

THIS DOCUMENT IS IMPORTANT and requires your immediate attention. If you are in any doubt about the action you should take, you should immediately consult your stockbroker, solicitor, accountant or other independent professional adviser authorised under the Financial Services and Markets Act 2000. If you have sold or transferred all of your registered holding of ordinary shares in the Company, please pass this document and accompanying form of proxy to the person through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

Notice of Annual General Meeting 2017

Wm Morrison Supermarkets PLC

Andrew Higginson
Chairman



The 2017 AGM will be held at the Company's headquarters at:

Hilmore House
Gain Lane
Bradford
West Yorkshire
BD3 7DL

11.00am on Thursday,
15 June 2017

Wm Morrison Supermarkets PLC
Company Number: 358949
Registered Office:
Hilmore House, Gain Lane,
Bradford, West Yorkshire, BD3 7DL
Registered in England and Wales
Telephone: 0845 611 5000

Dear Shareholder

I am pleased to invite you to this year's Annual General Meeting ('AGM'). The AGM is an important occasion for the Board to listen to shareholders, and we strongly encourage you to attend, raise questions and vote at this meeting.

Full details of the meeting, including details of the resolutions to be considered are set out in this document. The Annual Report and Financial Statements 2016/17 are available to view on the Morrisons website at www.morrisons-corporate.com/annual-report-2017 which is easily navigable.

If you intend to come to the AGM, please sign your attendance card and bring it with you to the meeting to help speed up the registration process.

Whether or not you will be attending the AGM, I would urge you to vote. You can do so in one of the following ways:

- The quickest way to vote is to register your proxy vote electronically by logging on to our Registrars' website, www.capitashareportal.com, or by using the services offered by Euroclear UK & Ireland Limited for members of CREST.
- Alternatively, you can complete, sign and return the form of proxy enclosed with this letter.

If you have not already done so, may I take this opportunity to encourage you to arrange to have your dividends paid directly into your bank or building society account. This approach is more secure than receiving a cheque by post and means that you will receive cleared funds automatically on the payment date. To do this, please contact Capita Asset Services, whose contact details can be found on page 8 of this Notice.

As is required every three years, we are presenting a new Directors' remuneration policy for your approval at the AGM. As part of the

renewal process, we engaged with a number of our major shareholders and consensus both internally and externally was that minor refinements would help support execution of our 'Fix, Rebuild and Grow' strategy. Full details are provided in the Directors' remuneration report on pages 33 to 46 of the Annual Report and Financial Statements 2016/17.

As the rules of the Company's 2007 Long Term Incentive Plan are also due to expire, we are also presenting a separate binding vote for adoption of a new Long Term Incentive Plan on principally the same terms as the expiring one.

Recommendation

Having listened hard to our shareholders, the Board believes that all the resolutions proposed at the AGM are in the best interests of the Company and its shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of each of the resolutions proposed, as they intend to do in respect of their own shareholdings.

In accordance with current best practice and to ensure voting accurately reflects the views of shareholders, voting on the resolutions proposed at the AGM will be conducted by poll vote rather than by a show of hands and the relevant procedures will be explained at the meeting.

This is my third AGM as Chairman of the Company, and I, along with my Board colleagues, look forward to seeing you there.

Yours faithfully

Andrew Higginson
Chairman

Notice is hereby given that the seventy seventh Annual General Meeting ('AGM') of Wm Morrison Supermarkets PLC (the 'Company') will be held at Hilmore House, Gain Lane, Bradford, West Yorkshire, BD3 7DL on 15 June 2017 at 11.00am for the following purposes:

Ordinary business

To consider and, if thought fit, to pass the following resolutions which will be proposed as ordinary resolutions:

1

Report and accounts

To receive the Company's audited Annual Report and Financial Statements 2016/17 for the 52 weeks ended 29 January 2017, together with the Strategic report, the Directors' report and the report of the auditors thereon. The Directors are required to present these to the AGM.

2

Directors' remuneration report

To approve the Directors' remuneration report (excluding the Directors' remuneration policy which is set out on pages 37 to 41 of the report and is proposed as Resolution 3 of this Notice) for the 52 weeks ended 29 January 2017 as set out on pages 33 to 46 of the Annual Report and Financial Statements 2016/17.

Note: This vote is advisory, and the Directors' entitlement to remuneration is not conditional upon it. This resolution is put annually as required by the Companies Act 2006.

3

Directors' remuneration policy

To approve the Directors' remuneration policy, the full text of which is contained in the Directors' remuneration report for the 52 weeks ended 29 January 2017, as set out on pages 37 to 41 of the Annual Report and Financial Statements 2016/17.

Note: This vote is a binding vote. Once the Directors' remuneration policy is approved the Company will not be able to make a remuneration payment to a current or future Director or a payment for loss of office to a current or past Director, unless that payment is consistent with the policy or has been approved by a resolution of the members of the Company. If approved by shareholders, the directors' remuneration policy will take effect immediately after the end of the AGM. This resolution should be put at least every three years as required by the Companies Act 2006.

4

Adoption of the 2017 Long Term Incentive Plan

To approve and establish the rules of the 2017 Wm Morrison Supermarkets Long Term Incentive Plan (LTIP), the principal terms of which are summarised on pages 6 and 7 of this document and in the form produced in draft to the meeting and for the purpose of identification initialled by the Chairman of the meeting, and to authorise the Directors to do all acts and things which they may consider necessary or desirable to bring the LTIP into effect.

Note: The LTIP replaces the existing Long Term Incentive Plan rules that expired this year. The Remuneration Committee has concluded that shareholder approval should be sought at the AGM to ensure that the LTIP operates consistently with the revised remuneration policy. The summary of the LTIP is set out on pages 6 and 7 of this document.

The rules of the LTIP will be available for inspection at the Company's registered office and the offices of Ashurst LLP during normal business hours from the date of this notice until the date of the AGM and will be available for inspection at the place of the meeting for at least 15 minutes prior to and during the meeting.

5

Final Dividend

To declare a final dividend of 3.85p per ordinary share payable on 29 June 2017 to ordinary shareholders on the register of members at the close of business on 26 May 2017.

Note: The proposed final dividend will bring the total dividend for the year to 5.43p per ordinary share. Dividend warrants will be posted on 29 June 2017 to those ordinary shareholders registered at the close of business on 26 May 2017. Statements and, if applicable, share certificates for participants in the dividend reinvestment plan will be posted within 14 days of the payment date.

Election/re-election of Directors

Resolutions 6 – 12 are separate resolutions to re-elect our Directors. The Chairman is satisfied that, following individual performance evaluations, each Director standing for re-election continues to perform effectively and demonstrate full commitment to his/her role.



6

To re-elect Andrew Higginson as a Director

Andrew joined the Group as Deputy Chairman and Chairman Elect in October 2014 and became Chairman in January 2015. He is a member of the Nomination, Remuneration and Corporate Compliance and Responsibility Committees. Andrew is currently the Chairman of N Brown Group PLC and a Non-Executive Director of Woolworths Holdings Limited (South Africa). Andrew was previously a Non-Executive Director of both the Rugby Football Union and McCurrach UK Limited, the Chairman of Poundland Group PLC and Senior Independent Director of BSkyB PLC. Andrew was an Executive Director at Tesco PLC for 15 years.



7

To re-elect David Potts as a Director

David joined the Group as Chief Executive Officer on 16 March 2015. He is a member of the Corporate Compliance and Responsibility Committee. David is a vastly experienced retailer who joined Tesco PLC at the age of 16 and worked there for 39 years. He rose to become CEO of its Ireland business, its UK retail stores business and then CEO of Tesco Asia. David was also on the Tesco PLC Board from 1998 until he left in 2011. Prior to

his appointment as CEO of Morrisons, David held several advisory positions with a number of private equity and consultancy firms and developed his own retail concept to sell general merchandise. He also worked on two extensive retail projects in the UK.



8

To re-elect Trevor Strain as a Director

Trevor joined the Group in June 2009 as Commercial and Operations Finance Director. In June 2011, he became Finance Director Corporate and took responsibility for the Company's productivity programmes. Trevor joined the Board as Chief Financial Officer on 10 April 2013. Prior to joining Morrisons, Trevor worked for Tesco PLC in a number of roles until his appointment as UK Property Finance Director in 2006 and subsequently UK Planning and Reporting Finance Director. Trevor began his career with Arthur Andersen and is a member of the Institute of Chartered Accountants in England and Wales.



9

To re-elect Rooney Anand as a Director

Rooney joined the Board as a Non-Executive Director and Senior Independent Director on 1 January 2016. He is a member of the Nomination, Remuneration and Corporate Compliance and Responsibility Committees. Rooney is a highly experienced retail and fast moving consumer goods executive. Following a career with United Biscuits and then Sara Lee, he joined Greene King PLC in 2001 as Managing Director of its brewery company. He was appointed CEO of Greene King in 2005, a role he currently holds. Rooney is credited

with changing Greene King from a regional brewery and pub business, to a brand-led pub, restaurant and hotel operator. In 2015 he completed Greene King's £770m takeover of the Spirit Pub Group, which made Greene King the largest managed pub group in the UK.



10

To re-elect Neil Davidson as a Director

Neil joined the Board as a Non-Executive Director on 1 October 2015. He became Chairman of the Corporate Compliance and Responsibility Committee on 1 January 2016, and is a member of the Audit, Nomination and Remuneration Committees. Neil has had an extensive career in manufacturing, starting with Northern Foods PLC where he rose to become Managing Director of its milk division. He subsequently became CEO of Express Dairies PLC and then Arla PLC. He has also been a Non-Executive Director of Persimmon PLC and Northern Recruitment Group PLC and the Chair of Leicestershire County Cricket Club. He is currently the Chairman of Produce Investments PLC.



11

To re-elect Belinda Richards as a Director

Belinda joined the Board as a Non-Executive Director on 1 September 2015. She is a member of the Audit, Nomination, Remuneration and Corporate Compliance and Responsibility Committees. She became Chair of the Audit Committee on 1 January 2016. Belinda worked in professional services for over 25 years, where she operated as a senior advisor in corporate finance and strategy. She was a corporate finance partner at Deloitte and Global Head of Merger and Separation Advisory Services

until 2010. Belinda is currently the Senior Independent Director of Grainger PLC where she also chairs the Remuneration Committee, a Non-Executive Director of Aviva UK Life & Pensions and a Non-Executive Director of Monks Investment Trust PLC. Belinda serves on the Advisory Group of Audit Committee Chairmen at the Financial Reporting Council and is a member of the Governing Council of the Centre for the Study of Financial Innovation, a not for profit think tank focussed on research in Financial Services.



12

To re-elect Paula Vennells as a Director

Paula joined the Board as a Non-Executive Director on 1 January 2016. She is a member of the Audit, Nomination, Remuneration and Corporate Compliance and Responsibility Committees. Paula is currently Chief Executive of the Post Office, a role she has held since April 2012. Paula joined the Post Office in 2007. Previously she was Group Commercial Director of Whitbread PLC having started her career with Unilever and L'Oréal. Paula has also held directorships in sales and marketing with a number of major retailers including Dixons Stores Group and Argos. She is Non-Executive Chair of First Rate Exchange Services Limited.

13

Reappointment of auditors

On the recommendation of the Audit Committee, to re-appoint PricewaterhouseCoopers LLP as auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next AGM at which accounts are laid before the Company.

14

Auditor's remuneration

To authorise the Directors to fix the remuneration of the auditors.

15

Political Donations

That, in accordance with sections 366 and 367 of the Companies Act 2006 (the 'Act'), the Company and all companies that are its subsidiaries when this resolution is passed are authorised to:

- (a) make political donations to political parties or to independent election candidates not exceeding £50,000 in total;
- (b) make political donations to political organisations (other than political parties) not exceeding £50,000 in total; and
- (c) incur any political expenditure not exceeding £50,000 in total,

during the period beginning with the date of the passing of this resolution and ending on, the earlier of the conclusion of the next Annual General Meeting of the Company and 30 June 2018. For the purpose of this resolution 'political donation', 'political party', 'political organisation', 'independent election candidate' and 'political expenditure' are to be construed in accordance with sections 363, 364 and 365 of the Act.

Note: Part 14 of the Act contains restrictions on companies making political donations or incurring political expenditure. It is the policy of the Company not to make, and indeed the Company does not make, donations to political organisations or incur political expenditure in the ordinary sense and has no intention of using the authority for this purpose. However, the definitions contained in the Act are capable of a very wide interpretation and sponsorships, subscriptions, payment of expenses, paid leave for employees fulfilling public duties, and support for bodies representing the business community in policy review or law reform (such as industry forums) are examples of activities that may fall within these definitions.

Thus, to avoid the possibility of inadvertently contravening the Act, the Company is seeking authority under this ordinary resolution on a precautionary basis to allow the Company or any of its subsidiaries to fund donations or incur expenditure up to a limit of £50,000 per annum for each category of donation or expenditure as set out in the resolution. This authority will expire at the close of the next AGM, or, if earlier 30 June 2018.

Special business

Resolutions 16 to 19 (inclusive) constitute special business. Resolution 16 is proposed as an ordinary resolution and resolutions 17 to 19 are special resolutions. The special resolutions require a 75% majority of votes to be passed by way of a poll vote.

16

General authority to allot shares

That the Directors be generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the 'Act'), in substitution for all existing authorities to the extent unused, to exercise all powers of the Company to allot shares and grant rights to subscribe for, or convert any security into, shares up to an aggregate nominal amount (within the meaning of section 551(3) and (6) of the Act) of £77,853,967, provided that this authority shall expire at the conclusion of the next AGM or, if earlier, on 30 June 2018 (unless renewed, varied or revoked by the Company prior to or on that date), save that the Company may, before such expiry, make an offer or agreement which would or might require relevant securities to be allotted or rights to be granted after such expiry and the Directors may allot relevant securities or grant rights to subscribe for or to convert any security into shares, in pursuance of such offer or agreement as if the authority conferred by this resolution had not expired.

Note: This resolution is an ordinary resolution to authorise the Directors to allot shares and grant rights to subscribe for, or convert any security into, shares up to an aggregate nominal amount of £77,853,967 of the share capital of the Company representing approximately one third of the issued ordinary share capital as at 27 April 2017 (being the last practicable day prior to publication of this document). It replaces the authority granted at the AGM of the Company held on 9 June 2016. It will run until the earlier of the close of the next AGM and 30 June 2018. Save in relation to shares to be issued under the Company's share option and incentive schemes, the Directors have no present intention of exercising this authority. If they do exercise the authority, the Directors intend to take note of relevant corporate governance guidelines in the use of such powers.

As at 27 April 2017, the Company holds no treasury shares.

17

Authority to purchase Wm Morrison Supermarkets PLC shares

That the Company be generally and unconditionally authorised for the purposes of section 701 of the Companies Act 2006 (the 'Act') to make market purchases (as defined in section 693(4) of the Act) of any of its ordinary shares of 10p each in the capital of the Company ('ordinary shares') on such terms and in such manner as the Directors see fit, and where such shares are held as treasury shares, the Company may use them for the purposes of its employee share schemes, provided that:

- (i) the maximum aggregate number of ordinary shares hereby authorised to be purchased is 233,561,903;
- (ii) the minimum price (excluding expenses) which may be paid for each ordinary share is its par value;
- (iii) the maximum price (excluding expenses) which may be paid for each ordinary share is an amount equal to the higher of: (a) 105% of the average of the middle market quotations for an ordinary share of the Company as derived from the Daily Official List of the London Stock Exchange PLC for the 5 business days before the day on which such share is contracted to be purchased; and (b) the value of an ordinary share calculated on the basis of the higher of the price quoted for the last independent trade and the highest current independent bid for an ordinary share on the trading venue where the purchase is carried out;
- (iv) the authority hereby conferred shall expire at the conclusion of the next AGM of the Company or, if earlier, on 30 June 2018 (unless renewed, varied or revoked by the Company prior to or on that date); and
- (v) the Company may make a contract to purchase its own shares under the authority hereby conferred prior to the expiry of such authority and may after such expiry make a purchase of its own shares in pursuance of such contract as if this authority had not expired.

Note: This is a special resolution to renew and extend the authority given at the AGM held on 9 June 2016 for the Company to purchase its own shares in the markets up to a limit of 10% of its issued ordinary share capital as at 27 April 2017 (being the last practicable day prior to the publication of this Notice). The resolution is proposed to ensure the Directors have the flexibility to act in the Company's best interests if the requirement arises. No purchase will be made unless the Directors are satisfied that a purchase would result in an increase in expected earnings per share and would be in the interests of shareholders generally.

Any shares purchased under this authority will either be treated as cancelled or held as treasury shares. Listed companies, with authorisation from shareholders, may buy and hold their shares in treasury instead of cancelling them immediately. Shares held as treasury shares can in the future be cancelled, re-sold or used to provide shares for employee share schemes.

As at 27 April 2017 (being the last practicable day prior to the publication of this Notice), options to subscribe for shares in respect of a maximum 100,129,479 ordinary shares of 10p each in the Company were outstanding, which if exercised would represent approximately 4.29% of the issued ordinary share capital at that date (excluding treasury shares). If the Company were to purchase its own shares to the fullest possible extent of its authority from shareholders (existing and being sought) this number of outstanding options could potentially represent approximately 4.76% of the issued ordinary share capital of the Company (assuming cancellation of such shares on purchase).

18

Disapplication of pre-emption rights

That, subject to the passing of resolution 16 above, the Directors be given the general power pursuant to sections 570(l) and 573 of the Companies Act 2006 (the 'Act') to:

- (a) allot equity securities (as defined by section 560 of the Act) of the Company for cash pursuant to the authority conferred by resolution 16 above; and
- (b) sell ordinary shares (as defined in section 560(l) of the Act) held by the Company as treasury shares for cash,

in either such case as if section 561 of the Act did not apply to any such allotment or sale, provided that this power shall be limited to the allotment of equity securities for cash and the sale of treasury shares:

- (i) in connection with or pursuant to an offer or invitation to acquire equity securities in favour of holders of ordinary shares in proportion (as nearly practicable) to the respective number of ordinary shares held by them on the record date for such allotment or sale (and holders of any other class of equity securities entitled to participate therein or if the Directors consider it necessary, as permitted by the right of those securities) but subject to such exclusions or other arrangements as the Directors may consider necessary or appropriate to deal with fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of or the requirements of any regulatory body or stock exchange in any territory or any other matter whatsoever; and

- (ii) in the case of the authorisation granted under resolution 16 above (or in the case of any sale of treasury shares), and otherwise than pursuant to paragraph (i) of this resolution 18, up to an aggregate nominal amount of £11,678,095.

and shall expire at the conclusion of the next AGM of the Company or, if earlier, on 30 June 2018 (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted for cash, or treasury shares sold after such expiry and the Directors may allot equity securities, or sell treasury shares in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

Note: This resolution is a special resolution to authorise the Directors to allot equity securities or sell treasury shares for cash and otherwise than to existing shareholders pro-rata to their respective holdings. It replaces the authority granted at the AGM of the Company held on 9 June 2016. Apart from rights issues or other pre-emptive offerings, this authority will be limited to up to an aggregate nominal value of £11,678,095 of the ordinary share capital (representing 5% of the issued ordinary share capital as at 27 April 2017, being the latest practicable date prior to publication of this document). The Directors will have due regard to the Pre-Emption Group 2015 Statement of Principles in relation to any exercise of this power and in particular they do not intend to issue more than 7.5% of the issued ordinary share capital of the Company for cash on a non-pre-emptive basis in any rolling three-year period, without prior consultation with shareholders.

19

Notice period for general meetings

That a general meeting, other than an AGM, may be called on not less than 14 clear days' notice.

Note: This is a special resolution to renew and extend until the close of the next AGM the authority given at the AGM held on 9 June 2016 to enable the Company to call General Meetings, other than the Annual General Meeting, on 14 clear days' notice. The shorter notice period would not be used as a matter of routine for such meetings, but only where the flexibility is merited by the business and is thought to be to the advantage of shareholders as a whole.

By Order of the Board

Jonathan Burke
Company Secretary
11 May 2017

Registered Office
Hilmore House
Gain Lane
Bradford
West Yorkshire, BD3 7DL
Registered in England and Wales: 358949

Summary of the 2017 Wm Morrison Supermarkets Long Term Incentive Plan

1. Introduction

The 2017 Wm Morrison Supermarkets Long Term Incentive Plan (the 'Plan') will permit the grant of conditional share awards and nil-cost options (together referred to as 'Awards') over ordinary shares ('Shares') in the Company. The Plan will also permit, in appropriate circumstances the grant of retention awards. The Plan will be administered by the Remuneration Committee of the Board (the 'Committee').

2. Eligibility

All employees within the Company's group (the 'Group'), including executive directors, will be eligible to participate in the Plan. The Committee will determine which employees will be granted Awards and what type of Awards will be granted.

3. Grant of Awards

Awards will normally be granted within 42 days of: (i) the announcement of the Company's results for any period; (ii) a general meeting of the Company; or (iii) the lifting of any restrictions on dealing in Shares. Awards may also be granted at other times if the Committee determines that there are exceptional circumstances. No Awards can be granted under the Plan more than ten years after it is adopted by the Company.

4. Plan limits

The use of Shares which are newly issued or transferred from treasury under the Plan is limited to 10% of the issued share capital of the Company from time to time, taking into account Shares issued or to be issued or transferred from treasury over the previous ten-year period under all employees share plans adopted by the Company. Within this limit, not more than 5% of the issued share capital of the Company from time to time may be used under the Plan or under any other employee share plan adopted by the Company and operated on a selective basis. Shares subject to options or awards which have lapsed or been surrendered are excluded when calculating these limits. The use of Shares from treasury may be disregarded if institutional investor guidelines are amended to permit this.

5. Individual limit

The maximum value of shares which may normally be subject to an Award granted to an employee in respect of any financial year will be 300% of the employee's annual basic salary (as at the date of grant).

6. Performance condition

The vesting of Awards will normally (other than in the case of retention awards) be subject to the satisfaction of a performance condition which will be stated at the date of grant. The Committee will determine any performance condition that will apply to an Award and whether and to what extent any performance condition has been satisfied. The Committee may, in appropriate circumstances, amend a performance condition provided the amended condition is no more difficult to satisfy than the original condition.

7. Normal vesting

Awards will normally vest, subject to the satisfaction of the applicable performance condition, on the third anniversary of their date of grant (the 'Normal Vesting Date'), provided that the participant is still employed by the Group at that time. The Shares in respect of which a conditional share award has vested will be delivered to the participant within 30 days of vesting. The Shares in respect of which an option has been exercised will be delivered to the participant within 30 days of the date of exercise. Once an option has vested, it will normally remain exercisable until the tenth anniversary of its date of grant. The Committee may determine that a participant will receive a cash payment equal to the value of the Shares that would have been received instead of Shares or the net (after tax) number of Shares following the vesting of a conditional share award or the exercise of an option.

Performance conditions applying to initial awards granted following shareholder approval of the Plan will be based on the measures and targets set out below:

Metric	Weighting	Threshold 25% of total award	Maximum 100% of total award
Total sales (excluding VAT & fuel)	40%	£400m	£750m
Free cashflow	40%	£600m	£800m
Underlying EPS growth (annual growth rate)	20%	+5%	+10%

Note: Straight-line vesting in-between

Definitions:

- Total Sales Growth: The change in total sales (excluding VAT and fuel), over the three-year period
- Free cash flow: operating cash flow* plus net proceeds from sale of properties (excluding store sale and leasebacks) less capital expenditure (excluding onerous capital payments)

*operating cashflow is EBITDA plus movements in operating working capital adjusted for non-cash charges as set out in the notes to the financial statements

8. Payment on account of dividends

Following the vesting of a conditional share award or the exercise of an option, a participant may, if the Committee so determines, receive in respect of the Shares acquired cash or further Shares equal in value (so far as possible) to any dividends paid or payable between the date of grant of the Award and the date of vesting.

9. Malus

The Committee may reduce (including to zero) the number of Shares subject to an Award following the grant of the Award but before vesting of the Award (or exercise of an option) in circumstances where the Committee determines such action is justified.

10. Clawback

The Committee may at any time within a period determined at the date of grant of the Award (which will normally be two years following the Normal Vesting Date), require the participant to repay any number of Shares (or cash amount) received in respect of the Award in circumstances where the Committee determines such action is justified.

11. Cessation of employment before the Normal Vesting Date

If a participant ceases to be employed within the Group before the Normal Vesting Date of an Award because of death, injury, ill health, disability or redundancy, or because of the sale of the participant's employing company or business out of the Group or for any other reason (except for dishonesty, fraud, misconduct or any other circumstance justifying summary dismissal) determined by the Committee, the participant's Award will vest on the Normal Vesting Date or, at the discretion of the Committee, on the date of cessation. In such circumstances, options will remain exercisable for a period of six months after vesting. If a participant ceases employment before the Normal Vesting Date in other circumstances, the participant's Award(s) will lapse, unless the Committee determines otherwise. If a participant ceases employment after the Normal Vesting Date of an option, the option may be exercised for the period of six months (twelve months in the case of death) following cessation and will then lapse.

12. Change of control or winding-up of the Company

If there is a change of control or winding-up of the Company, Awards will normally vest at the time of, and options will be exercisable for a limited period following, the relevant event. The Committee may decide that Awards will not vest on a change of control but will, with the consent of the acquiring company, be exchanged for equivalent awards over shares in the acquiring company or another company. In the event of a Company reorganisation or merger, where the shareholders of the acquiring company are substantially the same as the Company's shareholders immediately before the change of control, Awards will not vest but will be exchanged for equivalent rights.

13. Extent of vesting if vesting is before the Normal Vesting Date

If an Award vests before its Normal Vesting Date (following a participant's cessation of employment or a change of control) the Award will vest to the extent determined by the Committee, taking into account the extent that the applicable performance condition has been satisfied, and the number of Shares in respect of which the Award will vest will be pro-rated to take account of the time elapsed between the date of grant and the date of the relevant event (save that the Committee may determine that an Award will vest as to a greater or lesser number of Shares if it believes there are circumstances that warrant such a determination).

14. Other provisions

Awards are not pensionable benefits and may not be transferred, assigned, charged or otherwise disposed of to any person (other than to a personal representative on the death of a participant). No consideration will be payable by participants for the grant of an Award.

The Committee may adjust the number and/or type of shares comprised in any Award and, if appropriate, the exercise price of an option, to take account of any variation in the share capital of the Company so that the underlying economic value of the Award remains unchanged.

The Committee may amend the rules of the Plan, provided that no amendment to the advantage of participants or employees may be made to the provisions relating to who is eligible to participate in the Plan, the limit on the number of Shares that can be issued or transferred from treasury under the Plan, the maximum entitlement for any one participant, the basis for determining a participant's entitlement to acquire Shares and the terms on which they can be acquired or to the share capital variation adjustment provision, without the prior approval of the shareholders of the Company in general meeting, unless the amendment is minor and made to benefit the administration of the Plan, or to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment.

The Committee may establish additional schedules of the Plan to operate the Plan outside the UK. A schedule may vary the rules of the Plan to take account of any securities, exchange control or taxation laws or regulations in an overseas jurisdiction. However, no schedule may increase the individual limit on the size of an Award and any Shares made available under any schedules will count towards the overall limit on the number of Shares which may be used under the Plan.

1) Members are entitled to appoint a proxy/proxies to exercise all or any of the rights to attend, speak and vote on their behalf at the meeting. To appoint more than one proxy or to request a personalised proxy form, contact the Registrars for (an) additional proxy form(s) or you may photocopy the form enclosed with your Notice of Meeting. If you appoint more than one proxy, each proxy must be appointed to exercise the rights attached to a different share or shares held by you. Please indicate in the box next to the proxy's name the number of shares in relation to which they are authorised to act as your proxy. Please also indicate by ticking the box provided if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope. A proxy need not be a member of the Company. To be valid the form of proxy or other instrument appointing a proxy must be completed and lodged with the Registrars of the Company not later than 11.00am on 13 June 2017. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies, will take precedence. A proxy should either be submitted by post on the enclosed form of proxy using the pre-paid envelope or via the internet at www.capitashareportal.com where full instructions are given. This address is given only for the filing of proxies for the AGM and not for any other purpose. If you choose to appoint a proxy electronically you will need your unique investor code which is printed on the form of proxy. Return of a completed proxy form, internet proxy or any CREST proxy instruction (as described below) will not prevent a member attending the meeting and voting in person if he/she wishes to do so. Further details relating to proxies are set out in the notes on the enclosed form of proxy. Completion of a form of proxy, or other instrument appointing a proxy or any CREST proxy instruction, will not preclude a member attending and voting in person at the meeting if he/she wishes to do so.

2) CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic appointment service may do so for the AGM and any adjournment(s) thereof by utilising the procedures described in the CREST Manual (available via www.euroclear.com/CREST) subject to the provisions of the Company's articles of association. CREST personal members or other CREST sponsored members and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a 'CREST proxy instruction') must be properly authenticated in accordance with Euroclear UK and Ireland Limited's ('Euroclear') specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent, Capita Asset Services, (ID RA10) by the latest time for receipt of proxy appointments specified in the notice of AGM (Note 1). For this purpose, the time of receipt shall be taken as the time (as determined by the timestamp applied to the message by the CREST applications host) from which the issuer's agent (Capita Asset Services) is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note

that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s) to procure his/her CREST sponsor or voting service provider(s) take(s)) such action as is necessary to ensure that a message is transmitted by means of the CREST system by a particular time. In this connection, CREST members and, where applicable, CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST proxy instruction in the circumstances set out in Regulation 35(5) of the Uncertificated Securities Regulations 2001.

3) The Company specifies that in order to have the right to attend, speak, ask questions and vote at the meeting (and also for the purpose of calculating how many votes a person entitled to attend and vote may cast) a person must be entered on the register of holders of the ordinary shares of the Company no later than close of business on 13 June 2017 or, in the event of any adjournment, at close of business on the date which is two days before the adjourned meeting. Changes to entries on the register after this time will be disregarded in determining the rights of any person to attend or vote at the meeting.

4) Members wishing to attend the AGM in person should sign their attendance card and hand it in on arrival. The registration desk will open at 10.00 am.

5) Any member attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

6) A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share. It is no longer necessary to nominate a designated corporate representative.

7) The right to appoint proxies does not apply to persons nominated to receive information rights under section 146 of the Companies Act 2006. Persons nominated to receive information rights under that section who have been sent a copy of this Notice are informed that they may have a right under an agreement with the registered member by whom they were nominated to be appointed, or to have someone else appointed, as a proxy for the purposes of this meeting. If they have no such right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the member on the exercise of voting rights. Nominated persons should contact the registered member by whom they were nominated in respect of these arrangements.

8) The total issued share capital of the Company as at 27 April 2017 (being the last practicable day prior to the publication of this Notice) was 2,335,619,034 ordinary shares of 10p each carrying one vote each. On 27 April 2017 the Company did not hold any shares in treasury.

9) Members should note that, under section 527 of the Companies Act 2006, members meeting the threshold requirements set out in that section have the right to require the Company to publish

on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006, (in each case) that the members propose to raise at the AGM. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at future AGMs will include any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.

10) Copies of the Executive Directors' service contracts, copies of the terms and conditions of appointment of Non-Executive Directors and the 2017 WM Morrison Supermarkets Long Term Incentive Plan (LTIP) will be available for inspection from the date of this notice until the close of the AGM at the registered office of the Company during normal business hours on any weekday, except Saturdays, Sundays and English public holidays and will be available for inspection at the place of the meeting for at least 15 minutes prior to and during the meeting. The LTIP will also be available for inspection at the offices of Ashurst LLP, Broadwalk House, 5 Appold Street, London EC2A 2HA during normal business hours except Saturdays, Sundays and English public holidays from the date of this notice until the close of the AGM.

11) Voting on the resolutions proposed at the AGM will be conducted by poll vote rather than by a show of hands, ensuring that every vote is recognised and giving a more accurate reflection of the views of members. The relevant procedures will be explained at the meeting.

12) A copy of this notice, and other information required by section 311A of the Companies Act 2006, can be found at www.morrisons-corporate.com.

13) Shareholders are advised that, unless otherwise specified, the telephone numbers, website and electronic addresses (within the meaning of section 333(4) of the Companies Act 2006) set out in this Notice or proxy forms are not to be used for the purpose of serving information or documents on the Company, including the service of documents or information relating to proceedings at the Company's AGM.

Registrars contact information

Capita Asset Services

The Registry

34 Beckenham Road

Beckenham

Kent

BR3 4TU

Telephone: 0871 664 0300

Overseas: +44 371 664 0300

Calls cost 12p per minute plus your phone company's access charge.

Calls outside the United Kingdom will be charged at the applicable international rate.

Lines are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales.

www.capitaassetservices.com

shareholderenquiries@capita.co.uk