can't deliver the M&S magic without the unwavering support from our supplier partners. Many of these partners are longstanding suppliers to M&S, working hand-in-hand in a partnership rooted in trust, quality and with the customer at its heart.

The strength of these relationships helps us to ensure all our products are sourced with care. This means a lot to us and we know it means a lot to our customers. That's why this year we've amplified these messages in our communications, constantly demonstrating the lengths we go to, to do the right thing.

We have made good progress with our ESG agenda this year; from leading the industry on Farm Animal Welfare* to removing 125m pieces of plastic packaging from our Foodhalls. Our pre-loved M&S clothing programme "Another Life" continues to develop, with more than 36m items donated to our partner Oxfam since 2008.

Our stores and colleagues play an important role in the communities in which we operate, and in February we celebrated the 10th anniversary of our UK partnership with Neighbourly and the milestone of donating the equivalent of 100m meals to people in need.

Thanks to the support of our colleagues and customers, M&S has donated over £4.4m to our brilliant charity partner YoungMinds, helping to support more than six million young people and the adults in their lives.

Finally, I must also highlight the continued success of our longstanding employability scheme 'Marks and Start', run in partnership with The King's Trust. This year I had the pleasure of meeting and speaking with many of the scheme's beneficiaries as we celebrated the 20th anniversary. Marks & Start has now supported more than 13,000 young people with vital support and work opportunities since 2004.

In this report you'll find more detail on what we've achieved this year, and more importantly, the opportunities ahead of us this next year and beyond.

Stuart Machin
Chief Executive Officer

"A big thank you to everyone who has played a part in our Plan A journey in 2024/25, because there is no Plan b.

* We have retained our leadership position on the Business Benchmark on Farm Animal Welfare.

HIGHLIGHTS FROM THE YEAR

£4.4m

raised for YoungMinds since the partnership began

Read more on page 43

33%

reduction in Scope 1 and 2 emissions vs 2016/17 baseline

Read more on page 14

148.1m

pieces of plastic removed from our packaging

Read more on page 26

100%

of the cotton in clothing from more responsible sources[1]

Read more on page 21

101.1m

meals donated through our partnership with Neighbourly since 2015

Read more on page 27

91%

of polyester used in Fashion, Home & Beauty products from verified recycled sources

Read more on page 21

1 More responsibly sourced cotton means sourced through Better Cotton, organic- or recycled-certified.

PROGRESS OVERVIEW

ENVIRONMENT

Issue	Metric	Target	Performance	Assessment of progress
Net zero Read more on our SBTi targets on page 10	Total location-based Scope 1 and Scope 2 GHG emissions.*	55% reduction by 2029/30 (vs 2016/17 base year).	33% reduction	On track or achieved
	Total Scope 3 GHG emissions.	**Energy and Industry** – reduce absolute Scope 3 GHG emissions 42% by FY2030 from an FY2023 base year. **FLAG** – reduce absolute Scope 3 FLAG GHG emissions 30.3% by FY2030 from an FY2023 base year.	7.1m tonnes[1]	On track or achieved
Responsible sourcing	RSPO Certified Sustainable Palm Oil with segregated status (% of palm oil).	100% by 2025/26.	99%	On track or achieved
	Soy sourced from verified deforestation- and conversion-free (vDCF) supply chains (% of total direct and indirect soy).	100% by 2025/26.	83%	On track or achieved
	Cotton used in Fashion, Home & Beauty products from more responsible sources[2] (% of all cotton used).	100% by 2025/26.	Clothing: 100% Home: 91%	On track or achieved
	Polyester used in Fashion, Home & Beauty products from verified recycled sources (% of all polyester used).**	100% by 2025/26.	91%	On track or achieved
Waste and circularity	Number of individual pieces of plastic (units) that have been removed from the M&S own-brand packaging portfolio.	Remove 1bn units by the end of 2027/28 from 2016/17.	148.1m	On track or achieved
	Food waste.*	50% reduction by 2029/30 (vs 2016/17 base year).	31%	Behind
	Food not sold that was fit for human consumption which was redistributed to charities, community organisations or colleagues.	100% by 2025/26.	81%	Behind
	Operational waste to landfill.	Maintain 0%.	0%	On track or achieved

SOCIAL

Issue	Metric	Target	Performance	Assessment of progress
Animal welfare	Ranking among retailers, with highest number of species within M&S Food product range adhering to RSPCA Assured certification.	Maintain #1 position.	#1	On track or achieved
People	Senior leaders who are female (% of all leaders).	50% by 2025/26.	56%	On track or achieved
Community	Funds raised for YoungMinds (£).	£5m by 2026/27 from 2023/24.	£4.4m – since 2023/24	On track or achieved

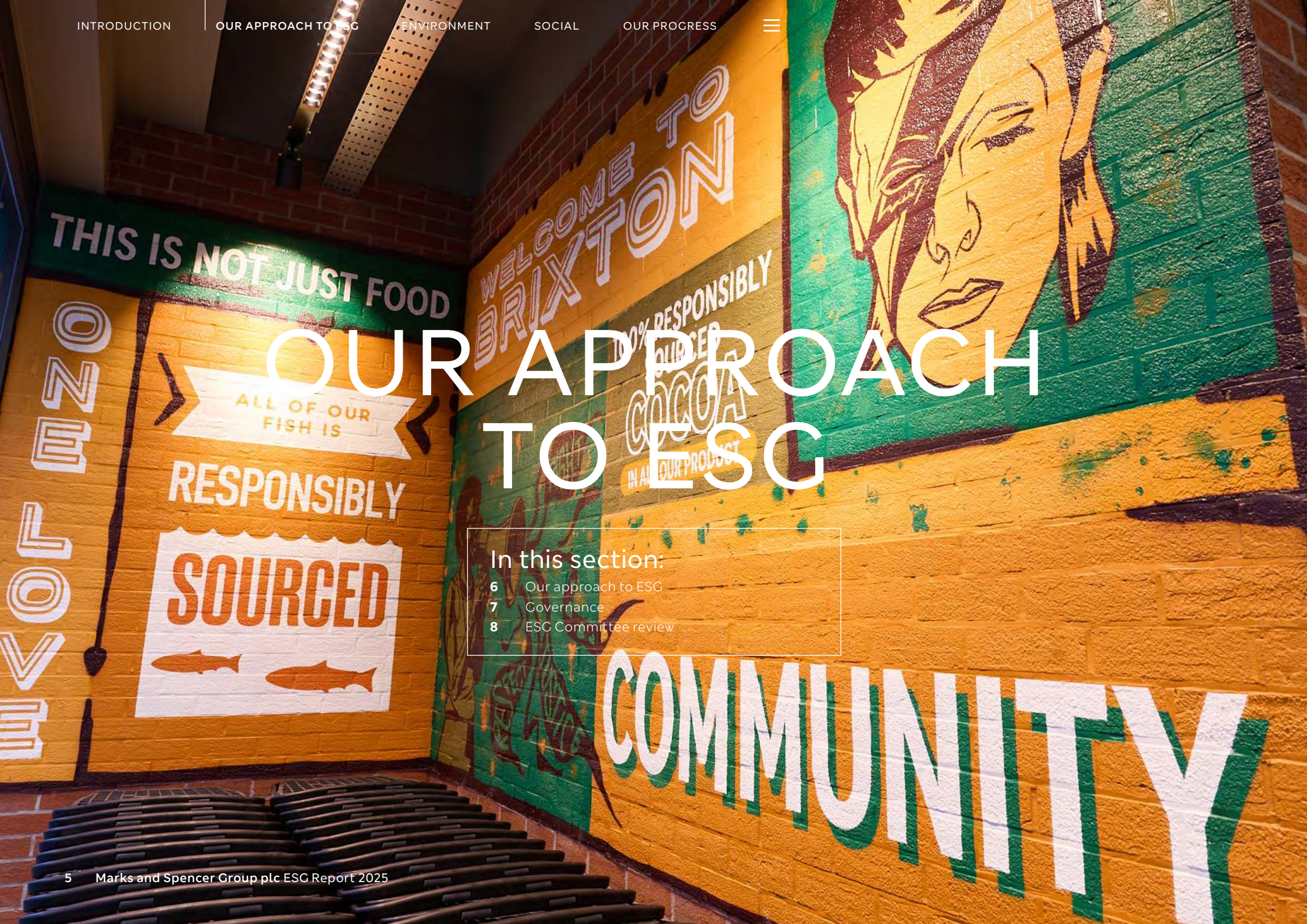
* Assured by Deloitte.

** This data is subject to a discreet assurance process linked to our financing, the outcome of this assurance is scheduled to be published in autumn 2025.

1 This is reported a year in arrears to ensure accurate data. It equates to a 6% increase versus 9% increase in business growth. See page 10 for more information.

2 More responsibly sourced cotton means sourced through Better Cotton, organic- or recycled-certified.

- Target missed
- Behind
- On track or achieved



OUR APPROACH TO ESG

In this section:

6 Our approach to ESG
7 Governance
8 ESG Committee review

OUR APPROACH TO ESG

At M&S, we've always built trust by doing the right thing for our colleagues, customers, and the communities we serve. This commitment has been at the heart of our business for over 140 years and continues to be just as important today. Our actions are guided by our vision to be the most trusted retailer, with exceptional quality products at the heart of everything we do.

Underpinning this vision is our ESG strategy, called Plan A, which is also a key part of our strategy to reshape M&S for sustainable, profitable growth. We prioritise our ESG strategy and disclosures, focusing on the environmental and social issues that matter most to our stakeholders.

Engaging with stakeholders is an ongoing process, starting with our customers through our ESG Reputation Tracker and our colleagues via 'Straight to Stuart', our feedback portal. We also connect with a diverse group of organisations and experts, including supply chain partners, investors, policymakers and campaigners. This rich mix of feedback and perspectives helps us aim higher and balance different, sometimes competing, expectations.

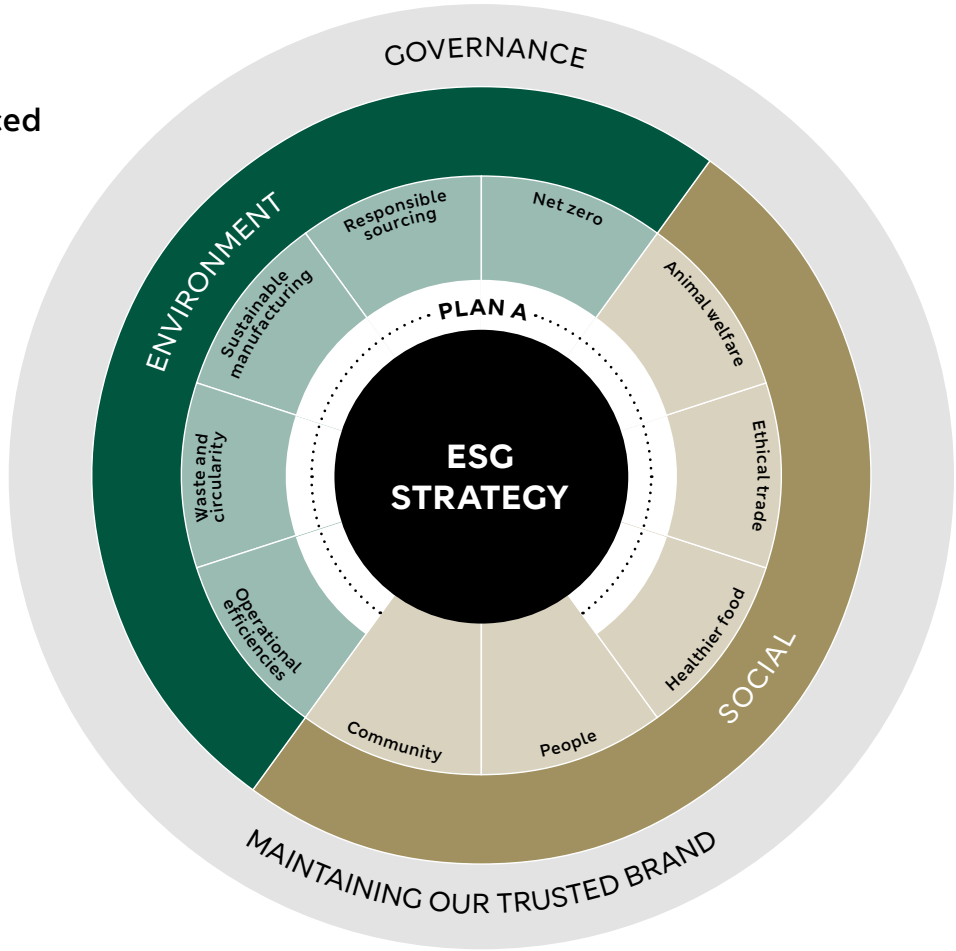
Read more on our approach to stakeholder engagement in our Annual Report.

PLAN A. BECAUSE THERE IS NO PLAN B.

Our strategic priorities

Read more on our strategy in our Annual Report

Supported and enhanced by our ESG strategy



GOVERNANCE

The Executive Committee (ExCo), led by the CEO, sets and delivers the ESG strategy, with individual directors holding accountability for their respective areas.

The ESG Committee meets regularly to challenge the strategy, bring the outside in and support delivery plans, linking into the Audit & Risk Committee. Key insights and recommendations from the Committee are shared with ExCo and the Board.

The Board oversees our standards of governance and receives support from its ESG Committee to help M&S achieve its ambition of sustainable growth whilst considering all of our stakeholders.

Delivering our ESG strategy

Our ESG strategy is embedded across M&S' nine strategic priorities, focusing on issues that matter most to our business, customers and stakeholders. Our business unit-led operating model ensures full accountability for ESG and a straightforward way of working, led by the respective Managing Directors.

Our central ESG team supports the business units as collaborative partners for performance and reporting. It is led by the Corporate Affairs Director who sits on the ExCo and reports into th CEO.

The ESG Business Forum, a cross-functional group of senior leaders and subject matter experts across M&S, is chaired by the Corporate Affairs Director and plays a key role in tracking ESG progress against targets. Established in 2023, it meets quarterly to review ESG performance, discuss cross-business topics, resolve issues, and approve items before they go to the ExCo and ESG Committee. Each meeting focuses on performance updates, risk management and innovating our delivery of our net zero goal, as well as topical updates.

Governance structure

BOARD

Ultimate accountability for both risk management and ESG framework, including those risks and opportunities related to climate change. Approves the Company's ESG strategy, including the business-wide target to become net zero.

BOARD COMMITTEES

AUDIT & RISK COMMITTEE

- Responsible for ensuring the effectiveness of the risk management process.
- Receives updates from business leadership on how the Company's principal risks and uncertainties are being appropriately addressed.
- Twice a year, reviews the principal risks, of which climate change and the environment is one.
- Receives periodic updates on business performance against ESG objectives, as well as compliance and responsibility metrics.

ESG COMMITTEE

- Responsible for ensuring the Company's ESG strategy aligns with the business strategy and customer proposition.
- Responsible for ensuring the ESG strategy and associated governance is fit for purpose, and that plans are in place and reported on.
- Responsible for ensuring related policies are regularly reviewed and updated and remain compliant with any relevant national and international regulations.
- Oversight of all ESG reporting and metrics.
- Monitors the Company's annual and overall performance against previously set KPIs.
- Approves the ESG strategy and KPIs, as well as all ESG disclosures.
- Advises the Audit & Risk Committee on ESG-related risks and opportunities, including climate-related issues.

EXECUTIVE COMMITTEE

- The Committee manages, monitors and provides the executive input underlying M&S' ESG strategic and operational decisions. It ensures strong executive alignment on business priorities, investments and actions.
- The CEO and ExCo are responsible for overseeing the development of business-wide ESG strategic goals and accountable for delivery of the ESG programme (including the roadmap towards net zero).
- ExCo members are individually responsible for setting the ESG strategy in their respective areas to achieve business-wide strategic goals and putting in place mechanisms to deliver their strategy. This supports the management of the climate-related risks and opportunities impacting their areas.
- ExCo members are individually responsible for reviewing and confirming risks in their own areas as part of our risk management process, including climate risks.
- The Corporate Affairs Director, a member of the ExCo, is responsible for the coordination, reporting and aggregation of the business-wide ESG programme, as well as horizon scanning and issues management. They are also accountable for governance and overall delivery of the ESG strategy.

MANAGEMENT FORUMS

EXECUTIVE RISK COMMITTEE

- Supports the ExCo in the management of risks.
- Supports the Audit & Risk Committee in its role of overseeing business compliance with the Group Risk Policy and associated corporate governance requirements.
- Responsible as a governance forum for overseeing the activities of the relevant ExCo members and senior leadership accountable for maintaining an effective risk management, control and assurance framework across the business.

ESG BUSINESS FORUM

- Responsible for driving progress against the targets of the Company's ESG programme, which mitigate our climate risks.
- Meets quarterly to review progress and agree the right metrics and targets on a forward-looking basis.
- Updates the ExCo and ESG Committee on a quarterly basis on progress against targets and emerging risks.
- Accountable for managing climate-related risks and opportunities. Includes representatives from Group Finance and Group Risk to ensure ESG considerations are reviewed and considered within risk management and financial planning.

BUSINESS AND FUNCTIONAL LEADERSHIP

- Responsible for managing risks within their areas, including those relating to climate, and implementing appropriate mitigation activities.
- Responsible for monitoring emerging risks.
- Responsible for monitoring and reporting on key ESG-related indicators.
- Responsible for ensuring climate-related opportunities are realised as part of their ESG strategy in their respective areas.

ESG COMMITTEE REVIEW

"As ESG Committee Chair, I have been pleased to see the continued focus on delivering the ESG strategy across all aspects of the business as well as how Plan A continues to bring sustainability to the forefront with customers.

As stakeholder expectations continue to evolve, the Committee has provided additional rigour, support and challenge to the business and together with ExCo we want to thank all the teams for the progress that has been made.

Pathway to net zero

2024/25 was an important milestone for Plan A with the revalidation of M&S' science-based targets. For Scope 1 and 2 emissions, the Committee maintained its oversight of sustainability measures in the store renewal programme. These included investments in logistics and energy efficiency solutions for legacy stores, such as trials of long term alternatives to natural gas boilers. More information on our store renewal programme can be found on page 15.

The Committee was kept informed of the updated Scope 3 targets aligned to the latest FLAG guidance (see more on page 10) as well as how carbon reduction activity was integrated into the three-year plan. Understanding that to achieve emissions reduction will take innovation across the supply chain, the Committee maintained oversight of the £1m Plan A Accelerator Fund. More information can be found on page 13.

Embedding ESG across supply chains

To understand more about our commitment to reducing packaging and increasing circularity, Cheryl Potter and I visited the Fashion, Home & Beauty distribution centre in Castle Donington. Here we learnt more about how the business is cutting down on plastic packaging and hangers at different stages of the customer journey and saw the progress that we have made.

To further support this the Committee also received regular insight into Fashion, Home & Beauty's commitment to circularity, including its 'Another Life' clothing reuse and repair scheme in partnership with SOJO, Oxfam and Handle. More information on waste and circularity can be found on page 28.

To support Plan A efforts in the Food business, the Committee reviewed a comprehensive risk assessment of the top 50 raw materials and how the business is shaping its sourcing plan to prioritise those with the highest risks to drive positive change. Palm oil, soy, cocoa, tea, coffee and timber were all identified as priorities.

During the year, the Committee reviewed its Terms of Reference to ensure its roles and responsibilities remain current and aligned to best practice. Approved in January 2025, the new terms enhance the Committee's focus on social matters.

Reporting readiness

Across the course of the year, the Committee regularly reviewed ESG objectives, metrics and policies. Alongside this, a key focus has been ensuring preparedness for new and changing ESG regulations. The Committee invited M&S audit partner Deloitte to provide a detailed update on changing regulations such as CSRD. Despite the European Commission's update to CSRD on 26 February 2025, which is likely to postpone reporting requirements by two years and make them less rigorous, the Committee will remain focused on ensuring the robustness of the Company's ESG reporting.

To prepare for CSRD and other non financial reporting, the business developed a database that has made it easier to track, monitor and improve the auditability of ESG data that is shared externally.

The ESG Committee has developed a closer relationship with the Audit & Risk Committee due to the increase in overlapping responsibilities. This was reflected in the annual Terms of Reference review, which formalised the Committee's role in advising the Audit & Risk Committee on all ESG-related risks and opportunities.

Looking to the future

As this report shows, there has been lots done this year but there is still lots to do. With many of the ESG targets for the Company coming to a close in 2025/26 the Committee will play an important role in constructive challenge to achieve these and look to inspire change through bringing the outside in with guest speakers from different industries. Customers are imperative in helping achieve the sustainable change we are all striving for and the insights we receive through the ESG Reputation Tracker for the business will help us understand what matters most to M&S customers.

On behalf of the Committee, I want to thank all M&S colleagues and customers who help us continue to do business in the right way as a trusted retailer. Whether it's through collaborating with the business, sharing ideas or delivering the programme. This has enabled the progress on Plan A – because there is no plan b.

Tamara Ingram
Chair of the ESG Committee

ENVIRONMENT

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OUR ROUTE TO NET ZERO

An important part of our strategy to reshape M&S for sustainable, profitable growth is our ambition to become a net zero business across our value chain by 2040.

Our emissions

Scope 1 and 2 emissions make up 5% of our total emissions and come from the fuel, gas and electricity used in our stores and logistics operations.

The majority of our carbon footprint is upstream and downstream of our direct operations, classified as Scope 3 greenhouse gas (GHG) emissions. These make up 95% of our total footprint, mainly from the products we purchase to sell through our Food and Fashion, Home & Beauty businesses. The data we are reporting this year is 2023/24, reported a year in arrears to ensure accurate data. It shows an increase of 0.4 tCO_2e from our 2022/23 baseline, which was driven by volume growth in our Food business, and an expansion in the scope of our goods not for resale inventory. This 6% increase in emissions is at a lower rate than the 9% business growth.

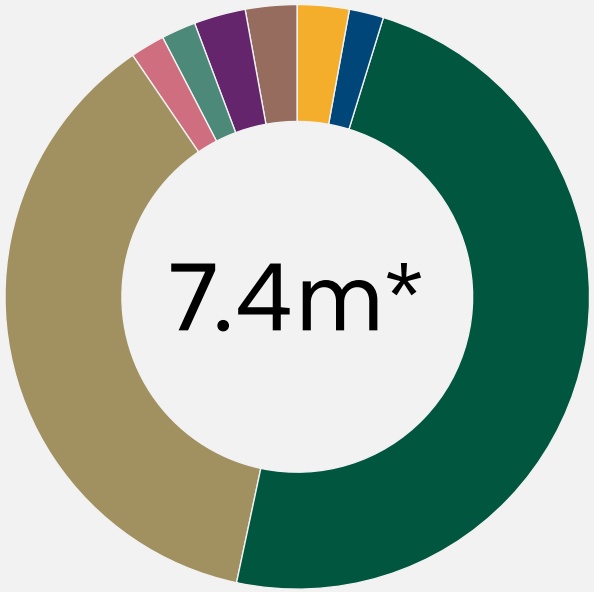
Our targets

To support our ambitions, we set reduction targets that align with climate science to limit global warming to 1.5°C and had these validated by the Science Based Target initiative (SBTi) in 2022. Subsequently, the SBTi released new guidance for businesses with FLAG emissions, which are emissions related to Forestry, Land and Agriculture. Non-FLAG emissions are emissions from energy and industry (E&I), which are all the other fossil-based emissions from a company.

This year, in line with the new guidance, we reset our targets to include FLAG and non-FLAG and updated our Scope 3 base year from 2016/17 to 2022/23. These targets have recently been validated by the SBTi. The updated base year reflects more accurate data sources, including an increase in product level carbon data and supplier partner reporting.

This restatement of our Scope 3 base year has led to a change in the reporting of our 2022/23 Scope 3 carbon footprint. Targets for Scope 1 and 2 remain the same.

OUR TOTAL EMISSIONS FOOTPRINT
2023/24 (tCO_2e)



Scope 1:	**3%**
Scope 2:	**2%**
Scope 3:	**95%**
Purchased goods and services (FLAG):	**51%**
Purchased goods and services (E&I):	**39%**
Capital goods:	**2%**
Fuel and energy-related activities:	**2%**
Upstream transportation and distribution:	**3%**
Other Scope 3:	**3%**

* Total Scope 1 and 2, and total Scope 3 emissions rounded to the nearest decimal place for the purposes of reporting.

Our science-based targets

Overall net zero target

- M&S commits to reach net-zero greenhouse gas emissions across the value chain by FY2040.

Near term targets

- E&I: M&S commits to reduce absolute Scope 1 and 2 GHG emissions 55% by FY2030 from a FY2017 base year.* M&S also commits to reduce absolute Scope 3 GHG emissions 42% by FY2030 from a FY2023 base year.*
- FLAG: M&S commits to reduce absolute Scope 3 FLAG GHG emissions 30.3% by FY2030 from a FY2023 base year.**
- M&S commits to no deforestation across its primary deforestation-linked commodities, with a target date of December 31, 2025.

Long term targets

- E&I: M&S commits to reduce absolute Scope 1 and 2 GHG emissions 90% by FY2035 from a FY2017 base year.* M&S also commits to reduce absolute Scope 3 GHG emissions 90% by FY2040 from a FY2023 base year.*
- FLAG: M&S commits to reduce absolute Scope 3 FLAG GHG emissions 72% by FY2040 from a FY2023 base year.**

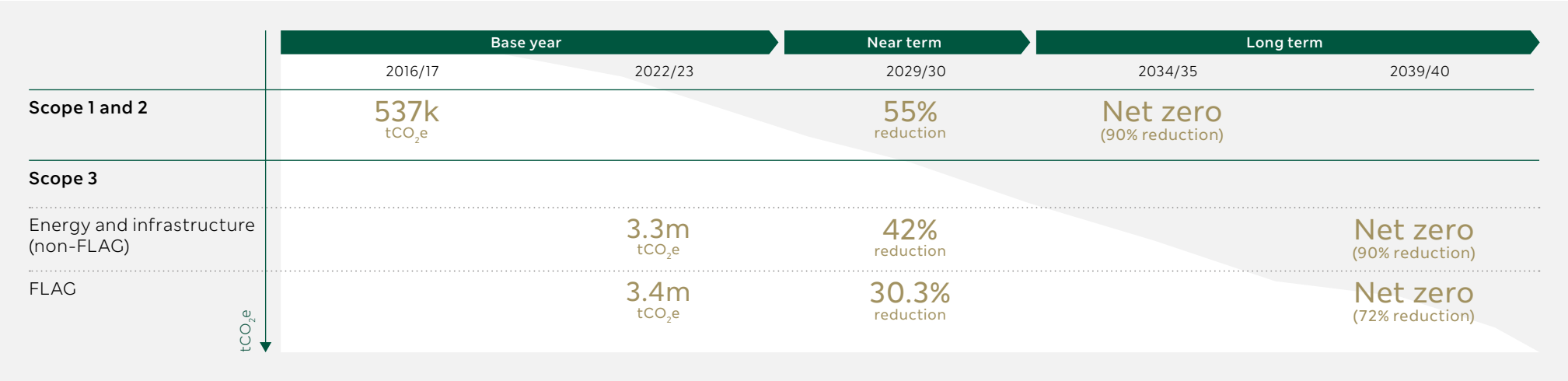
* The target boundary includes land-related emissions and removals from bioenergy feedstocks.

** The target includes FLAG emissions and removals.

OUR ROUTE TO NET ZERO CONTINUED

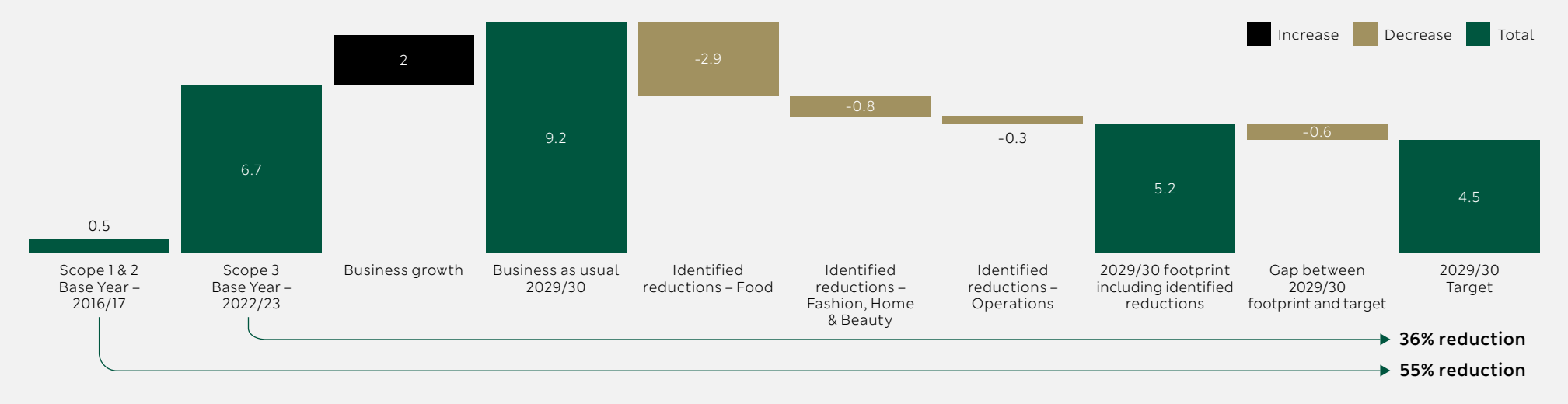
Net Zero Transition Roadmap

Our Net Zero Transition Roadmap outlines our targets on our journey towards net zero.



Emissions reduction pathway ($mtCO_2e$)

We have line of sight to 86% reduction. Our priority areas as outlined on the following page inform our emissions reduction pathway to our 2029/30 target.



OUR ROUTE TO NET ZERO CONTINUED

10 immediate priority areas for transformation

While revalidating our targets, we have accounted for the growth in our business and are confident that the programmes we have in place will support our net zero ambitions. Our 10 priority areas continue to be our focus, and this year the three enablers that support their delivery and progress against these have been added. You can read more about our enablers on the next page.

PRIORITY AREAS

Responsible sourcing

Zero deforestation

- No deforestation commitment by 2025 across primarily deforestation linked commodities.

Sustainable sourcing

- 100% verified recycled polyester by 2025/26.

Low-impact farming

- Support our farmers to enable them to grow lower-carbon responsible food, use fewer pesticides, enhance their soil, protect natural resources and drive innovation.
- Key initiatives being our Farming with Nature programme and our work with Better Cotton.

Sustainable manufacturing

Suppliers and business partners on net zero journey

- Look beyond our own operations to spark change and support decarbonisation across our full value chain.

High-quality products

- Crafting durable, high-quality clothing that customers can feel proud of, while analysing the environmental footprints of our products to identify opportunities for decarbonisation, all without compromising on quality.

Waste and circularity

Circular economy

- Promoting reusing, repurposing and recycling through our 'Another Life' initiative.

Reduce food waste

- 100% of edible food surplus to be redistributed by 2025/26.
- Food waste reduced by 50% by 2029/30.

Reduce and recycle packaging

- 100% of packaging to be recyclable by 2025/26.
- Remove 1bn units of plastic packaging by 2027/28.

Operational efficiencies

Zero emissions property

- Deliver a more efficient store estate, to reduce our Scope 1 and 2 emissions (target 55% reduction by 2029/30 from 2016/17).

Zero emissions transport

- Move to low-carbon logistics with reduced dependency on diesel and increased use of new technologies and cleaner fuels.
- Contribute to cross industry action through collaboration.

Enablers: Innovation, Technology, Engagement

OUR ROUTE TO NET ZERO CONTINUED

Our enablers

Innovation

Since 2022, we have used our 'Plan A Accelerator Fund' to fund or co-fund projects that address challenges and support innovation to reduce emissions and identify the programmes we can scale with our partners. This year the fund was used for 10 projects across Food, Fashion, Home & Beauty and Property.

Projects included: reducing the farming emissions from tractors through automation of parsnip production with Huntapac (see page 20); helping extend the life of clothes with the launch of our online repair service with SOJO (see page 28); and the installation of an air source heat pump (see page 15).

Once we've achieved our long term emission reductions targets we will need to use carbon removal mechanisms to address the residual emissions. These removals could come from nature-based solutions, such as biochar, or from technological innovations, and we will use the Plan A Accelerator Fund to help us identify and scale these solutions.

Technology

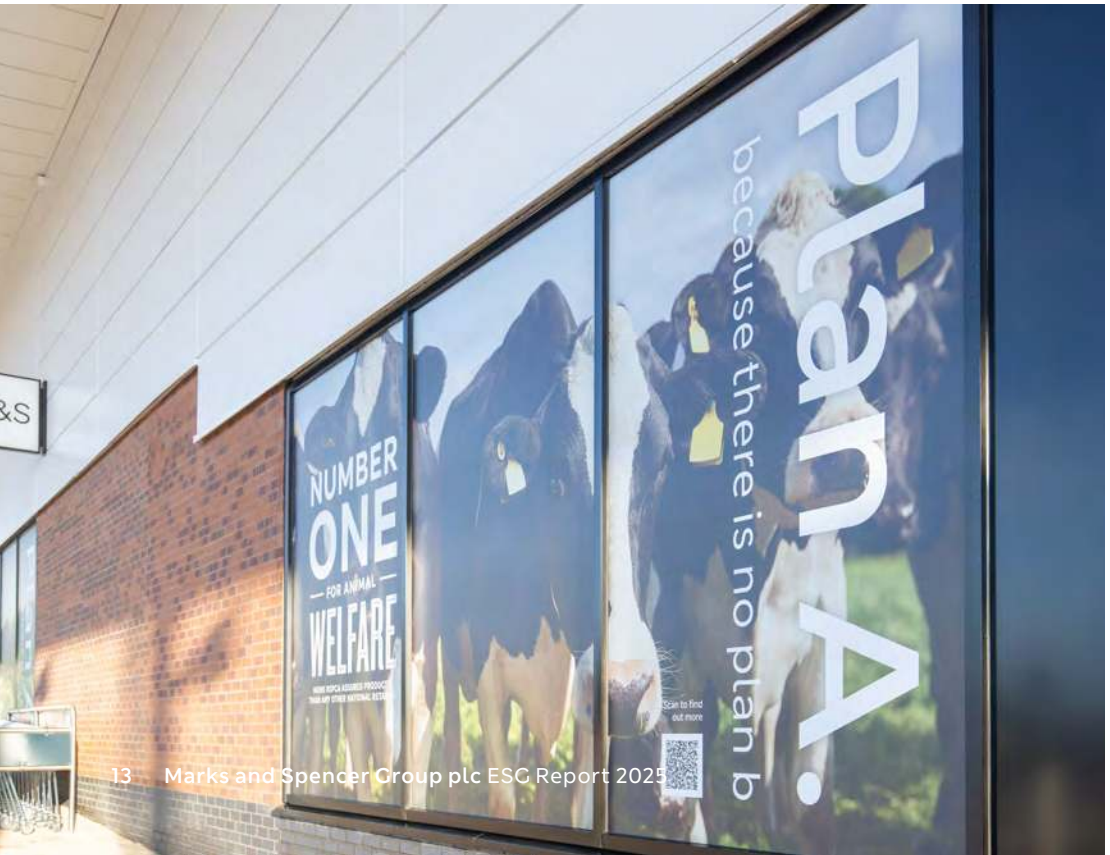
To reduce our emissions, we need to have visibility of where emissions are and how reduction programmes impact them. For Scope 1 and 2 emissions, we use an ESG performance management system, Sphera, to collect and collate our emissions. For Scope 3, we have continued our collaborations with the following industry partners to measure our product footprint and access more supplier data so we can have a better understanding of our emissions hotspots:

- **Higg Index** – a suite of tools that provides a standard measurement of supply chain sustainability across Fashion, Home & Beauty.
- **Manufacture 2030** – a cross-industry platform for Tier 1 Food supplier partners, to share site-specific environmental data with grocery retail partners. This helps to reduce the reporting burden and prioritise where action should be taken to reduce emissions.
- **Mondra** – a data insights platform for calculating product carbon footprinting that uses M&S recipe information and secondary emissions data. As part of our collaboration with Mondra, we plan to improve the accuracy of product carbon footprints by plugging in actual emissions data from M&S Food suppliers. This will include site-specific data captured via Manufacture 2030.

Engagement

As a predominately own brand retailer, we have more control of our end-to-end supply chain and recognise the strength of our supply chain partner relationships. We collaborate with our partners by providing training and education on decarbonisation programmes and sharing innovation and best practice.

By providing access to tools, knowledge and resources that support performance improvements we are able to help our suppliers reduce emissions in the supply chain, a critical part of our net zero ambition.



REDUCING CARBON IN OUR OPERATIONS

Our operational carbon emissions (Scope 1 and 2) make up 5% of our total emissions. We continue to invest in our store estate, warehouses and logistics fleet to reduce these.

This section outlines the progress we have made this year and the areas we see further opportunities.

UK & ROI STORE ESTATE (SCOPE 1 & 2)

Commitment

Reduction in energy usage across UK & ROI property estate

3%

reduction in energy consumption this year

Delivery this year

In 2024/25, the UK and ROI store estate made up nearly half of the total Scope 1 and 2 emissions.

We have developed a standardised store specification to ensure a strategic estate-wide approach to lowering emissions. Highlights of this year include:

- We have removed natural gas from our standardised specification replacing it with fully electric heating and have implemented this in four stores.
- We have continued to introduce fridge doors which can provide an energy saving of up to 30%. These are now in place in 59 stores.
- We have rolled out LED lighting across another 56 stores bringing us to a total of 198 stores between 2022/23 and 2024/25.

To increase our use of renewable energy, we have selected two supplier partners to build rooftop solar generation capability under power purchase agreements (PPA). 16 sites (including four distribution centres) will be complete by the end of 2025/26.

Store specification:

Voltage optimisation
Reduce incoming voltage to reduce consumption on plant.

Removal of natural gas
Electric boilers for heating and point of use water heaters.

LED lighting
Efficient lighting with remote control.

Natural refrigerant
Low emission CO_2 refrigerant systems for stores.

Case doors
Trialling fridge doors that help reduce energy demand and heat requirements.

UK & ROI STORE ESTATE (SCOPE 1 & 2) CONTINUED

Opportunities for the future

Although full solutions to decarbonise the store estate do not yet exist, new technology trials are helping us to find a way forward for the future.

We will continue to invest in our stores to improve efficiency, including upgrading our heating and air conditioning systems, continuing with LED lighting, fridge door additions and voltage optimisation projects which reduce the voltage received by a store. Of course, we also rely on the grid to support decarbonisation of electricity across the estate.

Refrigerant leakage across our estate is a large contributor to our store emissions. We are continuing to upgrade our refrigeration equipment with full replacements in renewal and rotating out old, inefficient stores. Additionally, we are replacing our refrigerant gas type with one with lower global warming potential (GWP) which means it has lower emissions.

A big challenge we are working through is the removal of natural gas from our stores which is used for heating. While we have been rolling out fully electric heating where we can upgrade infrastructure, we are looking for innovative opportunities where this is not possible, such as air source heat pumps which run on electricity to warm buildings using heat from the surrounding air.

Innovating in our stores

Through the Plan A Accelerator Fund we are trialling Jetseal, a patented system that improves airflow within fridge cases to stop the escape of cold air. Our Wyvern Derby and Newark Maltings stores are a part of this trial. With refrigeration accounting for 50% of our store energy use, this initiative comes with an anticipated 10% reduction in refrigeration energy consumption, driving cost and carbon reduction.

Another innovation trial agreed this year is the air source heat pump (ASHP). The heat pump, which will be trialled at our Yates Foodhall, is the first direct boiler replacement in the UK. It is designed to replace gas boilers without the need for infrastructure modification, allowing us to achieve full heat decarbonisations and anticipated reduction in energy consumption and carbon emissions by 50%. If successful, this innovation will help develop long term specification for future heat decarbonisation.

Supporting customers with electric vehicle charging

Our first BP Pulse electric vehicle (EV) charging 'hub' with ultra fast chargers was launched at Cheshunt in July 2024, followed by additional hubs at Handforth, Culverhouse Cross, Brooklands, Pudsey and Shoreham-by-Sea. We also launched EV charging at Lymington, Chepstow, New Milton and Rickmansworth in 2025 – bringing us to a total of 13 BP Pulse sites across our portfolio.

We continue to increase our EV charging capability with 15 further sites planned for next year.

In 2024/25, we saw great performance across these sites with c. 62,000 charging sessions. Cheshunt was the top performer with over 17,000 sessions in the year which was also a top performer in BP's whole portfolio.

SUPPLY CHAIN LOGISTICS (SCOPE 1 & 2)

Commitment

Moving to lower-carbon logistics with reduced dependency on diesel and increased use of new technologies and cleaner fuels. Contributing to cross-industry action through collaboration

Delivery this year

In 2024/25, our owned logistics fleet emitted 140 $ktCO_2e$, which is just over a third of our total Scope 1 and 2 emissions. This year, we reduced our absolute emissions by 2% by improving the efficiency of our network and through significant investment in the use of new technologies and cleaner fuels.

TOTAL EMISSIONS: LOGISTICS
($ktCO_2e$)

Actions we have taken to do this include:

Lower-emission vehicles

This year we have introduced 85 lower-emission vehicles into our logistics fleet which means almost 10% of our total transport fleet will be powered by lower-emission solutions. These vehicles include:

- 50 4x2 bio-CNG (compressed natural gas) vehicles in our Gist logistics fleet and 30 6x2 bio-CNG vehicles in our Fashion, Home & Beauty fleet. We expect these vehicles to deliver up to 85% carbon savings compared to diesel.
- Five zero tailpipe emission battery electric vehicles to our Fashion, Home & Beauty fleet that will operate across London and the South East, including Oxford Street and Bluewater. These 42-tonne battery electric Renault trucks are delivered under the eFREIGHT 2030 Consortium, part of the UK Government's Zero Emission HGV and Infrastructure Demonstrator programme (ZEHID), of which we are a founding member.

In addition to these new vehicles, we continue to explore other opportunities to further reduce our reliance on diesel. For example, Gist has developed the first-of-its-kind electric wagon and drag vehicle, in collaboration with Gray & Adams. It features a fully electric refrigeration system powered by the vehicle's main engine, with a diesel backup tank for the drag trailer. This innovative technology allows Gist to replace two separate rigid vehicles with a single setup, facilitating deliveries to two locations.

We also continue to specify our Gist diesel rigid vehicles with power take-off (PTO) capability, which now forms part of the standard rigid specification. This innovation eliminates the need for two diesel engines onboard by converting energy from the diesel engine at the front of the HGV into electricity to power the refrigerated trailer.

Network and schedule efficiency

In addition to investing in lower-emission vehicles, we continue to seek opportunities to reduce emissions through optimising the use of our fleet.

In Fashion, Home & Beauty we have increased the level of double decker trailers operating in our network, have introduced aerodynamic air deflectors to our new bio-CNG vehicles and are moving containers inbound from port to our distribution centres via rail.

In Gist, we have increased the utilisation of our battery electric rigid vehicles by 25% compared to the previous year through collaboration with the central planning team and on-site operations, which have identified the most efficient routes for electric vehicles. Additionally, we continue to optimise our existing diesel vehicles through embedded fuel performance monitoring and strategic action planning.

Opportunities for the future

We continue to review alternative technology options and collaborate across-industry to trial and implement lower-emission vehicles.

In the coming year, we will expand our lower-emission Fashion, Home & Beauty fleet so that over 40% of the fleet are lower-emission alternatives and are looking into refuelling infrastructure at our distribution centres to support this transition.

Additionally, we will continue transitioning our Gist fleet from diesel to lower-emission alternatives. We have plans to further invest in bio-CNG and we are exploring introducing battery electric tractor units into the fleet for the first time.

INTERNATIONAL ESTATE AND LOGISTICS

Target	2024/25 progress
100% Converting all our stores to 100% LED lighting across owned operations by 2025	85% of stores

Delivery this year

The International estate and logistics make up 2% of our total Scope 1, 2 and 3 emissions.

This year our international business has undergone a large scale reset to deliver sustainable future growth. This has meant that delivery against in year targets was limited whilst we worked through addressing long term infrastructure challenges and resetting the future strategic direction for our global business. Despite this we saw progress in several areas of the International business.

8

A further 8 stores were converted to LED lighting, taking our owned estate total to 85% of stores now converted.

32

Variable frequency devices (VFDs) were implemented in 32 stores in India which improve regulation conditioning systems to make them more energy efficient by increasing or decreasing the air flow.

PPA

We are offsetting the electricity in two stores in Greece with a power purchase agreement (PPA) and are looking to add more stores on in the coming year.

349k

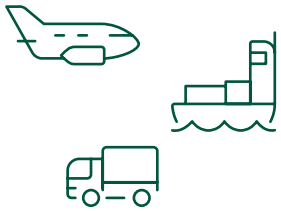
We completed a logistics project to optimise direct routing of beauty products to our international hubs which streamlined the transportation of 349k beauty products. This efficiency project has significantly reduced freight distance as well as lead time for some of our international markets.

An ongoing challenge we faced throughout the year was the Red Sea security situation. This has led to an overall increase of our logistical emissions to fulfil orders and maintain service.

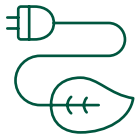
Opportunity for the future

Plan A is a key part of the International reset strategy. With strategic pillars focused on reducing property and logistics emissions, as well as a renewed focus on social and ethical compliance, we have a more structured five-year plan that will deliver progress alongside commercial growth.

Lower-carbon global logistics



Decarbonising our property estate



Social, human rights & ethical compliance

SOURCING OUR PRODUCTS WITH CARE

Our promise to our customers is that we source and make our products with care so they can trust us to do the right thing.

FOOD

Targets	2024/25 progress
100% of soy to be sourced from verified deforestation- and conversion-free (DCF) supply chains by 2025/26	83%
100% segregated RSPO certified palm oil in our own-brand food products by 2025/26	99%
Maintain 100% cocoa (by volume) used in own-brand products to be sourced through sustainability schemes	99%
Maintain 100% Fairtrade-certified* tea and coffee	100%

* While M&S continues to be committed to sourcing 100% of our tea as Fairtrade, deep rooted issues in the Assam region have meant that this has not included some of our Assamese tea where it is currently unavailable as Fairtrade certified. We are working closely with our supplier partners and the Fairtrade Foundation to help address the challenges in the Assam region and to agree a Fairtrade model that benefits workers in Assam, while also giving M&S access to this vital ingredient for our tea blends.

62% of our total Scope 3 emissions come from products we sell in Food. We set the highest standards for responsible sourcing that support the long term viability of ecosystems and communities.

Progress this year

To help us identify and build our plans, we conducted a comprehensive risk assessment of all raw materials used within our Food business. This has shaped our sourcing plan and enabled us to prioritise those with the highest risks.

A focus on our key commodities is below.

Palm oil

All our own-brand food products are certified by the Roundtable for Sustainable Palm Oil (RSPO) and we ranked highest in the RSPO Shared Responsibility Scorecard last year. Sourcing palm oil sustainably is crucial due to its contribution to deforestation, biodiversity loss and associated carbon emissions.

We support the sustainable production of palm oil outside our supply chains by partnering with Forever Sabah and PACOS Trust. These two non-profit organisations have supported the RSPO certification of 500 smallholders in Malaysia and delivered training workshops on human rights and gender equality awareness, both of which are promoting sustainable practices and empowering local farmers.

Soy

We are committed to sourcing 100% verified deforestation- and conversion-free (vDCF) soy by the end of 2025. Soy is a significant commodity for animal and aquaculture feed and contributes to global deforestation, land use change and biodiversity loss.

We are working directly with our key supplier partners to understand their transition plans and support the adoption of certified soy. Additionally, we are part of industry initiatives such as the UK Soy Manifesto and Retail Soy Group to build collective solutions to ensure we achieve our goals.

Tea and coffee

All M&S tea and coffee is Fairtrade-certified, meaning that farmers and workers earn fairer pay and follow more sustainable practices.

We continued to collaborate with Fairtrade and our suppliers to support the future supply of Fairtrade tea from Assam, a region facing unique challenges. Through an innovative regional approach, we aim to support long term certification and ensure the payment of the Fairtrade Premium and Minimum Price, meaning a fairer future for workers in Assam.

FOOD CONTINUED

Cocoa

In 2024, we updated our Cocoa Policy to ensure clear requirements for suppliers and stipulate that 100% of the cocoa in our own-brand products must be Independently Certified Cocoa through Fairtrade or Rainforest Alliance.

As of February 2025, 100% of our block chocolate uses Fairtrade cocoa, as well as other iconic M&S chocolate ranges including Belgian and Swiss confectionery and the Colin the Caterpillar cakes range.

Cocoa traceability pilot

In January 2025, M&S became the first retailer to launch Fairtrade's 'Mass Balance Plus' traceability pilot for our Choc Marks and Swiss ranges, with our supplier partner.

For these bars, 100% of the Fairtrade Premium and cocoa bean volume equivalents will be directed to the Yeyasso cooperative, in Côte d'Ivoire, which are independently audited to ensure our funding reaches the cooperative.

> "We thank M&S for this great initiative that will allow us to make further investments. It will help us be able to offer maternity wards in localities where there are not yet any, increase cash to producers and fight against child labour by facilitating children's schooling.
>
> **Yeo Moussa**
> Director General at Yeyasso

Lower-impact farming

Livestock farming

Over 70% of the emissions in our Food business come from primary agriculture and of these emissions, the majority come from the production of meat. We support all our farmers to: grow lower-carbon and responsibly produced food, use less pesticide, enhance their soil health and fertility, protect natural resources and drive innovation. We do this by:

1. Lower transport emissions through long-term trusted supplier partner relationships with British farmers.
2. Partnering with our 16,000+ select farmers to help them reduce their environmental impact and increase their resilience in the face of increasing climate-related challenges is a priority. Every M&S Select Farm must meet our high standards for food safety and quality, animal welfare and environmental protection.
3. Decarbonising meat and milk through working with our UK farmers on new production models and driving on-farm innovation. Our Pathway Beef already has a carbon footprint 40% lower than the UK's average and we have developed plans with our suppliers to reduce carbon right across our meat supply chain.

Arable farming

This year marked the fifth and final year of our Farming with Nature programme, which has supported the uptake of nature-friendly farming practices and long term climate resilience across our British grower base.

This programme has had tremendous impact. Through it we have protected 15,000 ha of habitat for nature, trialled 10 new technologies and engaged over 500 growers in peer-to-peer exchange.

We continued our long-standing partnership with LEAF (Linking Environment and Farming) and require all our British growers to be LEAF Marque certified, and complete two additional M&S-specific modules that focus on landscape & nature and integrated pest management. Since implementation of the programme, participation has increased in these modules to 86%.

Since 2022 we have also partnered with Wildfarmed, a pioneering regenerative farming supplier, which aims to restore biodiversity, soil health and ecosystem balance. Wildfarmed flour has been included in an increasing number of products, including our iconic collection sourdough; in 2024, tonnage grew by nearly 30% vs 2023.

Conserving water as an important resource

M&S plays a leading role in cross-sector engagement on nature and water-related challenges through the UK Food and Drink Pact's Water Roadmap, which aims to help the UK food and drink sector improve the quality and availability of water across the 20 most important product- and ingredient-sourcing regions.

As signatories we have committed to a shared goal of sourcing 50% of fresh food from areas of sustainable water management by 2030. In 2024/25, through this partnership, we funded six water stewardship projects in the highest-risk regions across the UK, Southern Spain, Kenya, South Africa and Peru.

The risk assessments we have conducted helped to shape our water security approach, such as our top 50 commodities assessment. This highlighted that water is the key risk area for our agricultural commodities in a changing climate, and it identified the countries at greatest risk of water scarcity and sanitation/health issues.

We took the following actions in 2024/25:

- Maintained our commitment to 100% Fairtrade tea and coffee. Through the certification it encourages sustainable agriculture practices, which include water action.
- Conducted a water risk assessment of all 20,000 Select Farms using the WWF Risk Filter to identify 25 sourcing regions needing mitigation.
- Expanded robust environmental standards in our highest-risk overseas sourcing countries (Spain, Morocco, Egypt, South Africa, Kenya and Peru). Growers in these regions must achieve LEAF Marque certification or Global GAP Sustainable Programme for Irrigation and Groundwater by April 2026.

FOOD CONTINUED

Supporting the Royal Countryside Fund

M&S has been a key partner of the Royal Countryside Fund since it was founded in 2010, contributing over £300,000 to support 4,500 family farms and 500 community projects across the UK. The Fund's focus on environmental stewardship helps farmers improve soil health and biodiversity, and build resilience against rising costs and extreme weather.

> The extensive support that we have received from M&S over the years has been invaluable in helping the rural communities and family farms that we work with, which are facing enormous social, environmental and economic pressures. I would like to thank everyone at M&S – staff and customers alike – for their steadfast support and commitment to building a real future for rural Britain.

Keith Halstead
Executive Director of The Royal Countryside Fund

Innovating

Through the Plan A Accelerator Fund, we continue to trial new, lower-carbon projects and are beginning to see the results of last year's investment. With our supplier partner Huntapac, we tested the impact of automation in parsnip production. This included a robot for seed bed forming and a self-driving tractor for seed planting and weeding, as well as drones for spraying and crop health monitoring. Alongside a reduction in carbon footprint, the analysis showed an average fuel saving of 47% versus conventional methods. Additionally, more of the soil's organic carbon was preserved by reducing soil compaction and using less fertiliser.

Opportunities for the future

Farmers are under increasing pressure, managing climate change impacts and high operating costs, so it's important that we invest in support for our farmers to help them transition to lower-carbon, nature-friendly farming methods.

Our goal by 2030 is to work with farmers to build healthier soils, boost biodiversity, improve water quality, and reduce and store carbon across M&S Select Farms, whilst ensuring they can continue to grow nutritious, high-quality produce.

We are developing a 'Future Farming Framework' which will set out our views on the steps needed for more resilient and regenerative farming systems.

Baselining our environmental farming footprint

We are launching a new, five-year, Farming for the Future programme, which is an evolution of our Farming with Nature commitment.

Our aim is to support farmers and growers to adopt sustainable practices by understanding the environmental status of their land. We believe access to accurate and relevant data is key to enabling good decision making on farm, so in 2025 we began work with the Soil Association Exchange to baseline the environmental footprint of 50 British M&S Select Farms, covering a diverse range of livestock and produce. This comprehensive approach considers a range of metrics across six impact areas: Emissions, Soil Health, Biodiversity, Water, Animal Welfare and Social Impact, to build a more complete picture of a farm's environmental risks and opportunities. This will help the farmers involved to develop bespoke interventions to improve and measure their environmental performance over time.

FASHION, HOME & BEAUTY

Targets	2024/25 progress
100% of cotton from more responsible sources by 2025/26[1]	Clothing: 100% Home: 91%
100% verified recycled polyester by 2025/26	91%
100% of MMCF from more responsible sources by 2025/26	70%
50% of wool from more sustainable sources by 2025/26, and 100% by 2030/31	47%
100% of our leather sourced from Leather Working Group (LWG)-certified finishing tanneries by 2030/31	96%

1 More responsibly sourced cotton means sourced through Better Cotton, organic- or recycled-certified.

Delivery this year

We have an ambition to convert all raw materials in our clothing and home portfolio to more sustainable alternatives by 2030 and our roadmap to achieve this includes a target for our core materials (cotton, polyester and man-made cellulosic fibres) by the end of 2025/26 which makes up around 80% of our fibre mix.

This year we used more than 83% responsibly sourced fibres across all textiles.

A focus on our core fibres

Cotton

Cotton makes up the largest part of our material portfolio, making up more than half of our total mix. Since 2019, 100% of the cotton in our clothing has been sourced through either Better Cotton (the world's leading sustainability initiative for cotton), or through recycled or organic routes.

For home textiles, we are following the same ambition and have achieved 91% on average this year, reaching 99% in Q4, giving us confidence that we'll meet our 2025/26 target.

Polyester

Polyester is the second most widely used fibre in our products. We have seen good progress in our transition to certified recycled polyester, growing from 70% last year to 91% achieved this year.

TRANSITION TO CERTIFIED RECYCLED POLYESTER (%)

This level of conversion is the result of a strong partnership with our supply chain partners, driving change in the industry to make recycled polyester the norm.

Watch the full story

Man-made cellulosic fibres (MMCF)

These are viscose, modal and lyocell, which are generally made from wood pulp. These fibres represent the third most widely used fibre group in our products.

Since 2014 we have been a member of the CanopyStyle initiative which works with fashion brands, retailers, designers and viscose producers to protect ancient and endangered forests. We only source MMCF from supply chains identified as low-risk for deforestation. Through our 2025/26 target we are strengthening our policy requirements further, achieving an average 70% conversion towards this target this year and reaching 75% in Q4.

Polyamide (nylon)

Polyamide is used across many of our products, from sport goods to lingerie, due to its versatile properties. We have achieved 23% certified recycled polyamide this year and are on track to achieve our 2030 targets.

Animal derived materials

Animal derived fibres and materials make up a small proportion of our overall portfolio but remain valued options because of their sustainability potential and high-quality performance.

Better Cotton in India

Last November, our Sustainability team travelled to Maharashtra and Telangana in India to see first-hand the reality of cotton farming at smallholder farms under the Better Cotton scheme. While visiting farmers and attending village meetings, we were able to see responsible farming practices already in use – many farmers have been able to completely avoid the use of chemical inputs (fertilisers and pesticides) and are rolling out their learning to other crops, going above and beyond the Better Cotton licence's minimum standards.

Watch the full story

FASHION, HOME & BEAUTY CONTINUED

We aim to have 50% of our wool sourced through either the Responsible Wool Standard (RWS) or certified recycled by the end of 2025/26. This year we have already achieved 47% of this conversion.

For the third year in a row, 100% of the fibre used within our pure cashmere products were certified by the Sustainable Fibre Alliance (SFA).

Traceability

Traceability is a critical element of our sustainability strategy, enabling stronger collaboration in our supply chains, collecting more data on our raw materials as well as improving compliance checks and risk mitigation. This year we have scaled up the tracking of our core raw materials with our partners Textile Genesis and Better Cotton. Textile Genesis is an online traceability platform, providing visibility from raw materials to garment, all along the supply chain up to our stores. Better Cotton is the world's largest cotton sustainability programme.

MMCF traceability

This year, we have completed the onboarding of suppliers representing 96% of our MMCF volume on to Textile Genesis. Not only does this platform give us visibility of our supply chain, but it also allows us to strengthen our compliance checks and we've adapted our monthly due diligence process for MMCF accordingly to make the most of this new available data. We source our MMCF fibre from mills scored with a 'Green Shirt' on the annual Canopy Style audit, ensuring a low risk of sourcing timber from ancient or endangered forests.

Polyester traceability

Since October 2024 we have also started onboarding our polyester supplier partners with Textile Genesis, achieving 75% in volume and a total of more than 270 suppliers (Tier 1 and Tier 2) onboarded so far.

Cotton traceability

Cotton supply chains are particularly complex and it is challenging to trace cotton in an individual product back to its source. Following a successful pilot back in 2023/24, we accelerated our work on traceable cotton, working closely with Better Cotton's traceability team and our supply chain partners.

We have rolled out 12 in-person training sessions in both India and Bangladesh as well as online meetings and have extended our work to more countries within our supply chain (China, Pakistan and Sri Lanka).

Working closely with all tiers of our supply chain, we have completed the onboarding of more than 120 suppliers this year. More than 150 additional ones are currently in the process of being onboarded which will represent almost 22% of suppliers.

As a result, our stores are already selling our first products made of fully traceable cotton as part of our Spring/ Summer 2025 season, across Kidswear, Womenswear and Menswear, and are working on increasing this volume for the upcoming seasons.

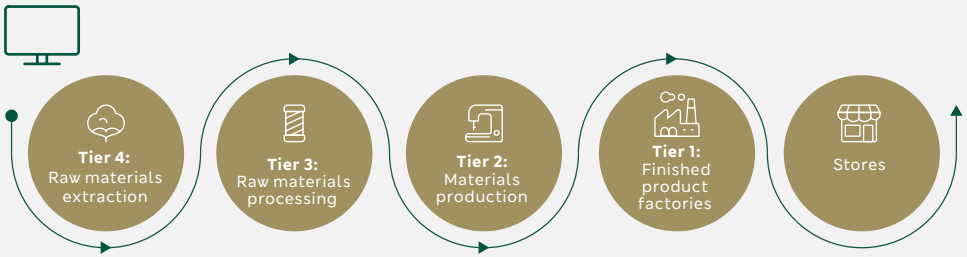
Opportunities for the future

Raw materials conversion is an ever-evolving journey. Our upcoming 2025/26 targets cover around 80% of our fibre mix and will represent a major milestone for M&S.

We will look to accelerate our efforts on the remaining 20% and to continue including non-textile materials ahead of our 2030 target.

We will continue to work with supply chain partners and partnerships to foster collaboration as well as leverage the Plan A Accelerator Fund to support the development of sustainable innovations.

TEXTILE GENESIS PROCESS: ONLINE PLATFORM



Cashmere

Earlier this year, we visited our cashmere supply chain partners in the Chinese region of Inner Mongolia, where most of M&S' cashmere comes from. After visiting the cashmere sorting, cleaning, spinning and weaving facilities, the team met some of the herders that supply our fibre.

With all of them already certified by the Sustainable Fibre Alliance (SFA), they demonstrated best practices in ways of caring for the animal and their land, while sharing some of the challenges they are already facing with climate change.

Meeting people with the know-how and expertise on materials production allows us to shape a pragmatic strategy while understanding where more support may be needed and how collaborations are essential to drive change. You can watch the video of our trip here:

Watch the full story

MAKING OUR PRODUCTS WITH CARE

As part of our ambition to be the most trusted retailer, we focus on doing the right thing for our customers, with quality products at the heart of everything we do.

FOOD

Delivery this year

Manufacture 2030 is a cross-industry platform used by 10 major UK grocery retailers for Tier 1 Food supplier partners to share site-specific environmental data in one annual survey.

The platform also gives suppliers access to tools, knowledge and resources that support performance improvements. This helps to both reduce the reporting burden and also prioritise where action should be taken to reduce emissions.

OUR 'SIX KEY ASKS'

- Set a science-based, 2040 net zero target and roadmap for Scope 1, 2 and 3 emissions
- Purchase 100% renewable electricity
- Purchase verified deforestation- and conversion-free animal feed
- Focus on packaging quality, innovation and sustainability, and remove plastic where possible
- Implement a food waste redistribution plan
- Implement our Human Rights Standard, including Worker Voice and Human Rights Due Diligence

Through Manufacture 2030, we have better visibility of how our top supply chain partners are meeting our 'six key asks' on the environment.

This includes over 200 partners which cover over 50% of our food supplier emissions. We are already seeing the benefit of multiple years' data and have seen increased engagement and significant improvements in reported performance across the board, including a 26% increase in suppliers adopting Scope 1, 2 and 3 targets.

Opportunities for the future

Following the initial roll-out of Manufacture 2030, we know it will be difficult to achieve the same increase in engagement and performance because we have such a strong baseline. We are now exploring more targeted conversations with our top supply chain partners on how we can continue to drive performance improvements.

Calculating the carbon footprint of products with Mondra

In 2022/23 we began working with Mondra, an environmental product footprinting platform to model the carbon footprint of our products and explore opportunities for decarbonisation.

In 2023/24 we successfully modelled the carbon footprint of over 5,000 M&S products across the Foodhall, using M&S recipe information and secondary emissions data based on industry averages, giving us insights into our GHG emissions at every stage of the supply chain. This takes us to almost 6,000 products on the platform.

This year, we worked with our pork and sandwich suppliers to move from secondary emissions data to actual emissions data from their farming systems, which showed a reduction in the product carbon footprint compared to industry average.

Moving forward, we will continue to work with our supply chain partners to improve the accuracy of product carbon footprints by plugging in more actual emissions data. This will include site-specific data captured via Manufacture 2030.

FASHION, HOME & BEAUTY

Target	2024/25 progress
80% of invited suppliers verify their Higg Facility Environmental Module (Higg FEM2023)	90%

Delivery this year

This year we continued to focus on standardisation of how we assess environmental performance in manufacturing. This is important because data is critical in understanding the challenges and opportunities in our supply chain.

We are members of Cascale (formerly the Sustainable Apparel Coalition) and have successfully scaled adoption of their Higg Facility Environmental Module (Higg FEM). This is an annual assessment which collects primary supplier data and supports target setting to paint a clear picture of a facility's environmental impacts.

This year, the assessment has aligned further with the GHG Protocol and included more granular data collection, changes to supplier scoring and a quantitative verification approach.

For the latest assessment, we have had strong engagement, achieving 90% verification at Tier 1 finished goods facilities across our invited facilities, and 90% at Tier 2 wet processing sites. Increasing this verification to ensure accuracy and credibility has been very important as verified data feeds into our Scope 3 emission calculations.

We have a direct relationship with suppliers and conduct both in-person and online Higg FEM review sessions across our three main regions, working with them to ensure improvements in data accuracy and supporting with frequently asked questions.

We kicked off the assessment cycle this year with an online webinar to Tier 1 and 2 suppliers, where we presented our Higg FEM data insights and focused on assessment updates and the importance of data quality while introducing them to new features and e-learning modules.

Conserving water as an important resource

Freshwater usage

We use recognised digital tools (such as WRI Aqueduct and WWF Water Risk Filter) to assess risk levels in our manufacturing regions. Our analysis covers 672 wet processing sites in our Tier 2 supply chain to understand how they intersect with priority basins.

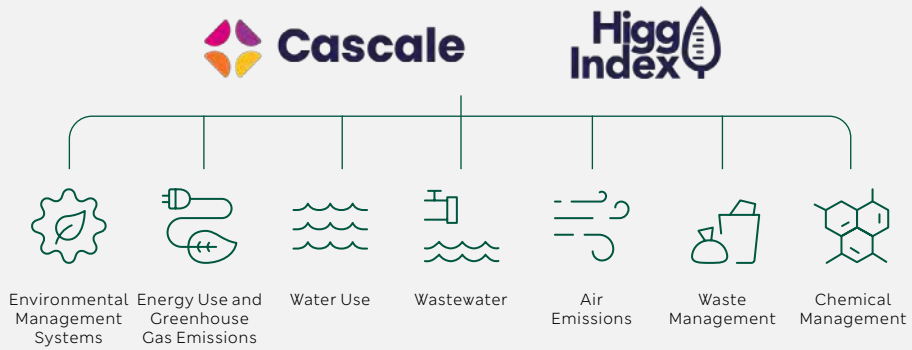
Using the Higg FEM, we also collect data from these facilities regarding their water risk, sources, consumption and recycling. This gives us insight into water usage in wet processing so we can agree targets for the future.

Avoiding pollution

We are a signatory brand of Zero Discharge of Hazardous Chemicals (ZDHC) Foundation. This means we have committed to eliminating the use of hazardous chemicals in our textile and leather supply chain and have implemented a mandatory program of wastewater testing amongst our suppliers.

This year we were awarded Champion level as part of ZDHC's Brands to Zero assessment, recognising our commitment and progress in the 'Roadmap to Zero' programme, implementing the ZDHC tools and guidelines. Champion status is achieved through a leading approach to the integration of sustainable practices in chemical management in our supply chain.

HIGG FACILITY ENVIRONMENTAL MODULE ASSESSES SEVEN KEY ENVIRONMENTAL IMPACT AREAS



We take a proactive approach, monitoring wastewater testing and acting on non-conformance alerts. This reduces the risk of facilities polluting the environment surrounding their operation and connected waterways.

To further embed this, we have sponsored ZDHC Academy training for our internal teams and our suppliers to upskill them in the end-to-end chemical management framework.

Opportunities for the future

Using renewable energy, upgrading technology and innovative production can contribute to lower-carbon manufacturing in our supply chain. We have built up an accurate data set to enable us to target action for the highest impact. We will now focus on supporting suppliers to implement those changes.

Manufacturing interventions – Carbon Leadership Programme

Tier 2 manufacturing (fabric dyeing and finishing) is mainly done in China, India, Bangladesh, Pakistan and Turkey. The processes are energy and heat intensive, which means they can often use a mix of fuel such as electricity, gas and coal to produce heat and steam. This means that energy efficiency and adoption of renewable energy in these facilities is key to reduce manufacturing emissions.

To address this, we began working with the Apparel Impact Institute on the Carbon Leadership Programme in 2023.

This programme guides suppliers through a process to analyse energy use across their facility, identify steps to improve efficiency and change their fuel sources. They can then set emissions reduction targets through planned engineering works.

The initiative has now been rolled out to over 45 of our top volume Tier 2 facilities to drive emissions reduction at the most carbon intensive part of our supply chain, where improvements can provide up to 30% emission reduction for facilities.

Building a structured toolkit to assess carbon reductions, including investment requirements and return on investment of proposed projects, helps facilities plan their future progress.

In 2024, we sponsored 24 of our facilities to progress onto the next phase of the project, Carbon Target Monitoring, which provides engineering support and ongoing tracking.

WASTING AS LITTLE AS POSSIBLE

Within our business there are different types of waste, including operational, food and textile waste. Waste is an incredibly complex issue, so we continually review our targets and approach to ensure we get the balance right.

Targets	2024/25 progress
Maintain 0% operational waste to landfill	0%
50% reduction in food waste by 2029/30 against 2017/18 baseline	31%
100% of edible surplus food to be redistributed by 2025/26	81%
1 billion units of plastic removed from the packaging portfolio by 2027/28 from 2017/18	148.1m
45% of plastic clothing hangers reused in the supply chain by 2025/26	38.4%
100% of packaging to be widely recyclable by 2025/26	Food: 93% Fashion, Home & Beauty: 82%

FOOD

Our ambition is to use less packaging, but where we need to use it to protect our products, we want it to be 'circular' – either by being recycled, or refilled.

Reduce

Removing plastic

We have an ambitious target to remove 1bn units of plastic across our own-brand packaging for both Food and Fashion, Home & Beauty by 2027/28 (from 2017/18).

This year exceeded our expectations and saw the removal of over 125m units from our Foodhall towards this goal.

Key initiatives include:

- Moving our garlic bread packaging to paper flow wrap.
- Moving some of our mushroom varieties and organic blueberries to cardboard punnets.
- Removing plastic from meat joints: replacing plastic trays with paper for Best in Season lamb and Saltimbocca, and removing the tray to only use vacuum packing for our outdoor bred pork fillet.

Food waste

We have made improvements to our ordering and allocation systems, with the aim of achieving the right stock in the right store at the right time.

We have installed additional freezers in a further 60 stores, meaning over 470 of them (c.80%) can now repurpose in-store bakery bread as frozen garlic bread products.

In September 2024 we updated our in-store process to make our food redistribution data even more robust. While it was rolled out, the changeover resulted in a drop in data accuracy, impacting our redistribution performance year on year, from 85% to 80%; however, we are working closely with store colleagues to improve this.

As 60% of the UK's food waste comes from our homes, it is crucial we help our customers waste less food at home. We participate in WRAP's Household Food Waste tracker, which gives us ideas on how we can improve our labelling to reduce waste in the home.

FOOD CONTINUED

Building on the progress we made last year when we moved all milk date codes from 'Use By' to 'Best Before', we have now included cheeses and yoghurts in this initiative. This helps customers to decide on the product's suitability to eat, rather than disposing of it just because it reaches a specific date.

Reuse

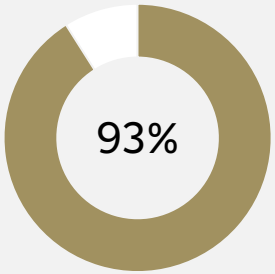
Our Refilled scheme is now available in 25 stores across the country. Customers can choose from 10 own-brand homecare products, including cleaning sprays, laundry detergents, fabric conditioners and washing up liquids.

So far, over 18,800 customers have engaged with the scheme.

Recycle

We aim for our packaging to be 100% recyclable and contain recycled content, giving recycled materials another life and reducing carbon.

'WIDELY RECYCLABLE' OR 'RECYCLABLE' PRODUCT PACKAGING



Where possible, we design our packaging for recycling at home with the ambition that 100% of it can carry the on-pack recycling logo which informs customers it is 'widely recyclable' or 'recyclable at store'. 93% of our plastic packaging now meets this definition.

However, some plastic films remain unrecyclable at kerbside yet are necessary to protect our products to maintain freshness, quality and shelf life. We accept this material in our in-store collection bins and are using it to make PlastEcoWood products, including items such as picnic benches and planters, which we donate to schools and community centres.

This year we ran a partnership with our charity partner, YoungMinds, to turn these into 'Buddy Benches' where 100 were made available to schools.

Alongside working to develop new products from the plastic that we are collecting in store, we support the development of advanced recycling technologies for plastics. We continued our collaboration with The University of Portsmouth and its Centre for Enzyme Innovation team in a second phase of research looking at enzymatic recycling techniques on hard-to-recycle plastic films.

We are committed to increasing the use of recycled materials in line with our sustainability targets, helping reduce the carbon footprint of our products. Currently, we make use of recycled plastic (rPET), which is less carbon intensive than virgin material.

Chocolate bar paper wrap

This year we have been trialling our first paper packaging for chocolate bars on our Vanilla Fudge bar.

The trial will remove 1.4m units of plastic from our Foodhalls over the next 12 months and we hope to roll it out further to remove an additional 5m pieces of plastic.

We have developed this packaging so it can be recycled at home or on the go while maintaining our unbeatable quality.

100m meals donated

We are now in the tenth year of a partnership with Neighbourly, with this year seeing us redistribute over 100m meal equivalents.

Neighbourly works to link each of our stores with at least two good causes, and so far has linked us to 3,000 good causes around the UK, to ensure our edible surplus is redistributed to those who need it most. In our quest to achieve 100% edible surplus redistribution we have continued to innovate and improve with Neighbourly's support.

We were the first retailer to pilot an Individual Collector scheme in October 2024, identifying eight stores that struggled to fill food surplus collection slots due to their location and late closing times. Individual collectors filled slots unable to go to good causes, ensuring valuable food was not wasted.

This year we also supported Neighbourly's 'Fund a Fridge' campaign, offering grants to good causes which required additional refrigeration and freezer space to support their operation.

This has enabled more charities to collect more surplus from stores, ultimately helping more people in need in our communities.

Watch the full story

FASHION, HOME & BEAUTY

Textiles and clothing are a part of everyday life and can have a wide range of challenges when it comes to circularity. We are committed to fostering transparency, setting ambitious goals, and working together to accelerate the transition to a more sustainable future so we participate in initiatives such as the Automatic-sorting for Circularity in Textiles (ACT UK) recycling project, Circular Fashion Innovation Network (CFIN) and Textile 2030.

Reduce

Packaging

To support our ambitious target to remove 1bn units of plastic across our own-brand packaging for both Food and Fashion, Home & Beauty by 2027/28 (from 2017/18), we removed 22m units across our Fashion, Home & Beauty portfolio. We continue to focus on reducing packaging, but when it is necessary to protect the product, we aim for it to be either made from recycled material, recyclable or reusable.

This year, we reviewed which plastic packaging components could be switched out for an alternative. This included some of our Menswear products which used hard-to-recycle plastic hooks attached to the top of the packs for hanging in stores. As a result of successful trials, we have begun transitioning to new paper-based, easily recyclable hooks sourced from FSC-certified suppliers. This initiative has already eliminated nearly 5.5m pieces of plastic.

Reuse and recycle

Production waste

Following up on the baseline assessment we completed last year and the learning it brought us about our current supply chain practices and waste types, we have extended our partnership with Reverse Resources, a software platform that allows the monitoring and tracking of cutoff waste from factories. This year, 17 Tier 1 suppliers across the four regions, India, Bangladesh, Sri Lanka and Vietnam, have been formally trained on waste segregation management and onboarded into this digital platform to input data on their unavoidable production waste.

In parallel, we have undertaken a review of recycling options in each of these regions, both assessing capabilities and identifying supply chain connections. This has given us a strong understanding of the recycling landscape for those suppliers and will support sustainable 'loops' from recycled waste to our own supply chain.

Another life for our products

With the help of our customers, over 36m items have been donated to Oxfam since our partnership began in 2008, raising an estimated £23m and giving millions of M&S clothes Another Life. In 2024 the in-store clothing takeback scheme (formerly known as Shwopping) was given a new lease of life, expanded and rebranded as **'Another Life'**.

We also wanted to help our customers continue to use the items they love, so in August 2024, we launched our online repair service with SOJO. Feedback from customers who have used our service so far shows that 82% wouldn't have worn the item if they hadn't had it repaired, and 55% would've thrown the item away or given it to charity. The partnership was shortlisted for Best Collaboration at TheIndustry.Fashion 'People, Planet and Purpose' awards. To ensure repair is increasingly accessible to our customers, we also published easy repair tutorials on M&S.com.

In 2023 we launched our Another Life beauty packaging takeback. This takeback scheme aims to tackle hard-to-recycle beauty packaging. So far, we have collected over 1.5 tonnes of beauty packaging waste with our recycling partner Handle. Using this waste, we have produced our first fully closed-loop recycled beauty product, the **Handle x M&S comb**. Since its launch in November 2024, we have sold over 2,000 combs.

Watch the full story

Watch the full story

FASHION, HOME & BEAUTY CONTINUED

Textile waste

Since 2023, we have participated in the UKFT ACT UK (Automatic-sorting for Circularity in Textiles) project, which aims to develop a blueprint for an advanced, automated textile sorting and pre-processing (ATSP) facility for non-rewearable textiles in the UK. This two-year initiative, supported by Innovate UK, seeks to transition from manual sorting to automated processes, reducing landfill waste and supporting textile recycling.

In April 2024, we launched a post-consumer collection trial in partnership with Oxfam to help consumers donate unwearable, but too-good-to-waste, clothing alongside their pre-loved wearable clothing. The simple online postal donation service saw over 9,700 bags ordered in the first three months and the returned bags saw a 46% increase in average weight compared to the wearable donation bags. Over 7 tonnes of post-consumer textiles have been collected.

Hangers

This year we reviewed the operations of our closed-loop hanger recycling scheme to enable a broader selection of hangers to be processed.

We have prevented over 1 billion hangers going to landfill since 2007.

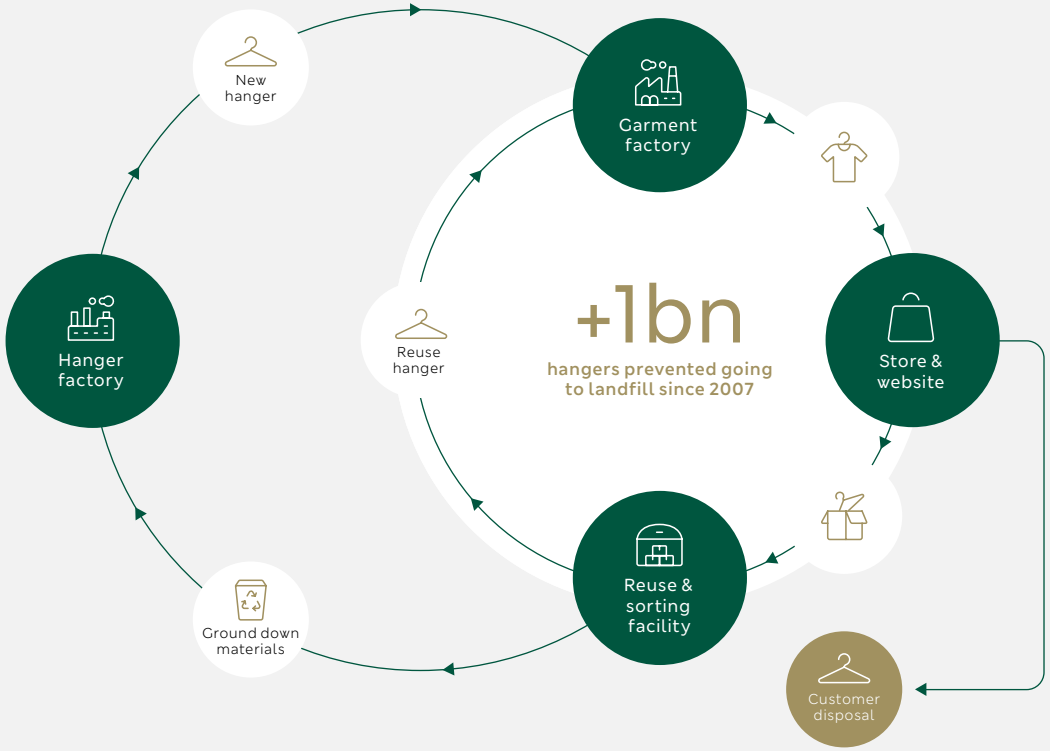
Circularity training

This year we have continued to train our designers and technologists on circular design principles, allocating several hours each month to regroup colleagues from different departments across the Store Support Centre and our Sourcing Offices.

These sessions included a mix of theory and experience sharing across the stakeholders, encouraging the exchange of ideas or challenges and cross-functional collaborations.

We have been encouraged by the level of input and, driven by some of the opportunities already identified this year, we anticipate further engagement and adoption throughout 2025/26.

CLOSED-LOOP HANGER RECYCLING SCHEME



SOCIAL

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MAINTAINING THE HIGHEST STANDARDS OF ANIMAL WELFARE

Our approach to animal welfare starts before an animal is born and continues throughout the whole of its life. We were the first retailer to develop standards which go above and beyond the industry norm for animal welfare (our M&S Select Farm standards), and we've carried on improving these to now include environmental impact and nature-friendly farming practices.

We go to great lengths to work with the best farmers, those dedicated to quality who take good care of their animals – farmers we know and trust.

Today, our M&S Select Farm standards set rigorous requirements for animal welfare that demonstrate industry best practice, exceeding Red Tractor, the industry norm and legislation. For example, we are the only retailer to offer true higher-welfare chicken, by using a slower-growing breed of chicken for our entire fresh offer, our Milk Pool dairy cows are required to graze when weather allows, and we source only British free-range eggs for both shell eggs and ingredient eggs.

Maintaining our leading position on animal welfare

- We continue to be one of the highest ranked companies within the global Business Benchmark on Farm Animal Welfare (BBFAW).
- We recognise that RSPCA assurance is the only recognised third-party animal welfare standards targeted at recognising high-welfare production. We are committed to ensuring we have the widest product range in the retail sector and currently have c.170 UPCs more than our nearest competitor.
- We hold the top position in the Crustacean Compassion Snapshot benchmark which ranks 30 UK companies on their approach. We received a CIWF special recognition award in 2024 for advancing shrimp welfare in our supply chain.

Our Select Farm animal welfare outcome measure programme

Our animal welfare outcome measure programme is a project we set up to better understand the impact that our sourcing standards, suppliers and farmers are having on the welfare of the animals in our supply chains.

It supports our governance and due diligence processes, offers a detailed overview of the conditions animals experience on our Select Farm base, and helps identify areas needing improvement.

We collect and analyse data of multiple different breeds of animals and this supports our team in driving a collaborative continual improvement culture for animal welfare across our entire farm supply base.

Opportunities for the future

We have started rolling out our M&S Select Farm app, which allows independent assessors to upload results throughout their visit to each farm. This real time picture of the standards and performance on our farms supports our dedicated team with better quality data and greater visibility of trends. This increases agility in responding to issues as well as improving governance.

OUR PEOPLE

At M&S having a high-performance culture is a critical part of our strategy. Key to this is having a place where everyone can be themselves and be their best.

EMPLOYABILITY

Progress this year

603
Marks & Start work placements started

88%
of individuals who completed a Marks & Start placement offered an employment contract at the end of the placement

Delivery this year

Since 2004, M&S and The King's Trust have provided over 13,000 work experience opportunities for young people via our Marks & Start employability programme. The programme helps those who face barriers into work and those furthest away from the workforce to take that important first step.

This year, M&S has supported 603 placements through the programme. 88% of the young people that have completed their placement have gone onto paid employment opportunities and we have had an 11% increase on last year on those remaining in employment at the end of their 12-week contract.

Over 1,000
colleagues have joined the Marks & Start alumni group

To help convert more placements into long term careers, we have adjusted the programme timetable and placement locations to better align with resourcing needs.

To mark the 20th anniversary of Marks & Start and the partnership with The King's Trust, we hosted regional and national events with supporters, colleagues and participants to highlight the scheme's impact and recognise the achievements of the people we have supported, including a Parliamentary reception.

We were awarded 'Highly Commended' in the Partner of the Year category at The King's Trust Partnership Awards in recognition of our 20-year commitment to supporting young people into work.

> "Young people continue to face significant challenges to their employment prospects but there are so many young people who are ready to work and just need additional support to make that happen. We rely on partners like M&S who invest in young people and create accessible routes to employment, helping us to achieve our mission of building the confidence and skills of young people who need us most. M&S have been a driving force behind our employability initiatives, and we are so proud of our long-standing partnership, celebrating 20 years together to support 13,000 young people.
>
> **Jonathan Townsend**
> CEO at The King's Trust UK

Marks & Start alumni

Through the Marks & Start programme, young people have shared with us that peer-to-peer support and a trusted network are key for positively impacting wellbeing. We supported a proposal from our 'Straight to Stuart' colleague suggestion programme to create an alumni group for Marks & Start which would allow participants to stay connected across the business. This group provides a space for all Marks & Start colleagues – past and present – to celebrate their achievements and share their stories; it also enables supporters of the programme to champion young people with the aim of boosting their esteem and self-confidence. To date we have over 1,000 members.

Opportunities for future

As well as reviewing our strategy for new store openings, we will explore opportunities to grow our Marks & Start scheme in other areas of the business allowing us to offer diverse experiences for young people while strengthening our future skills pipeline.

We will also look to strengthen the wraparound care provided to young people whilst on programme to help support with poor mental health and low confidence in order to promote overall wellbeing.

WELLBEING

We have a broad and varied offer for colleagues to support their wellbeing as detailed below.

We regularly listen to our colleagues and Business Involvement Group (BIG) to make sure our benefits package addresses what our colleagues want and need to feel supported. Our wellbeing benefits are grouped by core themes, supported by external partners, specialists and charities.

HEALTH & LIFESTYLE	MONEY	SUPPORTING OUR COLLEAGUES
Free GP access and discounted health support for colleagues and their families	Pensions, savings schemes, payroll giving and life insurance	Free, 24/7 expert support, counselling and therapies for colleagues and family members
Savings for gym memberships	Financial wellbeing advice, education and debt consolidation loans	Free physiotherapy, accessed via self-referral for all colleagues
Building cancer awareness with free screenings for high- and medium- risk colleagues	Discounts across M&S products, including third-party brands	Practical, emotional and financial support through our industry charity partners
Public transport season tickets and sustainable travel initiatives, e.g. Cycle to Work scheme	Shares and M&S Bank offers	Free wellbeing app, including self-assessments to proactively monitor and track one's own wellbeing

Mumsnet policy publication

In 2025 we were one of the first large commercial organisations to support the Mumsnet 'Publish Parental Leave' campaign. The campaign is in response to survey results indicating that asking about parental leave at interview could harm employment chances and calls for employers to be upfront regarding the details of their parental leave policies and pay by publishing these externally.

At M&S, we know starting or expanding your family is a really important time, and we're proud to have a range of policies to support our colleagues during this period. We also recognise that this is an important consideration for prospective candidates and as such, we have published the details of our key parental leave policies on our careers site. This enables candidates to understand in advance our eligibility and enhanced pay provision for maternity, paternity, adoption & surrogacy and neonatal leave policies. We've also updated our policies internally to host the campaign kitemark, to ensure that our colleagues are aware of our ongoing commitment in this space.

Supporting women

Almost 70% of our colleagues are women so it's important we take steps to support them in the workplace. This year, we signed the Miscarriage Association's 'Pregnancy Loss Pledge' following a suggestion through our 'Straight to Stuart' colleague suggestion scheme – solidifying our commitment to supporting women through life's difficult moments. Through our Gender Equality Network (GEN) we have opened the discussion on baby loss and fertility awareness, hosting talks to tackle an isolating topic. We have also set up a support group for colleagues who have experienced baby loss, supplementing peer guidance and advice alongside our standalone baby loss policy.

DIVERSITY, EQUITY & INCLUSION (DE&I)

Targets	2024/25 progress
50% of senior leaders are female by 2025/26	56%
20% of senior managers are from ethnic minority backgrounds by 2030	4.9%

Delivery this year

We have seen a strong representation of women in our internal development programmes starting this year, where 73% of colleagues were female (an improvement of 13% vs last year). We also established 'mentoring circles' and hosted talks on work-life balance for female colleagues, adding to our support for female progression at M&S.

We acknowledge that representation of colleagues from ethnic minority backgrounds has been a challenging target for us, so we have made it a priority focus and seen some promising signs of progress. Representation at mid-senior level, in our talent pipelines and our candidate shortlists, has all improved this year.

However, we recognise this requires consistent attention to drive sustainable change and internal promotion rates and leaver rates are key areas for us to address.

This year, we launched a new standard of hiring, meaning all colleagues with hiring manager responsibilities need to complete training that prompts them to challenge their biases, and ensured that questions relating to DE&I are embedded into our interview framework for all roles.

We trialled a new development programme, 'EMERGE', which is a springboard initiative to invest in talented colleagues from ethnic minority backgrounds who hadn't been identified or put themselves forward for our existing future leader programmes.

37 colleagues, across two cohorts, completed the programme in 2025, with 14 of these being team managers in stores. Since completing the programme, the focus on delegates' development has continued in their respective business units with clear personal development plans in place.

Following the EMERGE programme, the first cohort in our 'Build' (future leaders) programme had 23% representation of colleagues from ethnic minority backgrounds which was the highest we've ever had.

Opportunities for the future

We continue to develop and roll out training and support to enable our colleagues to be their best at work. Our focus on creating an environment where everyone can be their best will mean not just supporting those in our workforce but importantly how we build the talent pipeline for the future. Our colleague networks will continue to play a pivotal role in shaping our culture.

TRADING ETHICALLY

Our mission to deliver exceptional products as a trusted retailer goes together with doing the right thing. This means treating everyone fairly and with respect.

We have responsibilities to identify, prevent, mitigate and remediate human rights risks across our supply chains.

It is only through trusted relationships with our supplier partners that together we can implement our Global Sourcing Principles and improve working conditions for people in our global supply chains. These principles set out our minimum requirements and expectations of how we and our supply chain partners conduct business to respect human rights.

We are committed to respecting internationally recognised human rights and the principles and guidance in the United Nations Guiding Principles on Business and Human Rights. We also support the OECD Guidelines for Multinational Enterprises.

We continue to review and improve our practices to ensure we are upholding our standards and respecting the human rights of the people behind our products. We work collaboratively to address systemic issues and to enhance the lives of the people in our supply chain through targeted programmes aligned to our salient issues.

We operate in a diverse range of geographies, consumer cultures and regulatory environments. It's important we understand where our operations and sourcing impact adversely on individuals, so we can prioritise our efforts in those areas.

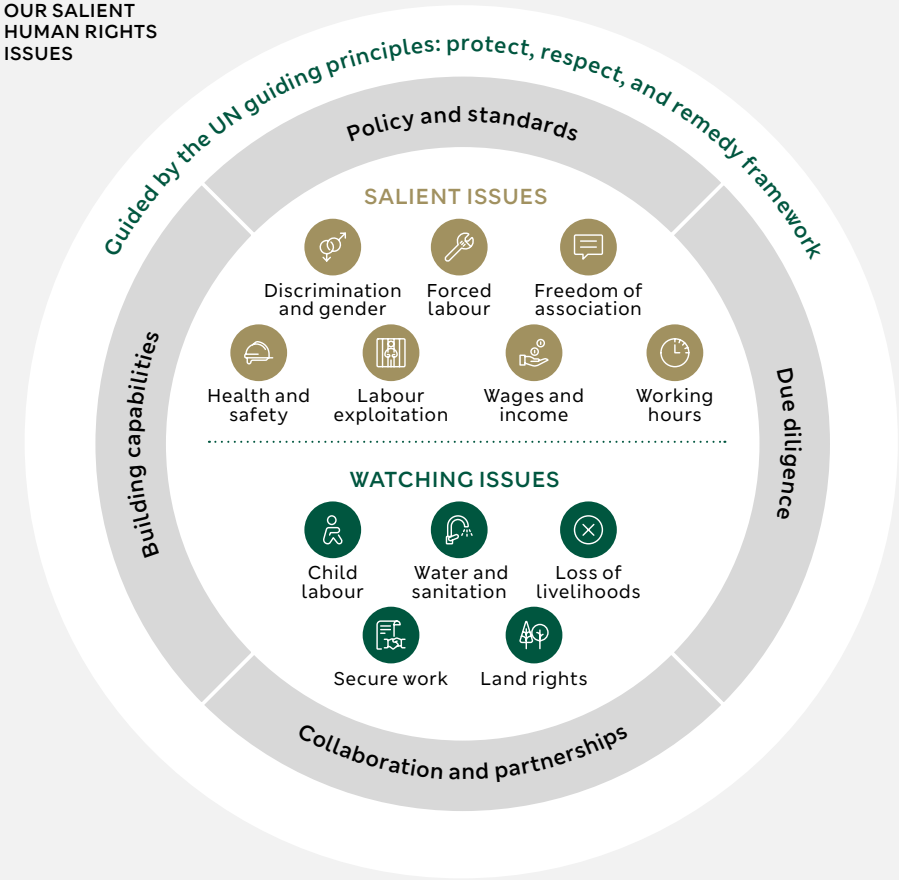
Where to find out more

Our approach to forced labour can be found in our annual Modern Slavery Statement.

Our Group-wide policies relating to responsible sourcing are signed off by our directors and we continually review and develop our policies with input from in-house experts, suppliers and external stakeholders.

- Modern Slavery Statement
- M&S Global Sourcing Principles
- M&S Code of Conduct
- M&S Human Rights Policy
- M&S Child Labour Procedure
- M&S Grievance Procedure for Clothing, Home and Food Supply Chains

OUR SALIENT HUMAN RIGHTS ISSUES



FOOD SUPPLY CHAINS

We structure our food human rights strategy in two parts, to **protect** workers in our supply chains from potential risk and to **enhance** livelihoods in key global supply chains.

Working collaboratively

Together with relevant stakeholders, including our suppliers and other retailers, we use our combined influence to protect workers from potential risk and enhance livelihoods in our key global supply chains.

M&S is a member of the Ethical Trading Initiative (ETI); Food Network for Ethical Trade (FNET); Spanish Ethical Trade Forums (governing board member); Sea Alliance (board member); and Seasonal Worker Scheme Taskforce (governance committee member). In addition, we sponsor key initiatives such as Stronger Together; the Responsible Recruitment Toolkit; Unseen (the Modern Slavery Helpline); and Modern Slavery Intelligence Network (founding member).

Protect

We run a robust compliance programme with our Tier 1 suppliers and work on challenging industry-wide issues, such as modern slavery.

Key workstreams:

- **Third-Party Audit Programme:** Audit remains a core component for managing risk in our supply chain.
- **Worker Voice:** We recognise the importance of going beyond audit and hearing directly from the workers in our supply chains. In 2024 we have worked closely with a new delivery partner for our Worker Voice Programme to continue the roll-out across our UK and ROI direct supply base.
- **Human Rights Due Diligence:** 50 of our key strategic supply chain partners (selected based on volume and risk) took part in the fourth year of our Human Rights Due Diligence Review Programme to understand the salient human rights issues in the supply chain and their activity to address them. We have also updated our HRDD process to include environmental impacts on people (HRDD+E), in consultation with FNET and UNDP.

Detailed information on the workstreams can be found in our Modern Slavery Statement.

Enhance

We collaborate with NGOs and civil society organisations, as well as multi-stakeholder initiatives, to deliver programmes that drive positive change for workers in our supply chains and enhance their livelihoods.

Building smallholder resilience

Our 'A Cup of Ambition™' programme has been running since 2023. For every cup of tea or coffee sold across our UK Cafés, we donate 1p to a programme that empowers our smallholder tea and coffee growers in Latin America and Africa.

As of February 2025, our delivery partner Emerging Leaders has trained 1,144 tea and coffee farmers (56% women), across five countries, in leadership skills and financial literacy.

M&S has seed funded a number of income diversification projects at these producer groups, including a bee keeping project for 40 female coffee producers to support with honey production.

Expanding our 'A Cup of Ambition™' programme

In 2024, the 'A Cup of Ambition™' fund extended its reach and impact by partnering with two new organisations – CARE Peru and Fairtrade Africa – to support initiatives focused on building resilience and livelihood improvements for smallholder farmers in our M&S Café tea and coffee supply chains.

We expanded the 'A Cup of Ambition™' programme into its sixth country, by contributing towards the Fairtrade West Guji Improved Cookstove Distribution Programme with the Oromia Coffee Farmers' Cooperative Union, Ethiopia. The investment will allow for the production and distribution of around 15,000 part-subsidised cookstoves which require less fuelwood, are safer to use indoors and release fewer greenhouse gases during the cooking process. The cookstoves will be produced locally by young coffee co-op members who'll be supported with production, business and financial literacy training, creating opportunities to learn new skills and to diversify their income. The programme also includes training in climate change for coffee producers, which is cascaded down by lead farmers.

We also launched a new partnership with CARE Peru to expand the impact of our 'A Cup of Ambition™' programme to female coffee smallholders in Peru. This initiative has been established at Frontera Cooperative, where CARE Peru aims to reach 100 farmers to graduate in their entrepreneurship training programme – 'Econegocios'. Launched in January 2025, the first four training sessions have already taken place.

Read more about the 'A Cup of Ambition™' programme

Empowering female farmers and workers

M&S joined the ETI's Gender programme focusing on tackling gender-based violence and harassment (GBVH) across produce, tea and flower supply chains in South Africa and Kenya.

M&S funded a grassroot non-profit, PACOS Trust, to design and incorporate a 'Gender and Children's Rights' module into palm oil smallholder training run by our partner Forever Sabah.

The module had three objectives: to understand and discuss the importance of gender, women's rights, and children's rights; to prepare trainers to conduct programmes that highlight women's participation and leadership while ensuring children's rights are upheld; and to design strategies for implementing community workshops which they will lead throughout 2025.

> Previously, I had limited knowledge about women's and children's rights.
>
> This training helped me understand these topics more deeply and enabled me to apply this knowledge to real-life situations, both at my workplace and in our village.

Najib
Forever Sabah Project Coordinator,
Lahad Datu District

Growing our Fairtrade partnership

We continue to grow our partnership with Fairtrade, increasing the Fairtrade Premium earned by farmers across our global supply chains.

In tea and coffee, in 2024, we contributed more Fairtrade Premium to tea and coffee farmers than any other UK retailer.

In February 2025, we became the first retailer to join Fairtrade's new Shared Impact model, directing the Fairtrade Premium for our Choc Marks range to the cocoa farmers at the Yeyasso cooperative in Côte d'Ivoire. An additional premium on our cocoa volumes will ensure they can invest in projects to help build resilience on farm and in their communities.

Alongside other major UK food retailers we have a commitment to deliver living wages for workers in our banana supply chain by 2027. We report on our progress as part of the UK Banana Commitment.

> With the support of M&S I will be able to enrol my children in school, have the means to pay people to help me clean my farm and afford for the food needs of my home.

Anne Marie Diomande
Poyayeye Women's Association,
Yeyasso, Côte d'Ivoire

FASHION, HOME & BEAUTY SUPPLY CHAINS

In Fashion, Home & Beauty, our approach to ethical sourcing is based on risk assessment and compliance monitoring led by our specialist local sourcing office compliance teams in Bangladesh, Cambodia, China, Hong Kong, India, Pakistan, Sri Lanka, Türkiye and Vietnam.

We pair this with worker impact projects to address our salient issues and create positive change for workers. We also collaborate with relevant stakeholders, partners and initiatives to use our combined influence to maximise that change.

Protect

As with our Food business, audit remains a core component to our approach for managing risk in our Fashion, Home & Beauty supply chains.

In 2024, we introduced a mandatory requirement for all Tier 1 production sites to have effective worker voice mechanisms in place, and we launched our Global Supply Chain Worker Voice Best Practice Guidelines to our supplier partners to support them to do so.

We supported a number of worker impact projects in our supply base which aim to improve grievance management and worker feedback, including ETI's Social Dialogue programme in Bangladesh and Better Work Collaboration on Effective Grievance Mechanisms in Cambodia, as well as Reimagining Industry to Support Equality (RISE) Financial Health and Digital programmes.

To better collaborate on risks across industry supply chains, in July 2024, we disclosed our Tier 1 supply base through Open Supply Hub, making it easier for cross-business collaboration in markets where we share suppliers.

This year, we have engaged with our supplier partners, becoming participants in Better Buying™ to help us understand how our buying practices impact our business partners.

Training as a tool for progress

We held eight ethical compliance workshops for supplier partners in our key sourcing regions, to share policies and gather feedback, attended by a total of 434 supplier representatives. We carried out a survey of supplier partners on key modern slavery issues to identify gaps, opportunities and due diligence going forward.

We also supported our colleagues internally by implementing an ethical trade e-learning module for all product-facing teams and our Company-wide guidelines 'Better Buying™ Five Principles of Responsible Purchasing™' including important topics such as the impact of purchasing decisions on factories meeting compliance requirements.

This was supported by the roll-out of Everyone's Business, an app which enables M&S colleagues to participate in factory due diligence and report visit observations remotely.

Enhance

Over 59% of workers in our Tier 1 factories are women. Challenges relating to gender equality have led to female workers being more vulnerable to various labour rights risks, as well as to problems in their communities. Therefore, our work in this area encompasses multiple different issues, each with a gender lens.

Financial resilience

Two RISE programmes, RISE Digital and RISE Financial Health, were implemented in sites in Cambodia and Vietnam employing 4,310 workers. RISE Digital is a programme to improve digital literacy and support workers around finances, health and other tools. RISE Financial Health supports workers, especially women, to access, use and benefit from financial products and services and build their financial capability to improve their financial health and resilience.

Tackling gender-based violence and harassment

The Shojag (Awaken) Coalition programme, which aims to reduce gender-based violence in the garment (RMG) industry in Bangladesh, was implemented in five M&S supplier factories, with over 2,000 workers receiving training.

We participated in RISE Respect, in one factory in Bangladesh, which aims to promote gender equality and prevent gender-based violence and harassment (GBVH).

Worker feedback highlights that thanks to these programmes, there is greater awareness, confidence and preparedness if faced with these issues in the future.

Career development and support at work

Gender Equality and Returns (GEAR) is a joint initiative of IFC and ILO, delivered by Better Work, which aims to promote women's career progression opportunities by equipping them with technical, managerial and leadership skills. This year it was implemented in 11 factories in Bangladesh and Sri Lanka and resulted in 23 female workers being promoted to supervisor.

Read more about the Gender Equality and Returns initiative

Mothers@Work is a national initiative to strengthen maternity rights and protect breastfeeding support in the workplace for young working mothers in Bangladesh, led by UNICEF among other stakeholders. To date, this project has reached over 1,600 workers in our Bangladesh supply base.

Read more about the Mothers@Work initiative

We have initiated the Vision of Individual Career Evolution (VOICE) programme, led by ATDC, in six factories in India. This programme aims to facilitate women's empowerment through career progression and capacity building for existing supervisors.

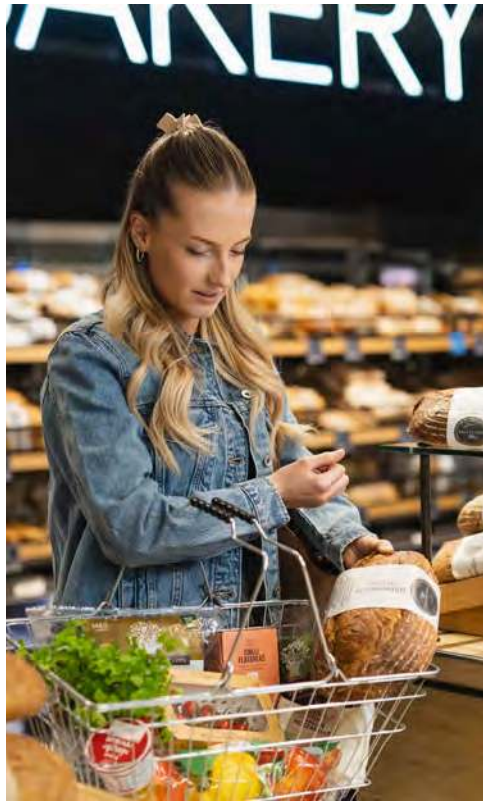
Read more about the Vision for Individual Career Evolution programme

The AIDER Fashion Education programme provides education opportunities to girls from economically deprived communities, and 15 girls have been enrolled this year at the International College of Fashion in New Delhi, funded by M&S.

Read more about the AIDER Fashion Education programme

HELPING OUR CUSTOMERS TO MAKE HEALTHIER CHOICES

At M&S we have a leading approach to innovation to ensure we maintain our number one position on quality, and perception for health.



Targets	2024/25 progress
70% of Food sales from healthier products by 2024/25 (tonnage)	70%
50% Maintain over 50% sales from fruit and vegetables, vegetarian and vegan products (tonnage)	72%
33% At least 33% of our Remarksable range is designated Eat Well	69%

We take a responsible approach to the ingredients in M&S food and prioritise the use of minimal, high-quality ingredients as close to the kitchen as possible. We have a long history of continuously reviewing our ingredients, including being the first retailer to remove hydrogenated fats in 2006 and not using any artificial colours or flavours since 2008. We also do not permit MSG, or over 50 other additives such as aspartame in any of our own-brand products.

Increasing healthier choices for customers

This year we have achieved our target of 70% sales from healthier products. In January 2025, we introduced over 100 new products and two new health and wellness brands, 'Brain Food' and 'YAY! Mushrooms', to complement our existing ranges 'Count on Us', 'High Protein', and 'Good Gut'.

All Brain Food products contain at least two brain health-supporting nutrients, carry our Eat Well flower health seal of approval and have guidelines developed in consultation with the British Nutrition Foundation. The launch of YAY! Mushrooms showcased our commitment to innovation in the wellness space, using ingredients verified by Royal Botanical Gardens, Kew, demonstrating our commitment to quality and trust.

In the last year we have strengthened our Eat Well guidelines to be more relevant to customers and launched new lines in the Good Gut and High Protein ranges which also carry the Eat Well seal of approval, ensuring responsible levels of fat, salt and sugar, and providing trusted health choices to our customers.

This year we launched our 'Only...Ingredients' range. This new product line features items with minimal ingredients, in areas that are typically associated with more complex and processed ingredient declarations, covering staples like bread, cereals and treat bars.

> "M&S is a long-standing member of the British Nutrition Foundation, and we worked in consultation to develop nutrition criteria for the new M&S Brain Food range. The Foundation's Nutrition Scientists worked closely with the team at M&S to prioritise brain supporting nutrients for which there is evidence of inadequate intakes in some population groups. These included DHA (a long chain omega-3 fatty acid), iron, iodine, folate, zinc and vitamin B12.
>
> **Elaine Hindal**
> British Nutrition Foundation Chief Executive

Fresh, healthy food at every price point

We continue to be committed to ensuring over one-third of our Remarksable range is healthy with currently 69% of products having the Eat Well seal of approval.

We have continued to improve the nutrient content of our foods to support public health needs. We have enriched our Caledonian Gold Salmon so that one fillet provides the weekly recommended intake of omega-3 and our Remarksable range British free-range eggs are also high in omega-3, making our affordable choices even healthier.

At M&S, we are committed to making plant-based products more accessible and appealing to our customers. This year, 29% of sales (tonnage) were from fruit and vegetables. We have integrated our Plant Kitchen products into our promotional deals, allowing customers to choose between meat and vegan products in the same offer, and have exceeded our target with 72% sales tonnage from vegan products, vegetarian products and fruit and vegetables.*

Many of our Plant Kitchen meat alternative products are now fortified with vitamin B12, addressing a common deficiency in vegan diets, and we introduced more ranges of pulses, including giant chickpeas and butter beans, and incorporated more beans and pulses into our Food on the Move salad range to boost plant-based protein, fibre content and diversity of plants.

We also ensure our 'Fresh Market Specials' consistently offer great value on a range of fruit and vegetables from trusted M&S Select Farms and are prominently displayed at the front of our stores.

Trusted communication to customers and colleagues

This year, we revamped our 'Ask the Nutritionist' service by transitioning from email to Instagram, enabling us to share credible and trusted nutrition advice with a broader audience. We hosted a lunchtime 'In conversation with Em the Nutritionist' for our colleagues to hear insights and ask questions.

We continue to use Eat Well to help our customers navigate healthy choices. Our 'Eat Well Play Well' partnership with the Football Association (FA) has continued to raise awareness of the Eat Well seal of approval, guiding customers towards healthier choices.

Eat Well Play Well: The Greater Game

This year, we supported grassroots football clubs through becoming a founding partner of the FA's 'The Greater Game' programme. We attended its first annual conference to engage on the barriers of healthy eating and to educate coaches on how to embrace healthier lifestyles by providing nutrition advice they could implement with young players. To build on this, in March 2025, we teamed up with the FA and The Greater Game to launch a campaign with Jack Whitehall. You can see Jack take up his latest role as Health & Nutrition Consultant for the England men's and women's football teams here:

Watch the full story

Opportunities for the future

We'll be continuing our support for The Greater Game in 2025, including supporting The Greater Game's regional roadshow, as well as some exciting product development plans for 2026.

We remain committed to maintaining 70% of our sales tonnage from healthier products and over 50% sales tonnage from vegan products, vegetarian products and fruit and vegetables.

Our commitment to offering healthier options and meeting emerging customer demands means we will be launching an exciting lineup of products to inspire our customers, encouraging them to enjoy more fruits and vegetables and the highest quality fresh, healthy food at every price point.

Eat Well

Eat Well is our health seal of approval, found on over 1,800 products across the Foodhall to help customers easily find healthy choices.

The Eat Well flower is only given to products that meet evidence-based criteria developed by our nutritionists and endorsed by the British Nutrition Foundation. This means that all products which carry the Eat Well flower offer a health benefit and support a balanced diet.

* Excluding discretionary products. These are those high in added saturated fat, salt and sugar which are not nutritionally necessary and do not contribute to the Eat Well guide.

SUPPORTING OUR COMMUNITIES

Funds donated and raised

£5.1m
funds donated by M&S in 2024/25

£2.7m
funds raised through customers, colleagues and partners in 2024/25

Delivery this year

In order for us to support our charity partners with a clearer purpose and scope, in September 2023 we reset our community programme with a headline partnership with YoungMinds and we reshaped our existing partnerships. Young people's mental health consistently tops the list of things that our customers and colleagues say they care strongly about.

This enabled us to focus on one large-scale partnership while still offering customers and colleagues the chance to support a cause that matters to them through our Sparks loyalty scheme.

We continue to work with many of our long-standing charity partners to raise awareness and funds; highlights from this year include:

HEADLINE PARTNERSHIP

YOUNGMINDS

£2.7m

raised for YoungMinds this year to support young people's mental health.

CUSTOMER AND COLLEAGUE CHOICE

£2.3m

donated to our 37 sparks charities, chosen by our customers.

Local causes

All stores

can select a **local cause to support** through fundraising and volunteering.

PRODUCT PARTNERSHIPS AND AWARENESS RAISING

BREAST CANCER NOW The research & support charity

325k

post-surgery lingerie products sold, combining Breast Cancer Now's insight with M&S' product innovation and bra fit service.

MACMILLAN CANCER SUPPORT

5p

M&S Cafés celebrated Macmillan's coffee morning, **donating 5p on the sales of coffee and cake in September,** to support people living with cancer.

SHELTER

5%

donated from the sales of the **festive sandwich** range to **Shelter**, supporting people at risk of homelessness.

£155k

Teaming up with Olympic champion Sir Chris Hoy and Prostate Cancer UK to encourage **more men to check their risk of prostate cancer online and raising over £155k.**

Raising awareness of the signs and symptoms of bowel cancer on toilet roll packaging and in toilets in stores and offices, as part of the **Get On A Roll campaign**.

ROYAL BRITISH LEGION

We welcomed Royal British Legion volunteers to **fundraise for the Poppy Appeal** in M&S stores across the UK.

SUPPORTING OUR COMMUNITIES CONTINUED

M&S X YoungMinds

Together we have the goal to raise £5m over three years to enable YoungMinds to support 7m young people and the adults supporting them, twice as many as before.

This year, M&S donated £1.4m to YoungMinds, and thanks to our customers and colleagues we raised an additional £1.3m, taking our combined donations to date, in the 18 months since the start of the partnership, to £4.4m.

With the help of our partnership, YoungMinds have been able to support 6m young people and the adults in their lives.

Its trained adviser-led Helpline Services, available over the phone, via email or through webchat, has been able to support more young people, achieving:

- Performance improvements to its Helpline Services with a 22% increase in phone call answer rate (from 70% to 92%) and 16% reduction in webchat response time.
- An 18% increase in visits to the parents and carers section of the website.
- Consistently strong feedback year on year on the quality of support provided, with 85% of parents/carers feeling more confident to support their child's mental health after speaking to YoungMinds.

> The support we have received from M&S, and its customers and colleagues, is phenomenal and has made a direct impact to the services we provide. Young people are struggling with their mental health more than ever before, and through our work together we have shown them that they are not alone.
>
> **Caroline Hope**
> Chair of the Board of Trustees, YoungMinds

£616k donated through our **Sparks loyalty scheme**

5p from every **Farmhouse Loaf** was donated, raising £632k

Over 300 stores participated in the **Big Fun-raiser** raising £337k

£192k donated through our charity **Christmas cards**

SUPPORTING YOUNG PEOPLE'S MENTAL HEALTH
M&S | **YOUNGMINDS**
Together, we've got this

3 podcasts with Dr Alex George released

Over 30k hoodies sold in the **Doodle Boy** collection

Launched our **Young Designer Competition**

8k schools took part in **Hello Yellow Day**

SUPPORTING OUR COMMUNITIES CONTINUED

Impact for our colleagues

The partnership has resonated strongly with our colleagues and many colleagues have shared stories about their personal experiences. 285 colleagues are part of our internal YoungMinds Colleague Network, and they drove the delivery of the colleague Big Fun-raiser event in June.

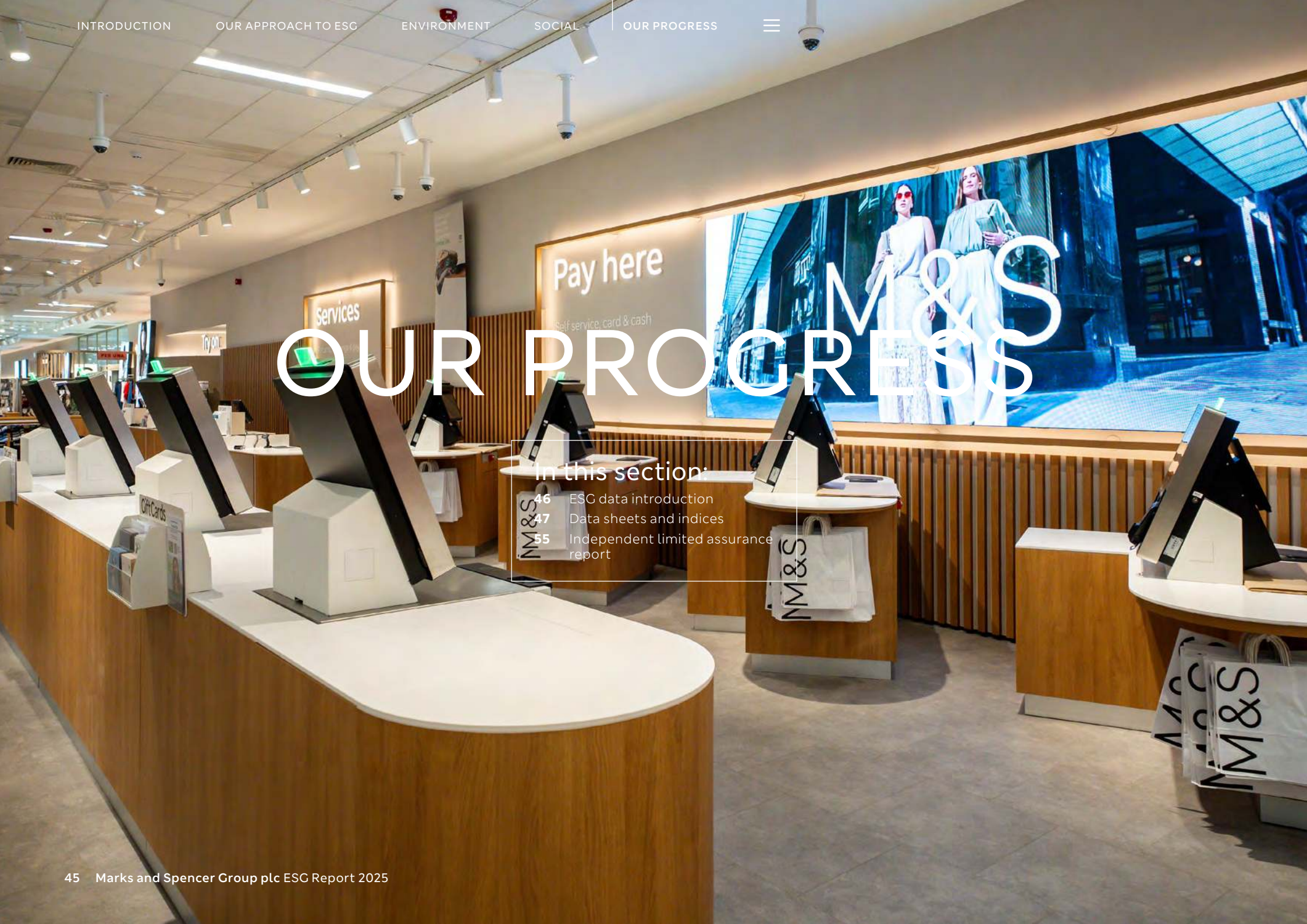
Over 300 stores participated in the Big Fun-raiser, doing a range of activities to raise money. Four teams of colleagues completed marathon walks between M&S stores in London, Edinburgh, Belfast and Cardiff. Through the help of our colleagues, we raised £337k.

Steve Malone, Store Manager at Newtownbreda, ran the Spine Race, 268 miles non-stop along the Pennine Way, from Kirkness to Edale, Derbyshire, and raised £4k.

Tracey Apaloo, Deputy Store Manager from Leeds Vangarde, cycled 167 miles coast to coast from Morecambe to Bridlington in 10.5 hours raising £1.5k.

> I know first-hand how mental health can impact a family so our partnership with YoungMinds makes me proud to work for M&S.

Tracey Apaloo
Deputy Store Manager, Leeds Vangarde



OUR PROGRESS

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55 Independent limited assurance report

ESG DATA INTRODUCTION

The metrics in this report are those we believe are the most relevant and material to the sustainability challenges we face. They also reflect what our customers, colleagues and investors see as important to our business.

The majority of the data and statements in this report relate to our most recent financial year (2024/25) and the previous financial year (2023/24). Where data relates to the calendar year or another period, this is clearly stated. Note that percentage change and summed total figures in this report may not align precisely to the figures provided in data tables due to rounding.

Go to our Basis of Reporting 2025

To note, the performance updates published in this report are not performance updates against the M&S Revolving Credit Facility sustainability KPIs.

Revolving Credit Facility

M&S has access to a Revolving Credit Facility (RCF), agreed in December 2021 and updated in November 2022. Under the terms of the RCF, the applicable interest rate may be adjusted each year (downwards or upwards) depending on whether we meet all, some or none of the targets in place across the four agreed sustainability KPIs.

We have updated targets for each financial year between now and financial year 2025/26. The sustainability-related KPIs remain unchanged following the November 2022 update and focus on material emissions hotspots aligned with our net zero roadmap, and which lend themselves to annual updates during the lifetime of the facility.

This data is subject to a separate external assurance process. We will publish our Basis of Reporting document for our RCF sustainability-related KPIs, outlining the scope and methodology, alongside our performance update in autumn 2025.

RCF SUSTAINABILITY KPIs

Proportion of soy used in animal feed sourced from physically certified deforestation- and conversion-free supply chains

Target for financial year ending March 2026

100%

Proportion of polyester used in Clothing & Home products from verified recycled sources

Target for financial year ending March 2026

100%

Cumulative metric tonnes of Scope 1 and 2 GHG emissions reduced from the property estate through the implementation of emissions-saving schemes (calculated against a baseline of property estate emissions for the financial year 2021/22)

Target for financial year ending March 2026

34,000

tCO_2e (cumulative reduction)

Cumulative number of plastic pieces (units) that have been removed from the packaging portfolio (calculated from the start of the financial year 2021/22)

Target for financial year ending March 2026

405m

units (cumulative reduction)

ENVIRONMENT – NET ZERO

Metric	Target	2024/25 performance	2023/24 performance	Base year performance	Assessment of progress	Reference
Energy consumption						
Total energy consumption (kWh)	**—**	**1,439,544,439***	**1,460,084,185****	**1,499,146,726**	●	**—**
Scope 1 and 2 GHG emissions						
Direct emissions from operations (Scope 1) (tonnes CO_2e)	—	210,164*	206,449**	240,507	●	IFRS S2:29 (a) (i) TCFD Metrics and Targets B
Location-based indirect energy emissions from operations (Scope 2) (tonnes CO_2e)	—	150,516*	155,435**	296,345	●	IFRS S2:29 (a) (i) TCFD Metrics and Targets B
Total location-based Scope 1 and 2 emissions (tonnes CO_2e)	**55% reduction by 2029/30** (vs 2016/17 base year)	**360,680* 33% reduction against the base year**	**361,885** 32% reduction against the base year**	**536,852**	●	**IFRS S2:29 (a) (i) TCFD Metrics and Targets B**
Market-based indirect energy emissions from operations (Scope 2) (tonnes CO_2e)	—	175,168*	233,858**	N/A	●	IFRS S2:29 (a) (i) TCFD Metrics and Targets B
Total market-based Scope 1 and 2 emissions (tonnes CO_2e)	—	385,332*	440,308**	N/A	●	IFRS S2:29 (a) (i) TCFD Metrics and Targets B
Total location-based emissions per 1,000 sq ft of sales floor (tonnes CO_2e per 000 sq ft)	—	19*	18**	N/A	●	TCFD Metrics and Targets B
Total market-based emissions per 1,000 sq ft of sales floor (tonnes CO_2e per 000 sq ft)	—	20*	22**	N/A	●	TCFD Metrics and Targets B
Scope 3 GHG emissions (Reported 1 year in arrears)						
Total Scope 3 GHG emissions (million tonnes CO_2e)	**Energy and Industry –** reduce absolute Scope 3 GHG emissions 42% by 2029/30 from an 2022/23 base year. **FLAG –** reduce absolute Scope 3 FLAG GHG emissions 30.3% by 2029/30 from an 2022/23 base year.	**—**	**7.1**	**6.7****	●	IFRS S2:29 (a) (i) TCFD Metrics and Targets B

● Target missed ● Behind ● On track or achieved ● No target

* Subject to limited assurance by Deloitte.

** Figures have been restated due to methodological and data improvement.

For more information on our SBTi targets see page 50 of the M&S Annual Report.

ENVIRONMENT – NET ZERO CONTINUED

	Location-based Scope 1 and 2 GHG emissions (tonnes CO_2e)		Energy (MWh)		
Metric	**2024/25 performance**	**2023/24 performance****	**2024/25 performance**	**2023/24 performance****	**Reference**
Fleet					
Fuel	137,366	140,480	600,310	598,558	SASB FB-FR-110a.1
Refrigerant leakage	2,244	1,488	—	—	SASB FB-FR-110b.1
Total	**139,610**	**141,968**	**600,310**	**598,558**	
UK and ROI property					
Refrigerant leakage	32,046	25,061	—	—	SASB FB-FR-110b.1
Gas	37,448	37,278	204,748	203,782	SASB FB-FR-130a.1 (1)
Heating fuel oils	710	754	2,760	2,914	SASB FB-FR-130a.1 (1)
LPG	30	34.9	140	163	SASB FB-FR-130a.1 (1)
District heating and cooling	776	508	4,319	2,830	SASB FB-FR-130a.1 (1)
Generated electricity (diesel)	52	24	201	92	SASB FB-FR-130a.1 (1)
Generated electricity (solar PV)	—	—	5,186	5,310	SASB FB-FR-130a.1 (3)
Purchased electricity (grid)	112,530	110,783	543,038	534,492	SASB FB-FR-130a.1 (2)
Purchased electricity (renewable)	8,157	15,303	32,392	64,655	SASB FB-FR-130a.1 (3)
Biomass (wood pellets)	1.0	1.1	92	113	SASB FB-FR-130a.1 (3)
Total	**191,750**	**189,747**	**792,876**	**814,351**	
International property					
Refrigerant leakage	241	1,299	—	—	SASB FB-FR-110b.1
District heating and cooling	395	376	2,200	2,091	SASB FB-FR-130a.1 (1)
Generated electricity (diesel)	26	31	103	118	SASB FB-FR-130a.1 (1)
Purchased electricity (grid)	28,575	28,465	43,823	44,967	SASB FB-FR-130a.1 (2)
Purchased electricity (renewable)	83	—	233	—	SASB FB-FR-130a.1 (3)
Total	**29,321**	**30,170**	**46,359**	**47,176**	
Total	**360,680**	**361,885**	**1,439,544**	**1,460,084**	

** Figures have been restated due to methodological and data improvements.

ENVIRONMENT – NET ZERO CONTINUED

Metric	2024/25 performance	2023/24 performance**	Reference
Group			
Group electricity use (MWh)	624,976	649,634	SASB FB-FR-130a.1(2)
Group electricity that is renewable (% of total global electricity use)	6%	11%	SASB FB-FR-130a.1(3)
Group renewable electricity that is generated (% of total global renewable electricity use)	14%	8%	SASB FB-FR-130a.1(3)
Group renewable electricity that is purchased via green tariffs or certificates (% of total global renewable electricity use)	86%	92%	SASB FB-FR-130a.1(3)
UK and ROI stores			
UK and ROI store electricity use (MWh)	511,385	533,981	SASB FB-FR-130a.1(2)
UK and ROI store electricity that is renewable (% of total UK and ROI store electricity use)	4%	7%	SASB FB-FR-130a.1(3)
UK and ROI renewable store electricity that is generated (% of total UK and ROI renewable store electricity use)	4%	2%	SASB FB-FR-130a.1(3)
% of UK and ROI renewable store electricity that is purchased via green tariffs or certificates (% of total UK and ROI renewable store electricity use)	96%	98%	SASB FB-FR-130a.1(3)

** Figures have been restated due to methodological and data improvements.

ENVIRONMENT – FOOD

Metric	Target	2024/25 performance	2023/24 performance	Assessment of progress	Reference
Low-impact farming					
% of UK growers certified to LEAF Marque (% of all UK growers for M&S)	—	98%	96%	●	
Average % of core Integrated Pest Management module practices reported to be in place (Average % of all UK LEAF Marque growers)	—	88%	90%	●	
Average % of core Landscape and Nature module practices reported to be in place (Average % of all UK LEAF Marque growers)	—	85%	88%	●	
Responsible sourcing					
Total soy used in own-brand products (tonnes)	—	Direct Soy: 1,602^ Indirect Soy: 101,924^	Direct Soy: 2,092^ Indirect Soy: 104,158^	●	SASB FB-FR-430a.3 UK Soy Manifesto
Soy sourced from physically certified deforestation- and conversion-free supply chains (% of indirect soy)	100% by 2025/26	91%^[1]	71%^	●	SASB FB-FR-430a.3 UK Soy Manifesto
Soy sourced from verified deforestation- and conversion-free (vDCF) supply chains (% of total direct and indirect soy)	100% by 2025/26	83%^	66%^	●	SASB FB-FR-430a.3 UK Soy Manifesto
Total amount of palm oil used in own-brand products (tonnes)	—	5,836^	5,069^	●	SASB FB-FR-430a.3
RSPO Certified Sustainable Palm Oil with Segregated status (% of palm oil)	100% by 2025/26	99%^[2]	98%^	●	SASB FB-FR-430a.3
Cocoa (by volume) used in own-brand products sourced through sustainability schemes	Maintain 100%	99%	100%	●	SASB FB-FR-430a.3
Fairtrade-certified tea and coffee (% of all M&S tea and coffee products)	Maintain 100%	100%[3]	100%	●	SASB FB-FR-430a.3 TCFD Guidance Table A1.8
Fairtrade Premium generated by M&S sales for Fairtrade producers (£)	—	£2,231,832	£2,218,212	●	SASB FB-FR-430a.3

● Target missed
● Behind
● On track or achieved
● No target

^ Figures used are calendar year.

1 This data is subject to a discreet assurance process linked to our financing, the outcome of this assurance is scheduled to be published in autumn 2025.

2 The remaining 1% is derivatives for which segregation is impossible. From FY2025/26, two palm oil targets will be reported on separating palm oil and derivatives/oleochemicals.

3 While M&S continues to be committed to sourcing 100% of our tea as Fairtrade, ongoing challenges in the Assam region have meant that this has not included some of our Assamese tea where it is currently unavailable as Fairtrade certified. We are working closely with our supplier partners and the Fairtrade Foundation to help address the challenges in the Assam region and to agree a Fairtrade model that benefits workers in Assam, while also giving M&S access to this vital ingredient for our tea blends.

ENVIRONMENT – FASHION, HOME & BEAUTY

Metric	Target	2024/25 performance		2023/24 performance		Assessment of progress	Reference
		Position at Q4	Full year	Position at Q4	Full year		
Responsible sourcing							
Cotton used in Fashion, Home & Beauty products from more responsible sources (% of all cotton used)[1]	100% by 2025/26	Clothing: 100% Home: 99%	Clothing: 100% Home: 91%	Clothing: 100% Home: 95%	Clothing: 100% Home: 93%	●	SASB CG-AA-440a.4 TCFD Guidance Table A1.2
Polyester used in Fashion, Home & Beauty products from verified recycled sources (% of all polyester used)	100% by 2025/26	94%	91%[2]	78%	70%	●	SASB CG-AA-440a.4 TCFD Guidance Table A1.2
MMCF used in Fashion, Home & Beauty products from more responsible sources (% of all MMCF used)	100% by 2025/26	75%	70%	53%	47%	●	SASB CG-AA-440a.4 TCFD Guidance Table A1.2
Wool used in Fashion, Home & Beauty from more responsible sources (% of all wool used)	50% by 2025/26, 100% by 2030/31	54%	47%	45%	29%	●	SASB CG-AA-440a.4
Leather used in Fashion, Home & Beauty products from Leather Working Group (LWG) medal rated finishing tanneries (% of all leather used)	100% by 2030/31	—	96%[3]	—	100%	●	SASB CG-AA-440a.4
Sustainable manufacturing							
% of suppliers invited to complete the Higg FEM (Facility Environmental Module) that have their result verified for use in our GHG inventory calculation	80% of invited suppliers verify their Higg FEM 2023 Module	—	Tier 1 - 90% Tier 2 - 90%	—	Tier 1 - 77% Tier 2 - 86%	●	SASB CG-AA-430a.2

- Target missed
- Behind
- On track or achieved
- No target

1 More responsibly sourced cotton means sourced through Better Cotton, organic- or recycled-certified
2 This data is subject to a discreet assurance process linked to our financing, the outcome of this assurance is scheduled to be published in autumn 2025.
3 Figures are calendar year.

ENVIRONMENT – WASTE & CIRCULARITY

Metric	Target	2024/25 performance	2023/24 performance	Assessment of progress	Reference
Food waste					
Total food not sold (tonnes)	—	25,999	21,200**	●	
Total food not sold that was fit for human consumption (tonnes)	—	16,669	12,457**	●	
Total food not sold that was not fit for human consumption (tonnes)	—	9,330	8,743**	●	
Total food not sold that was fit for human consumption which was not redistributed (tonnes)	—	3,167	1,825**	●	
Food waste (tonnes)	50% reduction by 2029/30	12,497* 31% reduction	10,568** 42% reduction**	●	SASB FB-FR-150a.1
Food not sold that was fit for human consumption which was redistributed to charities, community organisations or colleagues (food surplus) (% of food not sold that was fit for human consumption)	100% by 2025/26	81%	85%	●	SASB FB-FR-150a.2.2
Food surplus (tonnes/meal equivalents)	—	13,502 31.8m meals	10,632 25.3m meals	●	
Another Life					
Clothing items collected through Another Life (number)	—	392,356	302,857	●	
Operational waste					
Total operational waste (tonnes)	—	73,285*	69,808	●	
Operational waste to landfill (tonnes)	Maintain 0%	0%	0%	●	
Packaging					
Number of individual pieces of plastic (units) that have been removed from the M&S own-brand packaging portfolio	Remove 1bn units of plastic packaging by the end of 2027/28	148.1m	144m	●	SASB FB-FR-430a.4 UK Plastics Pact
Food own-brand primary plastic packaging that is widely recyclable in the UK (% of total UK packaging by weight)	100% by 2025/26	93%^	91%	●	SASB FB-FR-430a.4
Fashion, Home & Beauty own-brand primary plastic packaging that is widely recyclable in the UK (% of total UK packaging by weight)	100% by 2025/26	82%^	80%	●	CG-MR-410a.3
Plastic clothing hangers which are reused in the supply chain	45% by 2025/26	38.4%	—	●	CG-MR-410a.3

● Target missed
● Behind
● On track or achieved
● No target

* Subject to limited assurance by Deloitte.
** We have restated the total tonnage of food waste for 2023/24 due to a broadening of the scope of the metric. This has resulted in a 3.9% increase compared with the tonnage reported in the 2024 ESG Report.
^ Figures used are calendar year.

SOCIAL – ANIMAL WELFARE AND HEALTHIER FOOD

Metric	Target	2024/25 performance	2023/24 performance	Assessment of progress	Reference
Animal welfare					
Ranking amongst retailers with highest number of products within M&S Food product range adhering to RSPCA Assured certification	Maintain #1 position	#1	#1	●	
Tier in the Business Benchmark on Farm Animal Welfare (BBFAW)	Maintain Tier 1	Tier 2[1]	Tier 2	●	

Metric	Target	2024/25 performance	2023/24 performance	Assessment of progress	Reference
Healthier food					
Remarksable products designated Eat Well (% of Remarksable range)	Maintain 33%	69%	58%	●	
Food sales from healthier products (tonnage)	70% by 2024/25	70%	69.8%	●	
Sales from fruit and vegetables, vegetarian and vegan products (tonnage)	Maintain above 50%	72%	75%	●	TCFD Guidance Table A2.1

- Target missed
- Behind
- On track or achieved
- No target

1 We have retained our leadership position on the Business Benchmark on Farm Animal Welfare.

SOCIAL – PEOPLE AND COMMUNITY

Metric	Target	2024/25 performance	2023/24 performance	Assessment of progress	Reference
Diversity, Equity & Inclusion					
Employees who are female (% of all employees)	—	68.4%	68.1%	●	SASB CG-MR-330a.1
Senior leaders who are female (% of all senior leaders)[1]	50% by 2025/26	56%	50%	●	SASB CG-MR-330a.1
Senior managers from ethnic minorities (% of all senior managers)**[2]	20% by 2030	4.9%	4.3%	●	SASB CG-MR-330a.1
Board directors who are female (% of all Board directors)	Maintain 40%	60%	55%	●	SASB CG-MR-330a.1 UKLR 6.6.6R (9)
Senior Board roles (CEO/Co-CEO/CFO/Chair/SID) occupied by women (number)	At least 1	2	1	●	SASB CG-MR-330a.1 UKLR 6.6.6R (9)
Gender pay gap (mean) (%)	—	12.2%	12.6%	●	

Metric	Target	2024/25 performance	2023/24 performance	Assessment of progress
Employability				
Marks & Start work placements started	—	603	693	●
Individuals who have completed a Marks & Start placement who were offered an employment contract at M&S at the end of the programme (% of all placements completed)	—	88%	81%	●

Metric	Target	2024/25 performance	2023/24 performance	Assessment of progress
Community				
Funds donated by M&S (£)	—	£5,138,385*	£5,630,955	●
Funds raised through customers, colleagues and partners (£)	—	£2,661,980	£2,149,955	●

● Target missed
● Behind
● On track or achieved
● No target

* Subject to limited assurance by Deloitte.
** We have an additional target to reach 12% ethnic minority representation among senior managers by 2027 in line with the Parker Review recommendation. For more information see page 73 of the M&S Annual Report.
1 Senior leaders are the 'senior management' of the Company and include ExCo and ExCo direct reports, but exclude Board members.
2 Senior managers are measured using internal reward levels, defined as those who have the biggest influence and responsibility in driving and delivering the Group's strategy.

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 Group PLC on selected ESG Key Performance Indicators (KPIs) (the "Selected Information") within the ESG Report and a subset of these metrics within the Annual Report for the year ended 29 March 2025.

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 Information for the year ended 29 March 2025, and as listed below and indicated with an * in the ESG Report and a subset of these metrics within the Annual Report has not been prepared, in all material respects, in accordance with the Applicable Criteria defined by the directors.

Scope of our work

Marks and Spencer Group 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 Emissions* ("ISAE 3410"), issued by the International Auditing and Assurance Standards Board ("IAASB") and our agreed terms of engagement.

The Selected Information in scope of our engagement for the year ended 29 March 2025, as indicated with a * in the ESG Report and a subset of these metrics within the Annual Report, is as follows:

Reporting period	Selected KPI	Unit of measurement	Reported amount	Applicable Criteria
Reporting period 31 March 2024 ending 29 March 2025	Scope 1 emissions	Tonnes CO_2 equivalent	210,164	Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition (2004). Plus, the applicable methodology as published by the company (commonly referred to as a 'basis of reporting').
Reporting period 31 March 2024 ending 29 March 2025	Scope 2 emissions (Market based)	Tonnes CO_2 equivalent	175,168	
Reporting period 31 March 2024 ending 29 March 2025	Scope 2 emissions (Location based)	Tonnes CO_2 equivalent	150,516	
Reporting period 31 March 2024 ending 29 March 2025	Scope 1 and 2 emissions (Market based)	Tonnes CO_2 equivalent	385,332	
Reporting period 31 March 2024 ending 29 March 2025	Scope 1 and 2 emissions (Location based)	Tonnes CO_2 equivalent	360,680	
Reporting period 31 March 2024 ending 29 March 2025	Scope 1 and 2 emissions per 1000 sq. ft salesfloor (Location based)	Tonnes CO_2 equivalent / thousand sq. ft.	19	
Reporting period 31 March 2024 ending 29 March 2025	Scope 1 and 2 emissions per 1000 sq. ft salesfloor (Market based)	Tonnes CO_2 equivalent / thousand sq. ft.	20	
Reporting period 31 March 2024 ending 29 March 2025	Total energy consumption	kWh	1,439,544,439	
Reporting period 31 March 2024 ending 29 March 2025	Total food waste	Tonnes	12,497	The applicable methodology as published by the company (commonly referred to as a 'basis of reporting').
Reporting period 31 March 2024 ending 29 March 2025	Total operational waste	Tonnes	73,285	The applicable methodology as published by the company (commonly referred to as a 'basis of reporting').
Reporting period 31 March 2024 ending 29 March 2025	Funds donated by M&S	£	5,138,385	The applicable methodology as published by the company (commonly referred to as a 'basis of reporting').

The Selected Information, as listed in the above table, needs to be read and understood together with the Applicable Criteria set out in the ESG Report published under the Investors section on the Marks and Spencer Group PLC website.

Inherent limitations of the Selected Information

We obtained limited assurance over the preparation of the Selected Information 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 Information, 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 Information reported by different organisations and from year to year within an organisation as methodologies develop.

We draw your attention to the specific limitations, due to the nature of the Selected Information, set out in the "Key procedures performed" section below.

Directors' responsibilities

The Directors are responsible for preparing an Annual Report which complies with the requirements of the Companies Act 2006 and for being satisfied that the Annual Report, taken as a whole, is fair, balanced and understandable.

The Directors are also responsible for:

- Selecting and establishing the Applicable Criteria.
- Preparing, measuring, presenting and reporting the Selected Information 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 Information.
- Designing, implementing, and maintaining internal processes and controls over information relevant to the preparation of the Selected Information 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 Information.
- Communicating matters that may be relevant to the Selected Information 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 Information.
- 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 1 ("ISQM 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 Information 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 Information, we performed the following procedures:

- Performed an assessment of the Applicable Criteria selected by you and determined whether they were suitable for the engagement circumstances, and, where necessary, discussed with the Directors the need for a 'Basis of Reporting'.
- Performed analytical review procedures to understand the underlying subject matter and identified areas where a material misstatement of the Selected KPIs was 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.
- 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. We did not evaluate the design of particular internal control activities, obtain evidence about their implementation, or test their operating effectiveness.
- Performed procedures over the activities of significant third parties that perform key controls relevant to the Selected KPIs.
- Performed procedures over the Selected KPIs, including recalculation of relevant formulae used in manual calculations and assessment whether the data had been appropriately consolidated.
- Performed procedures over underlying data on a statistical sample basis to assess whether the data had been collected and reported in accordance with the Applicable Criteria, including verifying to source documentation.
- Where possible, conducted site visits at a sample of sites (virtually or 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.

We performed our engagement to obtain limited assurance over the preparation of the Selected Information in accordance with the Applicable Criteria. We draw your attention to the following specific limitation:

- The total food waste, total operational waste, and total energy consumption metrics listed in 'Selected Information' include information provided by suppliers and third-party sources. Our procedures did not include obtaining assurance over the information provided by suppliers or third parties.

Use of our report

This report is made solely to the Directors of Marks and Spencer Group PLC in accordance with ISAE 3000 (Revised) and our agreed terms of engagement. Our work has been undertaken so that we might state to the Directors of Marks and Spencer Group 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 Group PLC and the Directors of Marks and Spencer Group PLC, we acknowledge that the Directors of Marks and Spencer Group 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 and the Directors of Marks and Spencer Group 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 ESG Report and a subset of these metrics within the Annual Report to which they are linked. As a result, the Selected KPIs may not be suitable for another purpose.

Deloitte LLP

London
20 May 2025

Visit our website corporate.marksandspencer.com