

Plan A Governance

The new guiding principles of the M&S brand are: Inspiration, Intouch, Integrity and Innovation. Our reputation rests on the quality of our relationships with customers, employees, partners, suppliers and local communities.



Robert Swannell
Chairman

Managing How We Do Business

Our How We Do Business Executive Committee meets every two months to provide leadership and alignment with our wider business strategy. Our Chief Executive, Marc Bolland, chairs the committee, which includes all our Executive Directors plus additional senior managers with relevant specialist knowledge and responsibilities. He updates the full Board on the committee's activities at least once a year.

Our How We Do Business Operating Committee meets every month to ensure that social, environmental and ethical issues are integrated into our everyday activities. It reviews our progress against Plan A Commitments and the way in which we manage risks.

Working together with a small team of social, environmental and ethical specialists, our Director of Plan A, Mike Barry, supports all Plan A governance activities. His team focuses on developing policies and solutions, building stakeholder relationships and managing risks.

Integrating Plan A

Our Director of Plan A oversees Plan A implementation, budget management and co-ordination. Plan A managers and specialists on relevant issues, including health and safety and supply chain social compliance, work in our Food, General Merchandise, Retail, Finance, Property, Logistics, International and HR functions. Plan A Champions co-ordinate action across our stores and offices.

“As we strive towards our ambition of becoming a sustainable, international multi-channel retailer, we have to ensure that we have the right skills, experience and stakeholder relationships to equip us for the future.”

Many of our employees, including Executive Directors and Management Committee members, have Plan A performance targets and all employees who deal directly with product suppliers are trained in responsible buying techniques. Our management succession programme, Lead to Succeed, also includes a Plan A project module.

Managing social, environmental and ethical risks

The full Board completes a Group Risk Profile every six months. Key social and environmental risks such as climate change are assessed separately but are generally considered as contributory factors to wider business risks related to the M&S brand, corporate reputation and operational and supply chain continuity. Information about our approach to risk management and our principal risks and uncertainties is included in our 2014 Annual Report.

Our Plan A 2020 commitments were developed and refined to ensure that they address our principal social and environmental risks. These were assessed against the materiality matrix shown on page 34. All commitments are assured and the most important have been subject to external assurance. They are denoted by **.

Certified international social, environmental and ethical standards

Like most other major retailers, we use internally developed systems to keep pace in a fast-moving industry. These systems cover training, health and safety, environmental performance and quality. During 2013, we became certified to the

ISO 50001 Energy Management standard for our stores in the UK and RoI. We have also followed a number of best practice standards in this report (see About this Report for more details).

We regularly revise our Code of Ethics and Anti-Bribery Policy. Any breaches are reported to the Audit Committee.

Plan A risk profile 2014

This table summarises the key changes to our social and environmental risks over the past 12 months:

- The frequency and impact of extreme weather in the UK and globally continues to demonstrate the significance of climate change and associated stresses on water, land use and energy security.
- Within the retail and branded clothing sectors there is ongoing civil society and policymaker concern about supply chain management and transparency.
- For M&S, overall sustainability risks remained broadly unchanged with actions on Plan A continuing to mitigate social and environmental risks.
- New and potentially increased risks were reviewed as part of the development of Plan A 2020 in 2013/14, prompting increased activity on youth employment, supply chain management, transparency, operational efficiency and the development of new business models.
- To reflect the growing importance of our international business, Plan A is now starting to cover M&S operated and joint-venture operations.

How We Do Business committees

The team behind Plan A

<p>1. Marc Bolland Chief Executive Officer ▲</p>	<p>2. Alan Stewart Chief Finance Officer ▲</p>	<p>3. Patrick Bousquet-Chavanne Executive Director, Marketing and Business Development ▲</p>	<p>4. Laura Wade-Gery Executive Director, Multi-channel E-commerce ▲</p>	<p>5. John Dixon Executive Director, General Merchandise ▲</p>	<p>6. Steve Rowe Executive Director, Food ▲</p>	<p>7. Dominic Fry Director of Communications and Investor Relations ▲ ■</p>	<p>8. Krishan Hundal Director of Technology, General Merchandise ▲ ■</p>	
<p>9. Paul Willgoss Director of Technology, Food Division ▲ ■</p>	<p>10. Mike Barry Director of Plan A ▲ ■</p>	<p>11. Adam Elman Head of Global Delivery – Plan A (and Secretary) ▲ ■</p>	<p>12. Tanith Dodge Director of Human Resources ■</p>	<p>13. Chris Taylor Director of Retail Operations ■</p>	<p>14. Clem Constantine Director of Property ■</p>	<p>15. Rob Weston Director of Brand and Marketing ■</p>	<p>16. Heather MacRae Corporate Governance ■</p>	
<p>13. [Name] [Title] ▲ ■</p>	<p>14. [Name] [Title] ▲ ■</p>	<p>15. [Name] [Title] ▲ ■</p>	<p>16. [Name] [Title] ▲ ■</p>	<p>17. Carmel McQuaid Head of Sustainable Business ▲ ■</p>				
<p>17. [Name] [Title] ▲ ■</p>								

Key

▲	Denotes member of How We Do Business Executive Committee as of May 2014	■	Denotes member of How We Do Business Operating Committee as of May 2014
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