

The core purpose

To make and provide food we're all proud of, where everyone's effort is worthwhile, so more and more people can afford to enjoy eating well.

Resources and relationships

Our business...

Customers

Around 12 million customer transactions every week



Colleagues

Over 100,000 friendly and skilled colleagues, supported by a high quality management team



Sites

494 conveniently located supermarkets
18 manufacturing sites
9 distribution centres
Increasing digital presence



Brand

A well-loved brand becoming more relevant and accessible to more customers



Financial strength

A strong balance sheet, with a largely freehold estate, low debt and a net pension surplus

Continued generation of significant and sustainable levels of free cash flow



Food maker

We are a diverse team, but united by our ways of working and our food maker and shopkeeper credentials

- Over half of the fresh food we sell we make ourselves
- Every day our skilled food makers on Market Street make fresh food for our customers
- We make fresh food in our manufacturing sites across the UK
- Our digital production lines increase productivity and efficiency, and reduce waste
- We work with our suppliers to carefully source the products we do not make ourselves



Distributor

We have a national distribution network that moves the food we make and buy

- Our stores are serviced by eight regional distribution centres and one national distribution centre
- This network supports our growth through other channels
- Technology simplifies the links between sites and stores

...is different in many ways...

Our food making skills provide products that are fresh, good quality, great value and unique to us

By controlling the whole supply chain, we know where our food comes from and can provide our customers with what they want, when they want it

...delivering through our six priorities...

- 1 To be more competitive**
- 2 To serve customers better**
- 3 Find local solutions**

...and supported by our five ways of working

- 1 Customers first**
- 2 Teamwork**
- 3 Freedom in the framework**

→ Outcomes



Retailer

We sell the products we make and buy, in our stores and online

- Listening informs the improvements we make
- We have a Morrisons price list, providing good quality fresh food and great value
- Our shopkeepers care deeply about service
- Our More Card helps us to understand and serve our customers better, by tailoring offers
- Over 75% of British households now have access to our online offer, and we continue to expand our 'reach'



Wholesaler

We are a wholesaler, providing products to retail partners and wholesale customers

- We aim to make our brands more popular, accessible, and increase volume through our existing assets
- We leverage the strength of our brands and manufacturing capability to deliver good quality products at great value
- The Safeway brand has been revived for wholesale partners

Understanding our customers powers the decisions we make. Customers love our brand and see us as competitive and locally relevant

Through stores, manufacturing, online and our wholesale partners, we can leverage our brand to achieve **meaningful and sustainable capital light growth**

See page 8 for more detail

4 Develop popular and useful services

5 To simplify and speed up the organisation

6 To make the core supermarkets strong again

See page 15 for more detail

4 Listening and responding

5 Selling, controlling costs, growing profits, and removing waste

Customers

- An improving shopping trip informed by listening
- More customers, buying more from us, more often
- Customers can get what they want, when they want it

See pages 13 and 14 for more detail

Colleagues

- Engaged and motivated colleagues
- Colleagues sharing in the success of the business
- A fair day's pay for the work they do

See pages 15 and 16 for more detail

Suppliers

- Establishing lasting relationships
- Working together with simplified terms
- Ways of working that comply with the Groceries Supply Code of Practice

See page 17 for more detail

Shareholders

- A strong balance sheet
- A cash generative business with low levels of debt
- Sales, profit and dividend growth

See pages 18 to 20 for more detail

Environmental and social value

- Making a positive contribution to society
- Reducing plastic, minimising food waste, and taking care of the environment
- Respecting human rights and ethical trading practices

See pages 21 and 22 for more detail