



Morrisons

Sustainability

Report

2023/2024



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From market hall to superstore

1899

STALL OPENS IN BRADFORD MARKET

It all began when William Morrison opened his first market stall, selling eggs and butter.

1961

FIRST SUPERMARKET OPENS

Sir Ken opens his first store, selling fresh meat, fruit, vegetables, and other provisions.

1980

FRESH FOOD PRODUCTION BEGINS

Farmers Boy, a purpose-built fresh food factory, opens as a wholly-owned subsidiary of Morrisons.

2008

ABATTOIR AT SPALDING ACQUIRED

An additional abattoir is acquired, enabling Morrisons counters to sell 100% British Meat.

2001

MORRISONS JOINS THE FTSE 100

Following a 35-year record of sales and profit growth since going public, Morrisons joins the FTSE 100.

1999

100TH STORE OPENS

Morrisons opens a store in Erith, its first store in the South of England, and opens its 100th store in Nelson.

2011

MORRISONS FLOWERWORLD OPENS

Trained florists make fresh flower bouquets, which are sold throughout Morrisons stores.

2014

ONLINE FOOD DELIVERIES BEGIN

Using technology developed by Ocado, Morrisons launches its much-anticipated online food delivery service.

2019

FREE RANGE EGGS

We reached our target to sell 100% free range own brand eggs, five years ahead of plan.

2024

MORRISONS CELEBRATES 125 YEARS

To mark the milestone, the Morrisons Foundation donates £1m to charities across the country to help improve spaces in and around communities.

2023

'MORE REASONS' LAUNCHES

Our new brand visual identity, 'More Reason to Shop at Morrisons', and our new loyalty scheme, 'Morrisons More', launch to deliver even further savings to our customers.

2022

MCCOLLS WHOLESALE AGREEMENT EXTENDED

The wholesale supply agreement with McColl's is extended to 2027 and 300 McColl's shops will be converted to Morrisons Daily convenience stores.

Introduction

ABOUT MORRISONS

Founded in 1899, Morrisons is a retailer, distributor, wholesaler and food manufacturer. We focus on offering the right price for our customers, having friendly in-store colleagues, and providing a great choice of fresh, sustainably sourced, high-quality produce with strong links to local British growers and farmers.

Morrisons has a rich history that dates back to 1899 when William Morrison first opened an egg and butter stall in Bradford. 125 years on, customers continue to enjoy our great quality British food and our Market Street heritage is clear to see in our circa 500 stores where skilled colleagues such as our butchers, fishmongers, and bakers proudly make and serve customers fresh food every day.

As well as our supermarkets, we also have 1,600 Morrisons Daily convenience stores - around 600 of which are franchise stores - and an online delivery service where our customers can order their groceries from the comfort of their own home and have them delivered by us or one of our partners including Amazon, Deliveroo and Just Eat.

We also have our own manufacturing business - Myton Food Group - spread across 18 sites where we pack and process fresh meats and fish, savoury and sweet pies, fruit and veg, flower bouquets, bread and more.

OUR PURPOSE:

**Making good food
affordable for everyone**

**More reasons to shop
at Morrisons**

2023/2024 business highlights

2,500 More Card prices implemented across our supermarkets

We work closely with around **3,000 farmers** across the UK, and we announced a 5% store discount for farmers

Extended our partnership with Uber Eats to around **400 supermarkets**

Deliveroo is now available in over **500 convenience stores**

We launched our Aldi and Lidl Price Match in February, which now covers **500** essential and popular products

Our Sir Ken Morrison Leadership School for colleague development is now onto its third cohort with plans for a total of **over 1,000 students** to have either graduated or be in the school by the end of 2024/25



Our commitment to sustainability

A MESSAGE FROM RAMI BAITIÉH, OUR CHIEF EXECUTIVE:

“This has been a year of positive progress for Morrisons, made possible by the dedication of our colleagues and suppliers and the loyalty of our customers.

This year we spent more time listening to our customers than ever, inviting customers to join us in roundtables to gain insights on how we can improve. Our annual customer insight survey provides valuable feedback on corporate responsibility issues and helps us to shape our approach. Customers want to know that the products they are buying are safe, nutritious, and sourced sustainably. It is also important to our customers that we operate responsibly, treat our people well, and contribute to a better future. This means we need to work hard

for the good of the environment, our customers, our colleagues, the people who work in our supply chain, and our local communities. We deliver this through our Sustain programme. This year we reviewed and updated our Sustain Strategy, focussing on 5 Chapters with 5 respective goals in each. This enables us to optimise our business practices, supplier relationships, services, and products to achieve more sustainable outcomes for all our stakeholders.

This report highlights the many milestones and achievements from the last financial year. Together we have achieved so much, and I am excited to see what the next year will bring.”



A MESSAGE FROM ANDREW EDLIN, OUR HEAD OF SUSTAINABILITY:

“Our 2023 to 2024 financial year has been a busy and rewarding year for our Sustainability team. This year we spent time reviewing and redeveloping our Sustain strategy, ensuring this meets the needs and demands of all of our stakeholders including our customers, colleagues, suppliers, investors and other partners.

Our new approach is based around 5 chapters, each with 5 respective goals. This has helped to provide clarity internally and externally on our targets and ambitions, and the steps we need to take to reach these targets. More information on our updated approach is available on pages 8 and 9 in this report.

Our commitment to tackling the climate crisis remains one of our top priorities and as such 'Climate' is a chapter of our Sustain programme. We are delighted to share that we've achieved a 22% reduction in our total carbon footprint since 2019.

Our commitment to reducing plastic packaging remains strong. We are proud to offer a market-leading range of loose fresh produce, with up to 76 varieties of loose fruit and veg across our stores in 2024.

We recognise that we still have a long way to go to reach our targets and contribute to the broader sustainability goals of our country and the global community. We remain focussed on delivering on our commitments, and playing our full part alongside others in our industry to collaborate, together making progress on large topics.

We're excited to have you join us on this journey, and we commit to reporting transparently on our progress and the challenges we face along the way.”

Our strategy

Our Sustain purpose is creating value for our stakeholders while earning the trust of our customers.

To achieve this, we need to grow sustainably with a positive supply chain impact while also fully supporting the communities we serve. This year we reviewed our approach to sustainability and restructured our Sustain programme to ensure we consistently deliver on our ambitions and focus on the key issues that matter most to our customers and our wider stakeholders.

We now have 5 chapters of our Sustain programme. These chapters are aligned with earning and keeping the trust of our customers. Each chapter has 5 goals and is supported by our Sustain workstreams, each of which have a director level sponsor and are managed with a 1 and 3 year plan with measurable milestones. Reporting, disclosures and communications are managed by our sustainability team. This is all overseen by our Sustain Steering Group, which is run 6 times a year to support positive growth and clear action.

Our sustain chapters

01 

Reducing energy use and impact on the climate

Net zero operational emissions by 2035

46% reduction in scope 1&2 emissions by 2030

Reducing our scope 3 emissions in line with our SBTi target

Net zero in our direct UK agriculture supply chain by 2030

We will decarbonise our transport and logistics operations in line with our SBTi climate targets

02 

Reducing packaging, waste, and water

50% reduction in our own brand plastic packaging

We will reduce our total packaging weight by **20%**

50% reduction in food waste in our stores by **2030**

We will actively contribute to the WRAP goal that

50% of UK fresh food will be sourced from areas with sustainable water management by 2023

We will **substantially increase water use efficiency** by **2030**

03 

Sustainable and responsible sourcing

Zero deforestation by 2025 for palm oil, soya, and timber products

100% of fish and seafood to be sourced from verified responsible sources where viable

Working with farmers we know and trust, we will align to the **5 domains for animal welfare**

Our Sustain program supports the **regeneration and protection of nature**

Everybody who helps make our products is **treated with dignity** and respect, in safe and fair workplaces

04 

Supporting healthy and sustainable diets

We will support our customers to make informed choices and eat according to recommendations of the Eatwell Guide

We will grow sales of fruit, veg and fibre and support positive nutrition development

We will help our customers make more **sustainable dietary choices**

We will continue to improve access to affordable food for more people.

We will produce transparent and responsible **nutrition reporting**

05 

Building an inclusive culture and delivering social impact

We continue to foster a culture where everyone is **welcome and celebrated**

Raise £15 million for our charity partner Marie Curie by 2027

Tackle food poverty Through redistribution initiatives and facilitation of customer donations

Support good causes in the communities we serve with **£2million in donations from the Morrisons Foundation**

We engage our stakeholders on **sustainability**

Our year in review

By working collaboratively, our colleagues and partners have made fantastic progress on Sustain, even reaching some of our milestones sooner than expected.

IN 2023/24, THE SUSTAINABILITY SUCCESSES WE'RE MOST PROUD OF INCLUDE:

600+ tonnes

of food donated to communities and good causes in 2024 from our supermarkets.

Measured and re-baselined our Scope 3 emissions.

22%

Reduction in absolute total carbon footprint since 2019, including a 21% reduction on scope 3.



40.7%

Reduction in our plastic packaging since 2017.

Launched 'Meat free Mondays' for our More Card members.

£734,420

Raised for Together for Short Lives at the Morrisons Big Night Out.



Chapter 1: Energy and climate

With climate change causing rising temperatures and disruptions across the globe, we understand the need to act quickly, and reduce our carbon emissions. We understand the need to act and reduce our carbon emissions. We are committed to playing our part in decarbonising our own operations and across our supply chain - installing energy efficient technologies across our stores, and reducing the energy we consume through better practices.

OUR TARGETS

- 1. Net zero operational emissions by 2035 (Scope 1 and 2) from a 2019 baseline.
- 2. 46% reduction in Scope 1 and 2 emissions by 2030 delivered through annual energy plans.
- 3. Reduce our own brand Scope 3 emissions by 30% by 2030 from a 2019 baseline.
- 4. Net zero emissions in our direct UK agriculture supply chain by 2030.
- 5. We will decarbonise our transport and logistics operations in line with our SBTi targets.

OUR PROGRESS

- We've reduced our total carbon emissions by 22% since our 2019 baseline year.
- Our Scope 3 emissions have reduced by 21% since our 2019 baseline year.
- Our operational emissions (Scope 1 and 2) have been reduced by 26.75% since 2019 baseline.
- Energy use reduced by 1.4% compared to the previous year.
- Through our School of Sustainable Food and Farming, we launched Morrisons Sustainable Farm network in 2024, where we hosted numerous meetings in our Morrisons Cafés to discuss how our farmers can take action on their own farms to drive reductions in emissions.
- Delivered our first Carbon Clarity workshop with the Royal Countryside Fund to 20 farm businesses.
- During FY23/24 we invested £2m in underwriting the cost of carrots and potatoes.

ENERGY EFFICIENCY IN OUR OWN OPERATIONS

To enable growth, whilst reducing our impact on the environment, during FY23/24 we have continued to invest in energy efficient technology and generate our own power.

This is supported by a detailed roadmap to achieve our scope 1 and 2 emissions targets, focusing on reducing baseline consumption through colleague behaviour and remote control of assets, installing energy efficient technology and generating our own power through on site generation where possible.

This year we have upgraded additional sites to LED lighting with improved control and dimming capability, rolling out new HVAC control to a further 10% of the estate to improve remote heating and ventilation controls, and retrofitted sites with doors on refrigerators. We now have over 108 sites with solar panels installed, which generated over 18.7GWh of energy during FY23/24.

Within FY23/24 our Scope 1 emissions increased by circa 7.2% compared to the previous reporting period. This is due to increased refrigerant gas top ups throughout the year as part of our programme to improve the efficiency and increase the lifetime of the equipment. We also have improved data accuracy, capturing data that was previously estimated.

Carbon emissions in our supply chain

This year we recalculated our 22/23 carbon emissions with an updated scope 3 model and rebaselined our 2019 footprint to reflect business changes. We've reduced our Scope 3 emissions by 21% since our 2019 baseline, which demonstrates good progress towards our 2030 interim target.

We continue to progress with our engagement with suppliers and their disclosure of site level emissions through Manufacture 2030. This allows us to more readily identify hotspots and opportunities to work with our suppliers to decarbonise our value chain. This year we

used the data from Manufacture 2030 to feed into our revised Scope 3 model for the first time, ensuring accurate primary data is used. During FY23/24 over 200 suppliers reported data to us utilising M2030. Our emissions across our value chain account for approximately 98% of our carbon footprint, so it's important for us to drive action in this area. To do this we are dependent on accurate data from our supplier, enabling us to identify hotspots.

We know that collaboration across our sector is essential to drive action, as such we actively participate in working groups such as WRAP's Climate Action Programme and BRC Food Net Zero Group. For further information on our partnerships and collaboration please see page 31.

We've also started our updated SBTi target calculations ready for submission. We expect to submit and receive approval for these targets in 2024/2025.

Net zero agriculture

We continue to work towards our ambition towards a net zero UK agriculture chain.

We also have an overall ambition to source from nature-positive farms that care for the world around them. As such, our Net Zero Agriculture programme goes beyond lowering emissions and includes soil health, tree planting, and landscape management.

We have continued to work with Map of Ag, building up several years worth of farm baseline emissions data. Baseline emissions footprinting is still being rolled out across our supply base, enabling us to work with individual farms to develop action plans.

To further support our supplying farms on their journey to net zero farming, we launched the Morrisons Sustainable Farm Network in 2024. An initial cohort of over 70 farmers from across Morrisons supply chain will join the sustainable farm network in its first year, supported by Harper Adams University's School of Sustainable Food and Farming and Map of Ag. The Morrisons Sustainable Farm Network will provide expert advice and ensure farmers have access to the latest insight to help them on their journey to a more sustainable future.

We continue to work in collaboration with the Royal Countryside Fund on our Carbon Clarity programme. This initiative provides small family dairy and livestock

farms with an introduction to on-farm carbon reduction opportunities through a group workshop, one-to-one support, and assistance in creating a carbon 'action plan'.

The first of these workshops was delivered in October 2023 to over 20 farm businesses. This session discussed why managing carbon was important, sources of emissions and sequestration on farm, and practical mitigation options.

To directly address methane emissions in our beef supply chains, we are part of an ongoing partnership with Queen's University Belfast to explore the use of seaweed to reduce methane production in cattle. Early indications and tests have been positive, we are planning further testing during 2025.

We are the first retailers in the UK to have eggs certified as lower carbon with our 'Better For Our Planet Eggs', now available in over 115 stores. This is a key milestone towards our net zero ambition and towards implementing a sustainable range for our customers. Our farmers achieved this by introducing soy-free feed, maintaining the health and welfare of the hens, using a carbon footprint management plan, and regenerative farming techniques.

Partnerships

Sea Forest

USING RED SEAWEED IN LIVESTOCK FEED TO REDUCE METHANE EMISSIONS

Working with Sea Forest, we have recently been trialling the introduction of seaweed into cattle feed to help work towards our ambition of net zero carbon emissions. This type of feed has been shown to reduce methane emissions of cattle up to 67%. This is a huge carbon reduction opportunity and will allow our customers to choose lower carbon beef in our stores, and contribute to a lower carbon future.



Myton Food Group

DECARBONISATION OF FARMER'S BOY GREENSIDE

This year our Farmer's Boy Greenside site in Bradford, part of our Myton Food Manufacturing facilities, worked with Bradford Manufacturing Futures - a Local Industrial Decarbonisation Plan UK Research and Innovation bid, to undertake a decarbonisation survey. This resulted in a decarbonisation pathway which was produced using site energy data, and costed capital projects with feasibility testing.



Chapter 2: Packaging, waste, and water

Packaging waste, food waste, and over-use of water are becoming increasingly critical issues as we approach planetary boundaries. Vast amounts of waste contribute to pollution via our oceans and landfill sites, while overexploitation of water strains freshwater resources and amplifies water scarcity. This means that it is essential to manage our waste and water sustainably to minimise our impacts on the environment.

OUR TARGETS

- 1. 50% absolute reduction in own brand primary plastic packaging versus 2017.
- 2. We will reduce our total packaging weight by a minimum of 20%.
- 3. 50% reduction in food waste in our stores by 2030 from a 2016 baseline and significantly reduce cost of food waste.
- 4. Morrisons actively contributes to the WRAP goal that 50% of UK fresh food will be sourced from areas with sustainable water management by 2030.
- 5. By 2030, we will substantially increase water-use efficiency across the business in line with SDG6.

OUR PROGRESS

- We have now reduced our plastic packaging by 40.7% from our 2017 baseline.
- In FY23/24 we donated over 640 tonnes of surplus food from our logistics and manufacturing sites to charity, the equivalent of 1.5million meals.
- We donated over 600 tonnes of food to local charities and good causes from our supermarkets.

PLASTICS AND PACKAGING

We are continuing to minimise our plastic and packaging usage across the business. This includes reducing our overall packaging and plastic used to manufacture our products, as well as ensuring our products can be recycled, reused, and home composted.

So far, we have reduced the amount of plastic packaging in our own-brand by 40.7% since 2017. 25.6% of plastic used in our own brand packaging contains recycled content, and 89.7% is recyclable, reusable or compostable.

We have ambitious plans for the year ahead to further reduce our use of plastic packaging.

As of 2023, we have eliminated 1 billion single-use plastic items since 2017.

During FY23/24 we reduced the amount of plastic used in the packaging of our steaks, replacing a plastic tray with a laminated cardboard tray. We also changed our mushroom packaging to a recyclable plastic tray and made each tray lighter. Our salad trays were also changed to a recyclable material which is also made from recycled material.

In addition to reducing plastic and improving the recyclability of our own

brand packaging, we continue to review all our packaging and ensure we remain focussed on overall packaging reductions wherever viable. An area where we focus on reducing packaging is our produce lines, during 2024 we sold a market leading 76 varieties of loose fruit and vegetables.

We work closely with WRAP and other industry bodies to ensure we remain focussed on the right topics and collaborate to drive change across the sector.

FOOD WASTE

Since setting our target to halve food waste by 2030, we have reduced our annual food waste by over 4,500 tonnes. We are over halfway towards reaching our target, but we recognise that there is still a lot of work to be done to reduce food wasted in all of our operations.

In 2024 we extended our partnership with Too Good To Go, a food surplus

redistribution initiative, to include 930 Morrisons Daily stores. In total across our supermarket and convenience stores we have saved more than 2 million Surprise bags since the beginning of our partnership in 2019, marking a huge waste reduction achievement for us.

In 2024 over 800 tonnes of food nearing the end of it's life was sold via Too Good To Go for less than half the original value, allowing customers to enjoy this food at a fraction of the usual price.

We've also been working to tackle food waste generated at all steps in the value chain, beyond just our retail stores.

MORRISONS & PODBACK

A SUCCESSFUL TRIAL

After taking on board vital feedback from our customers, we began a trial in several stores across the UK to enable customers to recycle coffee pods in our stores. Since the launch, we have recycled over 5.8 million coffee pods. We also recycle the coffee inside each pod, which is almost 90 tonnes in total. Our collaboration with Podback, the UK's coffee pod recycling service, will be available in over 400 stores by March 2025. The coffee pods are saved from landfill and incineration, and they can be reused and recycled into aluminium, recycled plastic and compost.



Saving Food Waste in the Field

We have a long standing partnership with The Bread and Butter Thing, a community-led charity to reduce food waste. Since 2021, we have supplied the equivalent of **25 million meals** to The Bread and Butter Thing, with a record-breaking 10 million meals provided in 2024 alone.

To tackle waste within the value chain, our Technical Teams began introducing The Bread and Butter Thing to valued produce suppliers in 2023. This has resulted in The Bread and Butter Thing **saving over 900 tonnes** of ‘field waste’ fruits and vegetables from 11 different suppliers.



CORONATION FOOD PROJECT

From November 2023, we have partnered with FareShare and Newton on the Coronation Food Project to reduce food waste and help communities in need, by pledging 500,000 meals to the initiative. We have achieved this by capturing surplus vegetables, including carrots, onions, and potatoes, which are able to be diverted to those in need.

WATER

We are signatories to the Courtauld 2030 Water Roadmap, which is a robust plan with key milestones to support organisations to sustainably manage their water-use. This means that we will actively contribute to the WRAP goal that 50% of UK fresh food will be sourced from areas with sustainable water management.

We are additionally involved in a number of water stewardship projects with WRAP and WWF. These are collaborative efforts to improve water regulation located in water-stressed areas within Spain, South Africa, and England. So far, we have invested in three key fresh produce sourcing areas to support sustainable water management and stewardship, as well as protecting biodiversity.

OPERATIONAL WATER USAGE

We internally monitor our water usage across all operations and use this data to identify any high consumption to alert our manufacturing sites to early identification of leaks. We have also reviewed all Manufacturing sites for water-saving opportunities. In FY23/24 we used 4,616,978 m3 of water across the Morrisons portfolio, a **6% reduction versus the previous financial year**.

WATER STEWARDSHIP PROGRAMME

Within Myton manufacturing, we have 3 colleagues participating in a Water Stewardship Programme in Yorkshire. This is a 12 week course whereby colleagues will learn best international practice in water stewardship, with specialist 1 to 1 mentorship support to build an action plan for continuous improvement in water reduction. They will also develop vital skills in conservation, water mapping, and planning. This is a fully funded programme, and is running in collaboration with Business Stream, 20Fifty Partners, Yorkshire Water and Market Improvement Fund. The course aims to pioneer the way for other water retailers to invest in similar stewardship programmes.



Chapter 3: Sourcing sustainably

We're working hard to ensure that our products are sourced responsibly and sustainably, meaning we are prioritising ethical production practices and reducing our environmental impacts at the farming level. Sustainable sourcing includes deforestation and land conversion, production of seafood, biodiversity and nature, ethical trading, and animal welfare. It is vital that we focus on building resilient sourcing practices as this contributes to a more transparent, ethical and environmentally friendly supply chain system.

OUR TARGETS

- 1. Zero deforestation by 2025 with 100% certified sustainable supply chains in relevant commodities: Palm Oil, Soya, and Timber products.
- 2. 100% of our fish and seafood will come from third-party verified responsible sources where viable.
- 3. Working with British farmers we know and trust, we will align with the 5 domains.
- 4. Our sustain programme supports the regeneration and protection of nature.
- 5. Everyone who helps make our products is treated with dignity and respect, in safe and fair workplaces.

PALM OIL

We require that all palm oil and derivatives used in food and non-food own brand products be certified by the Roundtable on Sustainable Palm Oil (RSPO) to support sustainable and responsible production of palm oil. **Our Palm Oil Policy is available here** and provides further detail.

Our overall use of palm oil and derivatives is decreasing. In 2023 we used 11,128 tonnes of palm derived ingredients in our products, whereas in 2024 we used 9,959 tonnes of palm derived ingredients in our products, a decrease of 10.5%. In 2024, our palm oil was 99% RSPO certified and 90% RSPO segregated.

OUR PROGRESS

- Our overall palm oil and palm oil derivatives use has decreased by 10.5% from 2023 to 2024
- Updated our human rights risk assessment during FY23/24 with an expanded scope to ensure we maintain focus on the highest risk supply chains.
- 99% of cotton in our Nutmeg clothing was certified by the Better Cotton Initiative in 2024.
- Viscose used in our Nutmeg clothing was 83% responsibly sourced in 2024.
- 97% of farmed seafood was certified to a Global Sustainable Seafood Initiative recognised standard in 2024
- We have published the details of all our tier one manufacturing sites on the Open Supply Hub.

DEFORESTATION

We want to source our key ingredients responsibly, and with the minimum impact on the planet. By 2025, we aim to ensure that all key risk commodities are responsibly sourced, with a 2020 cut-off date, with zero deforestation or conversion of land that has high conservation value. Our sourcing policies provide more detail on how we plan to achieve this.



SOY

Soy is an incredibly valuable and versatile commodity and is a core component of farmed animal feeds. Due to agricultural expansion to meet the demand for soy, it is a large contributor to deforestation and land-use change. In 2024 51% of our soy was sustainably sourced. This is soy that is either sourced by our suppliers from a low risk origin, certified sustainable to a European Feed Manufacturers Federation (FEFAC) benchmarked standard or supported by Round Table on Responsible Soy (RTRS) regional credits.

We need a collaborative industry approach to tackle this problem and ensure all UK suppliers are purchasing soy from verified deforestation and conversion free sources. As such, we are founding members of the UK Soy Manifesto and also members of the UK Roundtable on Sustainable Soy. For further details on our collaborations and partnerships **please see page 31**.

BIODIVERSITY AND NATURE

We recognise the intrinsic interconnection between the climate, nature, and the major role that agricultural production plays in both. That's why we take a holistic approach to supporting biodiversity. Our efforts primarily focus on reducing deforestation and land conversion, carbon emissions, sustainable water management, supporting marine life, and further environmental issues. Our approach involves delivering key actions, working with farmers, growers, and the wider value chain to protect natural habitats, encourage biodiversity and enhance soil health.

In 2023, we teamed up with Downforce Technologies to assess soil carbon and biodiversity trends on five of our supplier farms. We continue to support farmers in transitioning to more regenerative agriculture principles through the School of Sustainable Food and Farming, as well as several other initiatives. Read more about these in the Farming and Agriculture section of this report.

During 2024 we decided to become an adopter of the Task Force on Nature-related Financial Disclosures (TNFD). Starting from our 2024/2025 financial year, we'll be reporting on nature and biodiversity impacts to drive positive, nature-led change for our planet.

In addition, we have the ambition to write and publish a complete and comprehensive biodiversity policy. This will ensure we are integrating nature-related changes across the value chain to support the protection and regeneration of nature, one of our key Chapter 3 targets.

For more information on our multifaceted approach to biodiversity, please see our **human rights policy**, **water policy**, **pesticide policy**, and **deforestation and land conversion policy**.



BEEF

In 2020, we introduced a new policy requiring that by 2025, none of our own brand corned beef products be sourced from deforestation and land conversion risk areas. 100% of our fresh beef on counters is British, and therefore not linked to deforestation, and can be traced back to the source farm.

FISH AND SEAFOOD

We operate our own seafood facilities in Grimsby and Cornwall, supplying over 80% of the fish, seafood, and shellfish we sell, ensuring a high level of control and assurance. To support responsible sourcing, we rely on third-party certifications and follow strict guidelines outlined in our Fishing Policy.

We are supporting the fishing industry by forming critical partnerships, strategic investments, and ensuring traceability throughout supply chains.

Find out more details on the next page.

Partnerships and investments



PROJECT UK FISHERIES – ROUND 2

We proudly partner and invest in Project UK, a collaborative community that allows us to work directly with fisheries and help them deliver fishery improvement projects (FIPs). Since 2017, Project UK has supported six FIPs covering king scallops, monkfish, lemon sole, plaice, crab, European lobster, and Nephrops (Dublin Bay prawns). A further two projects began in 2019, and all projects ended in 2024. The findings of these projects allow us to create a robust action plan for each fishery, which supports sustainable changes. The outset of Round 1 and 2 FIPs allowed for 64 key actions to be generated, and has resulted in 52 score improvements.



GSSI

We partner with and invest in the Global Sustainable Seafood Initiative (GSSI) to promote sustainable and responsible sourcing of our fish and seafood. 97% of our farmed seafood was certified to a GSSI-recognised standard in 2024.



SSC

We have helped develop and are committed to the Sustainable Seafood Coalition's (SSC) codes of conduct. The SSC is a pre-competitive collaboration that helps to establish consistency across sourcing and labelling within the seafood supply chain.



GTA

We support the Global Tuna Alliance (GTA), an independent group of retailers and supply chain companies, to collaborate and advocate for more sustainable Tuna sourcing. All of the Tuna used in our own-brand products in 2023/2024 was pole and line caught, without the use of fish aggregating devices (FADs) or sourced from Marine Stewardship Council (MSC) certified sustainable fisheries.



NAPA

We have helped to establish the North Atlantic Pelagic Advocacy group (NAPA), a supply chain-led initiative which has developed two formal fishery improvement projects. Our participation in NAPA is vital in informing our approach to sustainable seafood sourcing.



SEA Alliance

Morrisons joined the Seafood Ethics Action Alliance (SEA Alliance) in 2024. SEA Alliance is a pre-competitive collaboration of retailers and seafood businesses aiming to strengthen human rights due diligence carried out in the global seafood supply chain, and ensure respect for human rights.



ODP

Transparency is crucial in the seafood industry for ensuring sustainability, combating illegal fishing and labor abuses, and building consumer trust. In 2015, Morrisons became one of the first companies to disclose its seafood sourcing list through the Ocean Disclosure Project (ODP). This disclosure represents both wild caught and farmed fish and seafood used in Morrisons products and includes minor ingredients. Our 2024 disclosure can be found [here](#).

Human rights

OUR GOAL

Everyone who helps make our products is treated with dignity and respect in safe and fair workplaces.

We take our responsibility to respect human rights across our entire value chain seriously. Together with our suppliers we are committed to upholding the UN Guiding Principles on Business and Human Rights. Our approach is also underpinned by the principles of the Universal Declaration of Human Rights and core International Labour Organisation standards. Our ethical compliance monitoring program currently encompasses:

- **1,117** tier-one factories processing locations
- **52** countries
- **480,000+** workers

We continue to deliver internal training to ensure we conduct business in a responsible and ethical manner, including Anti-Bribery and Corruption, Right to Work, Respect in the Workplace, Whistleblowing, and Preventing Hidden Labour Exploitation. For our wider operations, we have recently updated our Modern Slavery Statement, which forms the basis for our ongoing work to address the risk of modern slavery and exploitation. Over the 2023/24 period, over 9000 colleagues in our manufacturing and logistics operations have taken part in our modern slavery training and briefings.

Our Ethical Trading Policy and Ethical Trading code set out our approach to monitoring, managing and mitigating human rights risks. Both documents and additional responsible sourcing policies are available on our website.

We source from a diverse range of countries, cultures and regulatory environments. It is therefore essential for us to understand where we may adversely affect individuals or communities and prioritise our efforts in the right areas.

During FY23/24 we commissioned Ergon to update our independent risk assessment to deepen our understanding of highest risk commodities in our own brand supply chain. This was completed with an expanded scope to include additional products and countries. The assessment comprised desk-based research using recognised data sources to identify key risks including modern slavery across 40 commodities and geographies. Combining this desk based research and stakeholder engagement, we identified specific commodities where there is higher modern slavery and human rights risk. We have prioritised our mitigation and improvement activity in these key supply chains, strengthening our established tier one compliance programme.

100%

of our own-brand tea, coffee, and hot chocolate are either **Rainforest Alliance** or **Fairtrade certified**



We require suppliers of our own-brand products and their manufacturing sites to join the Supplier Ethical Data Exchange (Sedex) and use it to share data with us. Our focus is on the suppliers with highest risk and our strategic suppliers. Suppliers that are categorised as high and medium risk must also regularly carry out an independent, third-party ethical audit.

CROSS INDUSTRY COLLABORATION AND TRANSPARENCY

Working in partnership is an important part of how we approach sustainable and responsible sourcing. Our ambition is to support change by working together.

Our most prominent and primary-level human rights risks are labour exploitation in UK agriculture and food processing, migrant worker exploitation in Southern European agriculture, and forced and bonded labour in the Chinese and Indian manufacturing sectors. We know we cannot effectively tackle these risks alone, and as such we choose to work in close collaboration with key external partners, including NGOs, social enterprises, charities, and multi-stakeholder initiatives/groups. Together we support wider advocacy and drive positive change into our supply chains.

We also remain actively involved in industry groups and collaborative initiatives that promote best practices, such as the Groceries Supply Code of Practice (GSCOP), Ethical Trading Initiative (ETI), Food Network for Ethical Trade (FNET), Modern Slavery Intelligence Network (MSIN), and Seafood Ethics Action Alliance (SEAA).

To ensure transparency in our supply chain, we support several initiatives, including the Open Supply Hub and Ocean Disclosure Project. In our Chinese supply chains, we continue to work in close partnership with the Mekong Club and The Centre for Child Rights and Business.

During FY23/24 we published the details of all of our tier 1 manufacturing sites, capturing our Nutmeg clothing range and our own brand food and non-food products, increasing the transparency of our supply chain. These are available on the **Open Supply Hub site** and this will be updated biannually.

We acknowledge that there is still more to do and that even with these collaborative efforts, long term sustainable and responsible effective solutions take time to deliver.

SEASONAL WORKER SCHEME TASKFORCE

There are concerns about the risks faced by migrant workers with temporary visas particularly during peak seasons in sectors like UK farms, logistics sites, and manufacturing. We understand that such workers may be more vulnerable to exploitation due to travel and recruitment fees, language barriers, lack of knowledge and dependence on employers. To mitigate these risks, we have continued our Seasonal Worker Scheme (SWS) Taskforce to ensure responsible employment and protect workers' rights and safeguard against exploitation in the UK agricultural sector.

The Taskforce's mission is to collaboratively develop and implement tangible actions to safeguard and ensure access to workers' rights in the UK SWS and wider UK horticulture.

Our taskforce now encompasses over 60 members, including retailers, growers, suppliers, Scheme Operators, industry and membership associations, as well as non-governmental and intergovernmental organisations.



ANIMAL WELFARE



We continuously strive to improve the standards and reporting of animal health and welfare in our supply chain and through third-party suppliers. Our policies are based on the 'Five Domains' established by the Farm Animal Welfare Council in 1979:

Our standards cover the physical and mental health and wellbeing of farm animals and the ability of each species to express specific behaviours and positive experiences. We have a zero-tolerance approach to breaches of our animal welfare standards and work closely with suppliers to ensure these standards are clear and audited.

100% of our own brand meat, fresh milk, dairy products, shell egg and fish products are assured to an approved standard of farm production, which include specific animal welfare requirements. All our accepted, certified farm assurance schemes can be found in the Key Animal Welfare Policies section of our farming website.

In 2024 we committed to ensuring all of our own-brand fresh chicken will be grown with over 20% more space than the industry standard of 38kg/m2. We've already been reducing our chicken stocking density over a number of years, however challenges in planning permission have resulted in it taking longer to achieve the 30kg/m2 density than we expected. We are on track to reach this milestone by early 2025.

100% of our own-brand shell eggs are cage-free (achieved five years ahead of target). As of 1st July 2024, our ingredient egg supply chain remains 60.2% cage-free, in 2023 supply chain shortages drove a slight decline in eggs sourced from cage free production systems.



We publish a separate Animal Welfare report on our website each year, **please see this for further information.**

Chapter 4: Supporting healthy and sustainable diets

At Morrisons, we want our customers to have access to healthy and sustainable foods, that are at the best price and at high quality. We are collectively working towards more nutritious options by removing calories, offering more fibrous, protein-rich ranges, and much more to help our customers embrace a healthier diet and protect our environment.

We are always looking for new products and ways to support our customers to make positive nutritional choices, and eat according to the recommendations of the Eatwell Guide. Our Nutrition policy continues to be informed by the Eatwell guidance, **the latest version of our Nutrition Policy is available here.**

This year we maintained 69% of our own-brand volumes, excluding produce, classed as non-HFSS (high in fat, salt and sugar). This exceeded our target of 65% for the second year in a row, demonstrating our commitment providing customers with healthy choices.

Whilst the Food Foundation's "Pea's Please" campaign has now ended, we are continuing to follow the principles of the pledges and support increased sales and consumption of vegetables. In FY23/24 33% of our total own brand sales (by tonnage) were fruit and vegetables.

The availability and visibility of these products in our stores help to promote healthier eating habits among our customers, we encourage this further by providing free fruit for kids in-store.

We utilise our healthier living icon across our own brand products to signpost our customers to identify healthier choices. In order for a product to have the healthier living logo, it must meet the criteria set by our in house Nutrition experts. The criteria is based on an amalgamation of the UK Nutrient Profiling Model, the French Nutri-Score methodology and the Australian Health Star Rating (HSR) methodology. You'll find this icon across our un-processed core staples, including lean protein rich meats, vegetables and fruits.

In 2025 we will be evolving the Healthier Living logo and introducing more specific 'Nourish' ranges, which will focus on key areas of health. This will include protein rich, gut health and immunity boosting products, which will be available in stores by Summer 2025. These products have been developed to make it easier to choose healthy options.

OUR TARGETS

1. We will support our customers to make informed choices and eat according to recommendations of the Eatwell Guide.
2. We will grow sales of fruit, veg, and fibre and support positive nutrition developments.
3. We will help our customers make more sustainable dietary choices.
4. We will continue to improve access to affordable food for more people.
5. We will produce transparent and responsible nutrition reporting.



OUR PROGRESS

- During FY22/23 69% of our own-brands sales were non-HFSS, maintaining the same position as the previous year.
- In FY22/23 our vegetable sales were 10% of total food sales.

Our own brand 'Plant Revolution' range launched in 2021, aims to make plant-based products more accessible to our customers. Not only are plant-based foods healthier than some other options, but they can help to reduce GHG emissions.

Studies also show that a diet based on the **Eatwell Guide** has an appreciably lower environmental impact than the current average UK diet.

We remain committed to responsible marketing of our products across our store and online and comply with relevant legislation. During 2024, we began a research project with the Institute of Grocery Distribution (IGD) and Leeds University to understand the impact of HFSS legislation on our customers.

We also report on voluntary industry nutrition targets and continue to work collaboratively with the government as further nutrition targets and strategies are developed.



We collaborate with several organisations to improve public health, including the British Nutrition Foundation, The British Retail Consortium (BRC) and IGD. We actively contribute to the BRC's nutrition working group and IGD's nutrition forum group.

We share knowledge to help support a 'whole systems' approach, including with the Department of Health and Social Care, the Department for Environment, Food and Rural Affairs and the Food Standards Agency. We also support several key organisations, charities, and academic and research institutions that provide evidence-based health information and support scientific communication and education about health.



Food safety

We want to understand our customers' needs when it comes to product development, so that we can incorporate innovative, high-quality and cost-effective products into our stores. Reviews of customer needs and wider food trends has allowed us to pinpoint food safety as one of our customers' highest priorities.

FOOD PREPARATION AND PRODUCT DEVELOPMENT

Ensuring safety of our products requires a robust system to prevent food contamination, promote good hygiene practices, manage temperature control and pest control. That's why all of our store colleagues are trained in food safety and hygiene, and those working in food preparation such as Market Street, must obtain a further externally accredited food safety qualification. We regularly audit our stores to ensure compliance against our standards. Our retail food safety systems are designed to meet all legal requirements and take account of industry guidance and codes of practice. This is in addition to the routine inspections carried out by environmental health officers, which further supports our customers' health and safety.

We have also worked endlessly to develop an extensive Morrisons Own Brand Food Manufacturing Standard for our own brand suppliers and manufacturing sites. This involves a set of rigorous requirements for our suppliers to ensure high-quality. This is reviewed on a regular basis to ensure all relevant legislative and industry standards are being met, as well as regular audits against suppliers to ensure end-to-end compliance. Further to this, all of our manufacturing sites of Morrisons own brand must

meet and gain certification with the Brand Reputation Compliance Global Standard. We also have a number of product-specific requirements and codes of practice, which we work with our suppliers on to ensure they are delivering.

For our suppliers of fresh produce across the globe, they are audited annually to maintain Global Good Agricultural Practice standards, Red Tractor Assurance (UK only), or an Organic certification. This ensures high agricultural standards, animal welfare, food safety, hygiene and much more.

PRODUCT SPECIFICATIONS

We use a rigorous product specification system for every own-brand product, which defines the unique product safety and quality attributes required for that product. Our product specifications encompass four primary areas; consumer safety, operator safety, residues (such as pesticides), and environmental impact. We regularly check that products meet the specifications via thorough assessment of risks, quality, chemical and microbiological assessments.

Chapter 5: Building an inclusive culture and delivering social impact

Diversity, ethical trading, community, charity, and people are essential for our business, and we want to create an environment where everyone is valued and treated safely and fairly. We are committed to driving positive change for all of our stakeholders and empowering people throughout our value chain by building an inclusive culture and delivering social impact.

OUR TARGETS

1. We continue to grow a culture where everyone is welcome and celebrated.
2. Raise £15m for our charity partner Marie Curie by 2027 while also supporting charity appeals which resonate with customers and colleagues.
3. Tackle food poverty through redistribution initiatives and facilitation of customer donations.
4. Support good causes in the communities we serve with £2m in donations from the Morrisons Foundation.
5. We engage our stakeholders on sustainability and achieve a top half performance in our chosen customer metric by 2027.



OUR PROGRESS

- During FY23/24 we raised £4.2m for our main charity partner Together for Short Lives and a further £3.3m for our charity appeal partners.
- £3.3m in annual sales of Pick Up Packs in FY23/24
- In 2023/24 the Morrisons Foundation awarded £2.3m in grants and £300,000 in matched funding.



Diversity and inclusion

What’s important to us is that every colleague in every job at every location feels valued and welcomed. We launched 5 new diversity and inclusion workstreams in 2024:

LGBT+

Our LGBT+ workstream ensures that colleagues can be their full selves and feel fully supported at work by improving our policies, products and services to ensure we’re welcoming everyone.



Family & Carers

Our Family & Carers workstream is the voice of colleagues who juggle family or caring responsibilities with working at Morrisons to make sure that we’re supporting them to be the best they can be at work and at home.

Women

Our Women workstream strives to lead on gender equality across the business by championing female talent through development programmes to increase representation.

We want Morrisons to be a place where you can be yourself, and we encourage the kind of behaviours that make it possible. This is just the beginning of our journey, we post regular updates on our workstreams and activities on LinkedIn and on our **diversity and inclusion pages** on our website.

Ethnically Diverse

Our Ethnically Diverse workstream celebrates the heritage of our customers, colleagues and communities of colour and leads on initiatives to ensure our policies, products and teams are reflective of a multicultural society.



Ability

Our Ability workstream aims to support colleagues and customers with hidden, physical or mental conditions to ensure all of our stores and workplaces are fully accessible.



OUR CHARITY PARTNERSHIP

During FY23/24 we raised £4.2 million for our main charity partner Together for Short Lives and a further £3.3 million for our charity appeal partners. 2024 marks the end of our partnership with Together for Short Lives - together our Morrisons colleagues, customers and suppliers have raised £10,722,514 for seriously ill children, their families and the children’s hospices that support them. These funds have already created an incredible legacy of support, enabling children’s hospices to deliver vital care, complete essential building work and purchase new equipment.

Our charity partnerships run for 3 years, as such in October 2024 we announced our new charity partnership is with Marie Curie. Over the next three years, Morrisons and Marie Curie aim to raise £15 million to help families get the best end of life care possible.

Morrisons Café helping to fight food poverty

In July 2024, Morrisons partnered with Kellogg’s to launch breakfast clubs in all its cafés nationwide to help families get their day off to a good start with a free bowl of cereal. Both adults and children were able to choose a bowl of cereal in any of Morrisons 397 cafes, and a free portion of fruit. Kellogg’s and Morrisons set up the breakfast club to support families during the summer holidays; research found that this can be a particularly challenging time for parents who are worried about feeding their children when many breakfast clubs they rely on during term time are not available.

We also partnered with Heinz on an initiative called ‘Ask for Henry’, which offered a free jacket potato to any customers in July in all Morrisons cafes. This was the third time we have run this initiative, in addition to our regular Kids Eat Free initiative which runs all year round. This was available to any customer with a ‘no questions asked’ approach, in response to the financial pressures the summer months can bring to our customers.

MORRISONS FOUNDATION

The Morrisons Foundation provides grants to charities in the communities we serve and matches funds raised by colleagues for charities close to their hearts. Since launching in 2015 we’ve donated over £45m.

Grants are awarded under three funding objectives•
Tackling poverty and social deprivation
• Enhancing community spaces, facilities and services
• Improving health and wellbeing.

In 2023/24 the Morrisons Foundation awarded £2.3m in grants and £300,000 in matched funding. We also launched a £1m grant fund to celebrate Morrisons 125th Anniversary. The fund saw charities nominated by our Community Champions, with 125 winners chosen by our colleagues to receive vital funds to create, sustain or repair community spaces. at school and many other donations to good causes.

You can see more of our latest grants on our **Morrisons Foundation** website.

PERIOD POVERTY

We began offering discreet free period product packages in 2021. Package for Sandy / Period product pack started in 2021 and is still going strong in our stores. We don’t track the total number of products we donate as we don’t want this to become an onerous process for stores, instead we make sure that Community Champions in store have the time to have period products available as often as they are needed.

SIR KEN MORRISON LEADERSHIP SCHOOL

We announced our Sir Ken Morrison Leadership School as part of our 125th anniversary celebrations. The school builds on Sir Ken’s innovative and hard-working spirit, and is designed to help any colleague who has what it takes to progress. It’s available to everyone, everywhere, and colleagues who meet our entry criteria and pass initial assessment can join the programme.

Governance

STRUCTURE

Our Board annually performs a full review of our Sustainability performance, goals and milestone targets and reviews any specific policies or macro changes proposed for the sustainability agenda, such as a change to Scope 3 targets. This meeting includes the CEO and CFO, Chair and Deputy Chair and representatives of the organisation’s owners, including minority stakeholders. Each quarter a formal subcommittee of the board, the “Sustain Exco” meets to review specific Sustainability performance, emerging risks and opportunities, public policy and NGO and sector information. This meeting is chaired by the Chief Executive, with the Corporate Services Director acting as Secretary and further members of the executive management team in attendance. This is supported by a Sustain Group meeting which takes place quarterly at an operational level, reviewing targets and milestones and new risks and opportunities as they arise quarterly. Issues from this group are escalated to the Sustain Exco when required.

This year for the first time, the methodology for key FY23/24 ESG metrics as requested by our investors were reviewed and approved by our Audit Committee. This is a good step for us to ensure our data points are backed by strong governance.



STAKEHOLDERS AND MATERIALITY

At the beginning of 2024 our Sustain Committee reviewed our identified stakeholder groups and agreed on seven distinct groups. These are detailed in the table below. We engage with groups that are materially impacted by our business as listed below, the degree of impact defines our levels of engagement.

	WHY THESE STAKEHOLDERS MATTER TO US	WHAT DO THEY EXPECT FROM US AS A SUSTAINABLE RETAILER	HOW WE ENGAGE WITH OUR STAKEHOLDERS	IMPORTANT TOPICS AND HOW WE’VE RESPONDED
Customers	Customers are right at the heart of our business model. We strive to continually improve our offer through competitive pricing, quality, and the overall shopping trip, which makes us accessible to more people. This supports the ongoing success of the business.	Our customers are looking for good quality products at great value prices, available when they want them. They enjoy the wide range of products on offer that have been sustainably and responsibly sourced.	<ul style="list-style-type: none">• Customer roundtables• NPS surveys• Morrisons CR survey• External survey• Customer listening	Supporting our communities with affordable food and tackling food poverty was a particularly important topic this year as customers felt the pressure of the cost of living crisis. During 23/24 we launched our price match to Aldi and Lidl, ensuring over 500 essential and popular products are the same price or cheaper. This is alongside our More Card offers which provide lower prices on 100’s of items in store and online
Colleagues	Our colleagues are united by their food maker and shopkeeper credentials. Colleagues are key to our business, and it is essential that we have an engaged workforce to deliver for our customers.	Our colleagues are looking to be trusted to do a fair day’s work for a fair day’s pay. They want Morrisons to be an inclusive place to work, where success is celebrated. They want to be supported in terms of their health, safety, and wellbeing. It is important that our colleagues have the right tools and training available to do their job.	<ul style="list-style-type: none">• Our internal YourSay forums• Internal comms• Social media• We also launched a new colleague NPS survey during FY23/24	Training and progression within Morrisons is an important topic for our colleagues. This year we launched the Sir Ken Morrison Leadership School, upskilling colleagues with leadership and technical theory relevant to their work level. This was made available to all our colleagues at all sites across Morrisons, facilitating upskilling to help colleagues move to the next work level. We also launched a confidential colleague NPS survey which is run frequently during the year, facilitating more feedback from colleagues.
Suppliers, including farmers	Suppliers are fundamental to the success of the Group as they provide us with the variety and quality of goods and services required to fulfil customers’ needs.	Suppliers want a relationship with mutual trust and respect. They want to be able to grow with us in a mutually beneficial partnership.	<ul style="list-style-type: none">• Now Soon Later Plans• Our annual supplier conference• Site visits• Direct negotiation• Agriculture shows• NFU / representative bodies	Our work with suppliers is vital to achieving our decarbonisation goals. As such our strategy and decarbonisation plans are an important topic for this group. During FY23/24 we engaged with our key suppliers on our Sustain strategy and targets through our Now, Soon, Later plans. For our farming community specifically, we launched the Morrisons Sustainable Farm Network in 2024. The school is supported by Harper Adams University’s School of Sustainable Food and Farming and Map of A to provide expert advice and insights to help them decarbonise.
Communities	It is a key part of our strategy to be locally integrated in the communities that we serve. Communities are our customers and our neighbours; therefore, we need to have respect and generate a positive impact on them. It is important that Morrisons is a responsible retailer to minimise our impact on the wider environment	Communities expect Morrisons to be a socially responsible business and operate with due diligence and respect, considerate of any impact on the surrounding area and environment we may cause.	<ul style="list-style-type: none">• Community Champions in each store• Social media• Local news	We understand the strain placed on local communities from the cost of living crisis. We support charities and local good causes from our supermarket stores and we support funding for larger projects from our Morrisons Foundation. We also redistribute surplus food wherever possible. Our supermarkets stores donated over 600 tonnes of products during the year to local charity groups
Investors	Investors provide the capital we need to run our business.	Investors expect us to deliver long term sustainable growth and create value. They expect us to manage	<ul style="list-style-type: none">• Direct meetings• Sustainability reports• Data collections• Annual report and accounts	We annually agree on a sustainability plan with our investors. We have a focus on increasing the integrity of our ESG data, as such for the first time this year the methodology for our main ESG data points was approved by our Audit Committee.
Government and regulators	Government and regulators set the laws and rules by which we operate.	Government expect us to positively contribute to shared environmental and social goals, engage with formal enquiries and adhere to legislation.	<ul style="list-style-type: none">• Formal enquiries and correspondence• Meetings• Trade associations	Our overall action on sustainability generates direct engagement with MPs, Ministers and officials via events, meetings and visits. We also regularly exchange correspondence with MP’s on specific local issues from constituencies, as well as broader topics such as tackling food waste and supporting British farming.
NGOs	NGOs give us unique first-hand insight into environmental or social issues and help to hold us to account.	NGOs expect us to prioritise environmental and social issues when doing business.	<ul style="list-style-type: none">• Enquiries• Surveys / Data collections• Sustainability reports• Collaborative projects• Meetings• Social media	We work with NGOs collaboratively on important topics for our industry. We prioritise openness and transparency with the NGOs we work with closely, keeping an open dialogue and participating in benchmarks and disclosures regularly. This year we have disclosed our Sustainability Databook for the first time, providing transparency of our Sustainability KPI’s.

TRANSPARENCY

This year we are also publishing a Sustainability Databook alongside our report, to support our information and enhance transparency. The Sustainability Databook is **available here**. The databook contains the metrics that we believe are the most relevant and material to our Sustain Programme and to our customers, suppliers, investors and other stakeholders. A selection of the metrics have limited assurance from Challenge Sustainability, the assurance statement is available in our accompanying **Sustain Databook**.

MATERIALITY

Understanding what issues are important to our stakeholders is key to us operating successfully. We assess our materiality based on feedback from our annual customer survey, supplier meetings and regular dialogue with stakeholders, NGO's and industry groups. Every year we ask our customers to rank the sustainability issues that matter to them the most. We have several years of data from this survey and as such are able to understand consistent important issues as opposed to trends, and additionally understand how the prioritisation of different issues differs between different age groups of our customers. This combined with the feedback and communication we have with other stakeholders is shared via Sustain Group meetings. The output from these forums guides our prioritisation, strategy and reporting approach.

Our most recent customer survey was conducted in January 2024, the results are below. In comparison to previous years, the top ten issues most important to our customers have broadly remained the same, although there were some slight changes.



Collaboration and partnerships

	Working to facilitate a circular economy, by reducing waste and using resources efficiently.
	Working to promote the value of the retail sector across the UK, fostering sector alignment on key sustainability challenges, and responding to Government consultations to share sector insights and outline the impact on businesses and the wider industry.
	Partnership between government, industry and experts on common definitions and disclosures for health and environment.
	Simplifying carbon data collection for suppliers across the grocery sector and provide tools to accelerate grocery supply chain decarbonisation.
	Providing grocery insights and learnings, as well as reports and analysis of trends.
	A food surplus redistribution charity offering an affordable food to low income families.
	A food surplus redistribution charity network.
	A project to mark the king's 75th birthday seeking to bridge the gap between food waste and food need across the uk.

ABOUT THIS REPORT

Morrisons 2023/24 Sustainability Report represents a summary of the progress made by the Morrisons group on environmental, social, and governance issues. Unless otherwise stated, the information included in this report covers the fiscal year 2023 – 2024. It should be read together with our **2023/24 Annual Report and Financial Statements**.

Throughout this report, we define ‘sustainability’ as a priority that guides our efforts to operate responsibly and ensure the future health of the planet and society. Led by our Sustain team and housed within our Corporate Services department, the Morrisons Sustain programme aims to ensure that the company delivers its ambitions of achieving sustainable growth with a positive supply chain impact and plays its part in supporting the lives of our colleagues and the communities we serve.

This report focuses on actions and developments for our five sustain chapters. For our many programmes, we provide information on objectives, operations, our management approach, and applicable policies, which can be accessed via links in each section. For more on our commitment to sustainability, please see our sustainability page.

We sought to prepare this report with reference to the Global Reporting Initiative (GRI) Standards (2016, 2018, 2020, and 2021). Morrisons is committed to the UN Sustainable Development Goals (SDGs), and this report serves as our communication on progress.

We have not obtained external assurance for this report, but an internal quality review has confirmed its contents.

The inclusion of information contained in this report is being made in good faith based on information that is available and is valid to Morrisons as of May 2025 (unless otherwise specified). Given the inherent uncertainty in predicting and modelling future conditions, caution should be exercised when interpreting the information provided in this report. In addition, the controls, processes, practices, and infrastructures described in this report are not intended to constitute any representation, warranty, or other assurance that these will result in any specific outcome, result, or achievement of a stated target or goal. For questions regarding Morrisons sustainability efforts or the content of this report, please email: sustainability@morrisonsplc.co.uk.

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