

MARKS & SPENCER

MODERN SLAVERY STATEMENT 2020/21

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This statement has been published in accordance with the Modern Slavery Act 2015. It sets out the steps taken by Marks and Spencer Group plc and other relevant group companies ("M&S") during year ending 1 April 2021 to prevent modern slavery and human trafficking in its business and supply chains. This statement has been approved by the Board of Directors.

1 INTRODUCTION

This is M&S's sixth Modern Slavery statement issued under the Modern Slavery Act and it outlines the steps we have taken (and continue to take) as a business to prevent slavery and human trafficking in our own operations and supply chains. We recognise that modern slavery is a growing global issue, and we understand our responsibility to prevent, mitigate and remediate where necessary, the risks of human trafficking, forced, bonded and child labour.

This year has been an exceptional one. Covid-19 has caused unprecedented disruption and change on a global scale. The impact of the pandemic has been greatly felt by retailers, suppliers, and the hundreds of thousands of workers within our extensive supply chains, and we have had to adapt to the challenges it has presented. In the UK, Brexit and the ending of freedom of movement for EU citizens will inevitably have a significant impact on a number of sectors, particularly those with low-skilled workers, and so continuation with due diligence is essential.

This year we also acknowledged the important role the Independent Anti-Slavery Commissioner (IASC) has taken engaging with businesses, identifying best practice and undertaking a review of the learnings from Operation Fort. We welcomed the IASC maturity framework with its four clearly defined stages, and its broader purpose beyond assessing legal compliance to the Modern Slavery Act. We have assessed ourselves against the IASC maturity framework and predominantly sit in the "Evolving Good Practice" category with some activity in "Leading on Human Rights Innovation". This clear structure will enable us to continually improve our maturity and give us a clear benchmark in tackling modern slavery.

Our commitment to our customers and stakeholders is very clear; we will always treat people in our business and supply chain fairly. This means we will continually review and improve our policies, practices, and procedures so that we can fulfil this commitment.



STEVE ROWE CHIEF EXECUTIVE OFFICER
ON BEHALF OF THE BOARD OF MARKS AND SPENCER PLC

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2 OUR BUSINESS AND SUPPLY CHAINS

M&S is a British value for money retailer focused on own label businesses, including Food, Clothing & Home and Bank & Services in the UK and internationally. You can read more about our business in our Annual Report.

Our product supply chains are extensive and global, with suppliers in more than 80 countries. We have 3 primary groups of suppliers:

1 Food

Food sourced from 495 factories across 55 countries. Over 80% of these are in the UK.

2 C&H

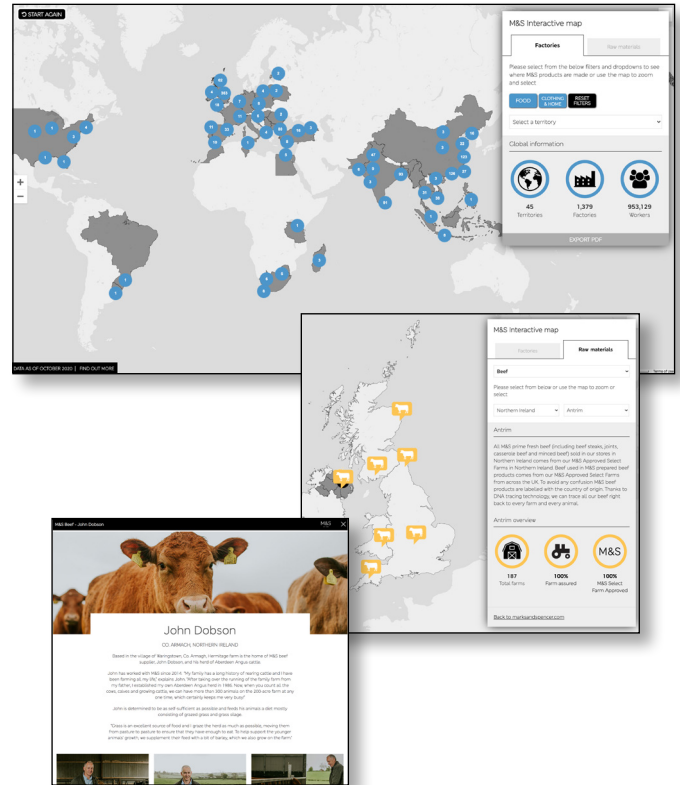
C&H sourced finished product from 884 factories across 41 countries.

We publish the [M&S Interactive Supply Chain Map](#), disclosing our Tier 1 supply chain across Food and C&H. The scope has been extended to include some raw materials including wool, man-made cellulosic fibres, beef, fish & seafood, dairy, tea and coffee and is updated on a 6-monthly basis.

3 Goods Not for Resale ("GNFR")

Our GNFR category includes those products and services we buy to run our business – such as professional services, store equipment, design services and stationery.

GNFR covers Logistics Operations, Marketing, Technology, HR, Property, Facilities Management and Packaging costs. We have over 2100 GNFR suppliers, with 94% spent with the top 250.



TODAY, WE OPERATE A FAMILY OF BUSINESSES, SELLING HIGH-QUALITY, GREAT-VALUE OWN-BRAND PRODUCTS IN THE UK AND INTERNATIONALLY

1,509
STORES



OVER 100
WEBSITES
GLOBALLY



WE EMPLOYEE
70,000
COLLEAGUES



SERVING
30 MILLION
CUSTOMERS
EACH YEAR

IN OUR INTERNATIONAL BUSINESS
WE WORK WITH

23
FRANCHISE
PARTNERS



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3 GOVERNANCE AND LEADERSHIP

The Director leading each of our family of businesses is responsible for managing any modern slavery risk within their operations, with overall accountability held by the Executive Committee, chaired by the CEO, Steve Rowe. The report is also reviewed by the Audit Committee, and ultimately approved by the Board. The annual modern slavery risk assessment process is aligned across the M&S Group. Directors of each business area – Food, C&H, Retail and Property, International – and the support functions: Finance and Procurement, Digital and Data, and HR are accountable for the modern slavery risk assessment and due diligence sign off.

In April 2020, we updated the M&S Code of Conduct commitments focussing on key policy areas affecting M&S, ensuring we act in line with relevant laws and regulations, industry standards and giving stakeholder confidence. Our expectations for suppliers to provide good working conditions, comply with our Global Sourcing Principles (“GSP”) and identify significant risks, are set out in our supply chain and responsible sourcing commitment. To allow us to monitor compliance, each commitment is underpinned by a metric that we track, and which forms part of the Audit Committee’s ongoing assessment of the adequacy of our controls framework. In addition, certain senior colleagues will be asked annually to confirm their personal acceptance of, and compliance with, the Code of Conduct.

In December 2020 we also established an Environmental, Social and Governance Board Committee (“ESG Committee”). The formation of this committee, which currently meets monthly, underlines the Board’s commitment to raise the profile of human rights within our own operations and supply chain, recognising this as a crucial enabler to our long-term sustainability. This year the Executive Committee and the ESG Committee will sign off our modern slavery activity on behalf of the Board.

In January 2021, M&S became one of the first companies to formally sign the Call to Action on human rights abuses in the apparel and textiles sector. Brand Commitment to Exit the Uyghur Region promoted by the Coalition to End Forced Labour in the Uyghur Region (the “Coalition”). In response to mounting evidence of forced labour, the Coalition, supported by groups including the Ethical Trading Initiative, has set out a series of requests of businesses to ensure their full supply chains – including secondary and tertiary suppliers – are not linked to human rights abuses. Prior to signing the Call to Action, M&S was already one of the few C&H retailers that did not work with any Tier one supplier, or source from Xinjiang. However, M&S has signed up to the important Call to Action to help play its part in driving meaningful change at scale.

Jasmine O’Connor OBE, CEO at Anti-Slavery International said,

“We welcome the leadership shown by Marks & Spencer today to commit publicly to the Call to Action, providing assurance to its consumers that M&S products will not be linked to the abuses of Uyghurs. The Call to Action sets out a clear path of action for brands to follow in line with the UN Guiding Principles on Business and Human Rights and we call upon other major brands to follow suit with M&S and commit to the Call to Action urgently.”

40.3
MILLION
PEOPLE ARE IN
MODERN SLAVERY
GLOBALLY



SOURCE: INTERNATIONAL LABOUR ORGANIZATION

**MODERN
SLAVERY**
IS THE BIGGEST
**HUMAN
RIGHTS
ISSUE** OF OUR TIME



**TRAFFICKING
IN PERSONS**
HAS AN ANNUAL TRADE
VALUE OF AROUND
\$150 BILLION



SOURCE: INTERNATIONAL LABOUR ORGANIZATION

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4 POLICIES AND CONTRACTUAL CONTROLS

Policies

In the past 6 years, to support our programme of compliance, we have continued to develop our policies with input from in-house experts, suppliers and external stakeholders. We have several groupwide policies in place relevant to modern slavery, all of which are signed off at Director level. These are as follows:

<u>Human Rights Policy</u>	States our commitment to respect internationally recognised human rights in line with the principles and guidance contained in the United Nations (UN) Guiding Principles on Human Rights.
<u>Global Sourcing Principles (GSP)</u>	First introduced in 1998, and extended to all suppliers and partners as of May 2016, the principles set out our minimum global supplier ethical and environmental standards. The GSP are drawn from international standards and internationally collaborative codes like the Ethical Trading Initiative (ETI) Base Code.
<u>Confidential Reporting Procedures</u>	Aimed principally at our colleagues, but also available to others working in our supply chain, confidential reporting channels are managed by Safecall and concerns can be raised by phone or online in multiple languages. We are also strengthening our worker voice feedback mechanisms (see page 9).
<u>Grievance Policy</u>	Grievance mechanism to remedy adverse human rights impacts within the Food and C&H supply chain. The policy sets out how to raise a grievance and our recommended process for investigating and understanding concerns.

In addition to our groupwide policies, we have supplementary Food and C&H specific policies in place relevant to modern slavery, protecting the most vulnerable workers across the supply chain and reducing the risk of modern slavery. In C&H these include critical escalation, child labour, home working and sub-contracting. This year our Food business undertook a review of our food ethical standard and in January 2021 launched our new Human Rights Standard, structured around 6 demonstrable outcomes with a key focus on effective human rights due diligence within our supply partners' own operations and supply chain. The Standard becomes effective from April 2021.

Case study

M&S FOOD HUMAN RIGHTS STANDARD

Recognising the limitation of mainstream ethical audits, over the last year we have reviewed and relaunched our standard for M&S food suppliers. At a site level, we have broadened our approach from a compliance focus to include worker voice (nGaje) and human rights due diligence.

The new standard requires suppliers to demonstrate their approach to human rights due diligence in their own operations and their supply chain. This can be achieved by assessing actual and potential human rights risks, identifying key hotspots and areas of risk linked to specific product or supply chain issues,

developing an action plan for mitigating risks and, if relevant, repaying worker fees – and monitoring and reviewing action plans.

Our approach is centred on 6 pillars:

1. Driving standards each and every day
2. Human rights due diligence
3. Access to remedy
4. Building capabilities
5. Working in partnership to tackle endemic issues
6. Responsible purchasing practices

M&S
—FOOD—

Contractual Controls

Our supplier and service provider contracts include strong obligations regarding compliance with modern slavery legislation. Our standard supplier contractual terms for suppliers include obligations on performing Modern Slavery Act risk assessments, instigating controls, and notifying any modern slavery findings.

In December 2020 we undertook a review of our contractual terms and policies for both C&H and Food, to ensure the standards we require of suppliers align with applicable laws and with M&S's brand expectations in relation to human rights and modern slavery. We also

reviewed publicly-available information about initiatives taken by other companies in M&S's peer group to combat modern slavery and human rights infringements, to stay abreast of best practice and technological developments.

Finally, within our C&H logistics operations we have identified some of our contracts with longstanding partners may not carry the most up-to-date references to modern-day slavery. We will update these contracts in 2021, focussing initially on our high-risk area – offshore operations – as a priority.

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5 ASSESSMENT OF MODERN SLAVERY RISK WITHIN OUR SUPPLY CHAIN

As referenced above, the annual modern slavery risk assessment approach is aligned with the M&S Group risk register method, considering external and internal changing risks and how these are mitigated. The manifestations of modern slavery are complex and hidden, so our risk assessment includes the following to enable us to prioritise activity;

- detailed mapping of supply chains and operations;
- desk-based research;
- supplier surveys;
- supplier engagement; and
- discussions with expert stakeholders.

Food and C&H

We used industry-leading risk assessment methodology to understand country-level risk in our supply chain. We use this to map our exposure in different countries and review what we have in place to mitigate issues. These countries have systemic risks in the areas of governance, security, human rights, or environmental challenges. In 2020/21 the following countries were prioritised as highest risk to Food and C&H for modern slavery:

Food highest risk countries for modern slavery	C&H highest risk countries for modern slavery
Thailand	Bangladesh
Malaysia	India
India	Turkey
Italy	Thailand
Spain	Pakistan
UK	Malaysia

In addition, there are a number of global issues we have identified as priority areas and will continue to monitor and review activity for:

- **Covid-19** – Over the last year, with severe limitations on in-person monitoring of supplier sites and labour providers,

we identified an increase in the risk of labour exploitation and modern slavery within our supply base.

- **Brexit** – In the UK, following Brexit, the end of freedom of movement for EU citizens will have a direct impact on sectors vulnerable to exploitation. This will significantly impact sectors looking to find alternative low-skilled labour and so continuation with due diligence is essential.
- **Xinjiang** – 100% of our cotton is sustainably sourced and we have been partners with the Better Cotton Initiative (BCI) since 2007. In March 2020, BCI suspended licensing and assurance activities in Xinjiang and as a result there is no new licensed Better Cotton coming from the region. We know a greater understanding is required of the provenance of Food ingredient products (such as paprika and tomato pastes and sub-products) from the region and our possible exposure – this will be a focus for us in the coming 6 months.
- **In Foods** for our high risk, 'A list' raw materials we ensure compliance with a preferred supplier list, however we know there is more to do. This year, as part of our work implementing the Food Human Rights Standard, we will map our indirect ingredient suppliers in high-risk regions to understand our possible exposure to human rights and modern slavery risk.



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GNFR

Last year we identified that we needed to enhance the effectiveness of controls within the GNFR category. We have therefore partnered with a third party provider to assess our supply base covering, among other areas, Ethics and Human Rights. This will provide us with auditable data on these risks, allowing us to identify a baseline and work with those suppliers who do not meet our minimum standards.

The first phase of the Ecovadis Programme has focussed on suppliers where we spend in excess of £500k per annum. We have agreed a set of minimum standards using the platform measuring employee health and safety, working

conditions, social dialogue, diversity, child labour and human rights. The vast majority of the suppliers we have assessed meet the minimum acceptable standard set both overall and specifically looking at labour and human rights practices. We will be building corrective action plans with any suppliers that don't meet those minimum requirements over the next 6 – 12 months. We will be rolling out the Ecovadis Programme to capture more suppliers with a lower spend over the next 6 months.

Within our Businesses we have identified a number of other operational risk areas:

Logistics	<p>It is recognised within the industry that logistics and operations functions are often high-risk areas for modern slavery. We operate both our Foods and C&H logistics through third parties, and whilst these relationships are long-standing trusted partnerships, we know that there is more we can do.</p> <p>In our 2020/21 statement, we referenced a food programme where we intended to work even closer with our trusted partners to identify additional risks and mitigations. The challenges of Covid-19 and Brexit have delayed our start, although we will restart this programme in summer 2021.</p>
Property	<p>The UK government has identified the construction industry as high-risk, owing to the number of potential migrant workers employed as sub-contractors and agents. We will be reviewing our process of supplier management over the coming year, identifying how we can strengthen our supplier controls relating to modern slavery.</p>
Retail	<p>Contract cleaning is identified as high-risk with the likelihood of migrant workers and exploitation of female workers. This is a managed risk, with strategic contracts placed across two suppliers from April 2021. Both suppliers fall under the Ecovadis Procurement Review set out above.</p> <p>Car washing services are at high risk of human trafficking and migrant workers, often operated by organised crime gangs. M&S ceased the use of customer car washing in car parks in 2018.</p>
International	<p>Our Franchise partners are contractually required to comply with our GSP, and we receive assurances that they are compliant. However, we know there is more we can do to assess the potential for modern slavery and human rights abuses within their supply chains. We will be working with our partners this year to better understand local management of compliance areas, including modern slavery.</p>



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6 DUE DILIGENCE AND ASSESSMENT OF SUPPLIERS AND SUPPLY CHAIN

Having established risk, we conduct due diligence within our supply chains and operations to understand whether there is evidence of modern slavery issues, and whether there are adequate controls in place.

As acknowledged, the impact of Covid-19 has been significant, and we have had to learn to adapt quickly to respond effectively to the constantly changing situation. Since the start of the Covid-19 pandemic in March 2020, we have been in regular contact with our suppliers to ensure that we are fully supporting the needs of our supply chains. The impact has meant we have not been able to carry out in full our usual programme of due diligence, and in the initial stages of the pandemic we were unable to carry out bespoke in person investigations which form a key part of our programme. However, using technology we were able to adapt and pilot alternative solutions which we have set out below – many of these we will incorporate into our ongoing due diligence programmes.



Case study

SUPPORTING OUR SUPPLIERS DURING COVID-19

Our commitment to our suppliers during Covid has meant we:

- Honoured commitments to our suppliers and continue our commitment to support fair wages to workers
- Listened and engaged with workers across our supply base
- Monitored key safety and compliance issues
- Worked collaboratively with others
- Supported suppliers in managing outbreaks

In our Food supply chain:

- At the start of the pandemic, we scheduled 1-1 calls with suppliers to understand how they were managing labour, health and safety and working hours on site.
- We provided information to support suppliers throughout Covid-19, sharing best practice and highlighting where the risks would be. This resulted in publishing a UK and International Supplier Update.
- We used the nGaje tool with protein suppliers, so that we could hear directly workers speaking about their experience of working in factories during the pandemic and the questions they had in relation to Covid-19.
- We sponsored and actively contributed to the [Covid-19 Autumn/Winter 2020 Guidance for Food, Horticulture and Agriculture website](#). The website is specifically designed to provide the latest practical tips, guidance, tools, and case studies to help businesses in the food, agriculture, and horticulture industries to better manage risks.

In our C&H supply chain:

- We paid for all shipped product before production was temporarily halted.
- We paid for all made garments that could not be shipped. Across all our partners we are working to ensure that no fabric goes to waste.
- As face-to-face audits and visits were not possible, we successfully conducted virtual assessments with the use of technology. Workers were also contacted for feedback by mobile.
- We joined the FCDO programme supporting the COVID-19 Vulnerable Supply Chains Facility (VSCF), forming partnerships to support and respond to the challenges Covid-19 presents in Foreign, Commonwealth, and Development Office (FCDO) priority countries.

You can read more about our business response [here](#).

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Supply Chain Audit

It is a requirement that all new direct suppliers to Food and C&H have due diligence checks in place in the form of an 100% completed self-assessment questionnaire and an ethical audit, conducted by approved third parties. If issues are identified, appropriate investigative and remedial actions are taken. In C&H, once a supplier is onboarded, we operate an audit policy that requires an annual social compliance assessment to take place within a 3-month window. This audit cycle is then augmented by our regional compliance team, based in our sourcing offices, who support factories with implementing a corrective action plan. In Food, suppliers are risk assessed and the audit programme is designed around the results of those assessments.

Food

Food ethical audits identified 84 non-compliances in 20/21, compared with 46 in 19/20, under the heading 'employment is freely chosen': 72 of those referred to improvements in management systems/policies which we accepted. The remaining 12 included:

- Monetary deposits
- Restricted movement outside the workplace
- Withholding passports
- Withholding payment of wages

In all instances, we have verified evidence of suppliers putting corrective actions in place, or are currently working with suppliers to agreed timescales to achieve this.

With travel restrictions and safeguarding measures in place, from April to September we transitioned our audit programme to encompass a 'self' risk assessment questionnaire. During the Covid-19 period, we reviewed 145 sites worldwide, of which 72 were based in the UK. We have continued to review audits since the beginning of the pandemic, and within this time, 48 were conducted in Europe and Asia.

C&H

C&H ethical audits identified 4 non-compliances in 20/21, under the heading 'employment is freely chosen'. One of the non-compliances identified a requirement to improve management systems and policies. The remaining 3 non-compliances covered issues with debt and document retention. All non-compliances have been closed out in the factories from which we source.

One of the outcomes of lockdowns and temporary factory closures has been the inability to conduct traditional face-to-face third party audits. Audits were suspended in a number of countries from which we sourced, and whilst we continued to liaise with factories and contact where possible via virtual means, the number of non-compliances is lower than we would expect to see. Our commitment has not changed, and we will be working with suppliers in the coming year to identify areas where non-compliances may occur.

In previous years we have documented the challenge of visibility beyond our Tier 1 suppliers, and we will continue our work to address this. In C&H this year we have extended our visibility of social and labour standards into Tier 2 using industry-standard methodology: the Social & Labour Convergence Programme (SLCP). The SLCP offers the tools and systems to measure working conditions in global supply chains. In addition, as members of the Sustainable Apparel Coalition, we will be using the methodology in our Tier 2 mills and wet processing facilities through the HIGG platform and the HIGG Facility Social and Labour Module (FSLM).

Reporting Through Other Channels

We identified 7 instances through the Modern Slavery and Exploitation Helpline Business Portal, where there were indicators of labour exploitation which required further investigation. We undertook further action in all these cases, and corrective actions were put in place.

An investigation was brought to our attention through our corporate communication channels around working conditions and employment practice in a C&H factory. We engaged directly and remediation is in process (case study below).

Case study

HOME TEXTILE FACTORY INVESTIGATION

In October 2020 we were contacted by the BBC to highlight an investigation based on information from Action Aid, who had been working for 18 months interviewing female workers in the garment industry in India, addressing working conditions and employment practices generally. Workers from one of our home textile supplier factories, JVS, were included in these interviews and the issue of involuntary overtime was raised.

We engaged directly with Action Aid to understand the evidence and then worked collaboratively with several other brands also sourcing from JVS. The factory in

question created a comprehensive remediation plan and engaged an independent organisation to help implement improvements including restructure & training of the HR team; review and amendment of all policies and procedures; establishment of a new Grievance Committee; appointment of an Employee Engagement Manager and a Welfare Officer; and implementing an Employee Helpdesk.

This comprehensive remediation plan is now well underway, and the Leadership Training Programme will continue throughout 2021.

act:onaid

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Collaboration with Oxfam

We believe one of our strengths is the way our supplier relationships are built on open and transparent discussion, with a shared culture of continuous improvement. However, we know if we want to ensure everyone who works with, as well as for, M&S is treated with decency and respect, we have to look harder at what we do. That is why in 2019 we asked Oxfam to conduct a 'gap analysis' of our supply chains in India and the UK to help us better understand the true worker experience, and identify the changes we need to make in our own operations and those of our suppliers. We shared the [report](#) and response in full as we believe the learnings can benefit the wider sector. We are incredibly grateful to Oxfam for the diligence they have shown in compiling this report, and for being a challenging, critical and constructive partner. Our response can be summarised into three clear priorities for action in 2021:

- 1** Further enhancing our corporate governance (see page 3 for an update on our ESG committee).
- 2** Resetting our training and engagement programmes for our commercial buying teams to amplify human rights and worker perspective.
- 3** Scaling our pilot worker voice programmes to help shape a best practice framework for industry.

We are confident there continues to be a role for traditional social audit programmes, whilst also recognising their limitations, so our focus this year is to build on learnings from our worker voice pilots in Food and C&H and to scale these across our supply base:

- **Food** – Following our initial pilot in 2019, and with limited site visits possible during Covid-19, we expanded our worker voice programme, allowing us to hear directly from workers speaking about their experience working in a factory during the pandemic and allowing us to respond to any questions they had. We used the technology to engage with 54 of our sites and were able to connect with 2,884 workers across the UK and Ireland. We have now trained over 130 of our suppliers on the programme, with 97% of attendees agreeing the training and guidance provided is useful. As a result of the success of the pilot, and its effectiveness during the pandemic, we will be rolling out the technology to 500+ of our UK and ROI sites by April 2022.
- **C&H** – We launched a pilot in 9 factories in India at the start of 2021 to hear directly from workers on their experience of working in the supply chain. So far, this pilot has reached 4,025 workers – 4% of the workforce in our Indian supply chain. We have worked with an ethical trade consultancy to develop the questions which ranged from those designed to provide us with an understanding of satisfaction in role, to those aimed at assessing people's sense of fairness.

Third Party Brands in Clothing and Home

As part of our Never the Same Again programme, this year we announced the online launch of a new offering of guest brands, marketed and sold under the banner 'Brands at M&S'. These new brands will offer a curated range for M&S.com that is complimentary to the M&S own-brand offer for customers. These partnerships will vary from wholesale agreements to exclusive collaborations.

Modern slavery compliance is fundamental to our business and therefore we expect all brands sold on our website to sign up to our GSP as a minimum. The GSP set out our standards in relation to working conditions for all those involved in producing our products, regardless of the tier in which they are operating. Our customers expect high standards and trust us to work ethically – the expectation for these new guest brands is no different.

We have sought expert independent third-party advice on how to manage these new types of relationships from a modern slavery perspective, to ensure we can be confident the ways of working of any new brands align with those of M&S. We have created a self-assessment questionnaire scoring tool for new brands so that our minimum requirements are clear from the outset, even prior to contract stage.

We are very much at the start of this journey, but we are confident that as we progress our strategy and build closer relationships with brands, our programme will evolve from requiring minimum standards to attaining best practice compliance.



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7 MODERN SLAVERY TRAINING

Whilst training and awareness-raising programmes remain a key priority, the disruption caused by the Covid-19 pandemic meant it was a challenge to bring groups together, and naturally a large focus became supporting suppliers with health and safety measures, whilst protecting workers where factories remained open.

In M&S Foods we were able to continue some programmes, and in 2020/21 delivered training to 133 colleagues internally as part of the Food Induction Programme, as well as externally in the supply chain through the following collaborative programmes:

Stronger Together UK:	237 Individuals
Stronger Together South Africa:	51 Suppliers
Stronger Together Spain:	12 Suppliers
Responsible Recruitment Toolkit:	85 Suppliers
Retailer Covid Webinars: Managing Labour Responsibly:	1,149 Individuals

This year we developed and launched an Ethical Toolkit for all food suppliers to use which contains best practice case studies from across our supply base. This covers a number of the indicators set out in this recommendation, such as agency work and equal opportunities.

Within our C&H logistics supply chain, we carried out 2 offshore training programmes in operational functions, covering modern slavery and other compliance functions.

In GFNR, the procurement team have been trained on using the supplier management portal, supporting them to understand and identify where modern slavery risks are in the supply base, and to indicate the actions they can take to support suppliers.

In the absence of physical training, we have several online resources that are available to our suppliers all year round:

- **Responsible Recruitment Toolkit** – Intended to support M&S suppliers and partners to implement a strategy for their business and their supply chains to tackle modern slavery.
- **Modern Slavery Toolkit for Suppliers and Partners** – Supports international suppliers and Franchise Partners to show leadership in tackling forced labour in their business practices, operations and supply chains.

Modern slavery training will remain a priority area and for 21/22 and there are specific areas we have identified that would benefit from a refreshed training and engagement programme on human rights and modern slavery:

- **Food and C&H** – Resetting our training and engagement programmes for our commercial buying teams to amplify human rights and worker perspective.
- **Property** – Knowledge refresh on risk within the construction industry within our contractor supply base and internal teams.



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8 PARTNERSHIPS & COLLABORATIONS

We recognise the crucial role of partnerships in tackling modern slavery, particularly when confronting some of the global challenges we face within the industry. This year we have continued to work within our long-standing collaborations and we have also created some new partnerships. Some key collaborations include:

- **Modern Slavery Intelligence Network (MSIN)** –

Since the Operation Fort case came to light last year, we brought together 17 companies within the food industry in conjunction with C's, an M&S Food supplier, and key stakeholders to investigate an intelligence-sharing mechanism to tackle modern slavery. The 18-month pilot project focuses on developing an effective platform for gathering and sharing intelligence among food retailers and producers. The platform, known as the MSIN, aims to generate information that will help us to detect, prevent and disrupt modern slavery and labour exploitation activity, while protecting workers and improving outcomes for victims.
















- **Better Cotton Initiative (BCI)** – In April 2020, the BCI set up an expert [Task Force on Forced Labour and Decent Work](#) to review selected elements of the Better Cotton Standards System (BCSS). The primary focus was improving the effectiveness of the BCSS in identifying, preventing and mitigating against the risks of forced labour, and facilitating the remediation of victims of forced labour. M&S joined the Task Force of 12 experts

representing civil society, retailers and brands, and consultancies with a strong expertise in human rights and forced labour issues in supply chains, particularly in the textile sector. The Task Force worked virtually for 6 months to review current BCI systems, discuss issues and gaps, and develop proposed recommendations. The work culminated in a comprehensive [report](#), published in October 2020, outlining BCI's short, medium and long-term priorities to strengthen systems on forced labour and decent work.

- **Consumer Goods Forum (CGF)** – Our CEO Steve Rowe, has recently taken on a leadership role as co-sponsor of the CGF's Coalition on Forced Labour/Human Rights. He will also sit on the Governance Board to oversee progress against KPIs and objectives of the Coalition. The CGF is unique in bringing together CEOs of global retailers and consumer goods manufacturers to collaborate to eradicate forced labour. M&S will play an active role in supporting the activities of the Human Rights Coalition to End Forced Labour to implement Human Rights Due Diligence systems, support the development of responsible recruitment markets and work collaboratively on forced labour with the Fair Labor Association, International Labour Organisation, International Organisation for Migration, Institute for Human Rights and Business, and the OECD Business for Inclusive Growth Initiative (B4IG).



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Organisation		Why we are in partnership
 ACCORD <small>online and building safety in Bangladesh</small>	Bangladesh Accord	The Accord promotes a safe and healthy ready-made garment industry in Bangladesh. M&S is represented on the European Brands Working Group.
 BSR HERproject	Business for Social Responsibility (BSR)	BSR's HERfinance programme allows us to engage with workers in our supply chain by expanding financial inclusion. Our participation in HERproject drives outcomes, including increased worker savings and strengthens women's financial decision making.
 End Uyghur Forced Labour	The Coalition to End Forced Labour in the Uyghur Region	We are signatory of the Call to Action (see page 3).
 The Consumer Goods FORUM	Consumer Goods Forum Coalition for Action to End Forced Labour	Brings together CEOs of global retailers and consumer goods manufacturers to collaborate to eradicate forced labour.
 Ethical Trading Initiative	Ethical Trading Initiative	Our membership enables us to work collaboratively with companies, trade unions and civil society on difficult human rights issues, including modern slavery, that cannot be solved by individual companies working alone.
 fast forward <small>building sustainable supply chains</small>	Fast Forward	Social compliance audit methodology for UK textile factories, M&S are represented on the Steering Committee.
 FNET	Food Network for Ethical Trade (FNET)	FNET is a key vehicle to drive ethical trading down the supply chain and work with industry partners and suppliers on challenging ethical issues. They played a pivotal role over the last year during Covid 19 – M&S were founding members.
 BetterWork	ILO Better Work Programme	Better Work and Better Factories programmes delivering impact in the supply chain. M&S is represented on the European Buyers Steering Committee.
 IHRB <small>Leadership Group for Responsible Recruitment</small>	Institute for Human Rights and Business 'Leadership Group for Responsible Recruitment' focusing on the Employer Pays Principle	Launched in May 2016, the Leadership Group for Responsible Recruitment is a collaboration between leading companies and expert organisations to drive positive change in the way that migrant workers are recruited. As part of this group we are committed to the 'Employer Pays Principle'.
 ISSARA INSTITUTE	Issara Institute	M&S are Strategic Partners in Issara Institute in Thailand, which promotes a different model of issue detection, based on 'empowered worker voice'.
 RRT <small>RESPONSIBLE RECRUITMENT TOOLKIT.ORG</small>	Responsible Recruitment Toolkit	M&S is a key sponsor of the programme, enabling our suppliers to access a variety of tools and resources to manage responsible recruitment.
 Sedex	SEDEX	Sharing data increases efficiencies significantly for M&S. The platform creates consistency across supply chains making it much easier for suppliers to take action. M&S represented as Brand Chair on the Gender Working Group.
 Foro Comercio Ético <small>Without Trade Without Justice</small>	Spanish Ethical Forums	Collaborative initiative delivering dialogue & engagement between the fresh food industry supply chain & its stakeholders, while obtaining relevant impacts, raising awareness, developing solutions & improving workers lives.
 stronger together <small>building resilience together in supply chains</small>	Stronger Together	Multi-stakeholder business-led initiative aiming to reduce modern slavery by providing guidance, training and resources in the UK, Spain and South Africa.
 unseen	Unseen Modern Slavery and Exploitation helpline and Business Portal	Sponsorship of the Modern Slavery and Exploitation Helpline and intelligence from the portal helps us to investigate live issues within our supply chain.

MODERN SLAVERY STATEMENT 2020/21

9 NEXT STEPS

Despite the challenges of Covid-19 and Brexit, we have made progress this year, particularly through strengthening our governance and piloting new worker voice technologies.

Throughout the statement we have identified areas to strengthen and develop, highlighting the areas we will focus on in 21/22. These align to the ongoing commitments we have had in place to tackle modern slavery since 2015:

Ongoing Commitments	Activity Planned for 2021/22
Train our colleagues to raise awareness of our corporate responsibility and train suppliers and assess their ability to detect and mitigate modern slavery risks.	<ul style="list-style-type: none">• Resetting our training on human rights and modern slavery for Food and C&H commercial buying teams.• Training on risks within construction for our Property team and suppliers.
Strengthen our network of supply chain intelligence, to build supplier capacity, and to work with leading forced labour experts on bespoke due diligence audits.	<ul style="list-style-type: none">• Continue to develop and scale worker voice programmes across Food and C&H.• Work with our Food suppliers to implement the new Human Rights Standard.• Map out high-risk Food ingredient areas understanding possible exposure through indirect suppliers.• Roll out Tier 2 SCLP Social Audits across C&H supply base.• Continue to review and build transparency beyond C&H Tier 1 suppliers.• Conduct a review of our grievance and remedy process.
Identify risks regarding recruitment practices of third-party labour providers in M&S operations and supply chains.	<ul style="list-style-type: none">• Develop GNFR contracted supplier scoring programme through our Ecovadis partnership.• Review of compliance process with Logistics third party partners.• Review of compliance process with International franchise partners.
Identify and use opportunities for collaboration to verify and help resolve risk issues.	<p>We will continue with the partnerships outlined in the section above with a particular focus on:</p> <ul style="list-style-type: none">• Continuing the development of MSIN.• Leadership and actions resulting from the CGF Coalition on Forced Labour/Human Rights.• Leadership Group for Responsible Recruitment and driving forward the 'Employers Pays Principle'.