

Independent Assurance Statement

Scope of engagement

Challenge Sustainability Limited (“Challenge Sustainability”, “us” or “we”) were commissioned by Wm Morrison Supermarkets Ltd (“Morrisons”) with the objective of providing assurance on specified Subject Matter (defined below) within Morrisons KPIs Assured and Basis of Preparation 2023 (the “Report”). Our agreed objective was to determine whether the Subject Matter are fairly presented, in all material respects, in accordance with the reporting criteria. Our assurance engagement does not extend to information relating to earlier periods or to any other information included in the Report.

Subject Matter

The scope and boundary of our work is restricted to the following key performance indicators as reported in the Report:

- Greenhouse Gas Emissions, scope 1 and 2 (tonnes CO₂e), for the reporting periods 1st November 2022 to 31st Oct 2023
- Total Underlying Energy Use (MWh), for the reporting periods 1st November 2022 to 31st Oct 2023
- Intensity ratio (tonnes CO₂e per £m turnover), for the reporting periods 1st November 2022 to 31st Oct 2023
- Operational retail food wasted (tonnes), for the reporting period 1st Jan 2023 to 31st Dec 2023
- Morrisons own-brand primary plastic packaging that is recyclable (%), for the reporting period 1st Jan 2023 to 31st Dec 2023
- Morrisons own-brand primary plastic packaging generated (tonnes), for the reporting period 1st Jan 2023 to 31st Dec 2023

To assess the Subject Matter, which includes an assessment of the risk of material misstatement in the Report, we have used Morrisons Basis for Preparation (the “**Reporting Criteria**”), which are found within the Report. The Management of Morrisons are responsible for preparing the Report in accordance with the Reporting Criteria. We have not performed any work, and do not express any conclusion, on any other information that may be published in the Report or on Morrisons website for the current reporting period or for previous periods.

Our conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the subject matter information is not prepared, in all material respects, in accordance with the applicable criteria. This conclusion relates only to the Subject Matter and is to be read in the context of this Assurance Statement, in particular the inherent limitations explained below.

Responsibilities of the Management of Morrisons

The Management of Morrisons has sole responsibility for preparing and presenting the Subject Matter in accordance with the Reporting Criteria. Morrisons responsibilities also include maintaining effective internal controls over the information and data, resulting in the preparation of the Subject Matter in a way that is free from material misstatements.

Responsibilities of Challenge Sustainability

Our responsibility is to plan and perform our work to obtain assurance over whether the Subject Matter has been prepared in accordance with the Reporting Criteria and to report to Morrisons in the form of an independent assurance conclusion, based on the work performed and the evidence obtained. The intended users of this assurance statement are Morrisons and its stakeholders. We do not accept, or assume responsibility to anyone else, except to Morrisons for our work, for the conclusions that we have reached. We have not been responsible for the preparation of the Report.

Standards and level of assurance

For the **Subject Matter**, we performed a limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 revised – ‘Assurance Engagements other than Audits and Reviews of Historical Financial Information’ (revised), issued by the International Auditing and Assurance Standards Board. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our opinion, so that the risk of this conclusion being in error is reduced but not reduced to very low.

Inherent Limitations

All assurance engagements are subject to inherent limitations as selective testing (sampling) may not detect errors, fraud or other irregularities. Non-financial data may be subject to greater inherent uncertainty than financial data, given the nature and methods used for calculating, estimating and determining such data. The selection of different, but acceptable, measurement techniques may result in different quantifications between different entities. The procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our assurance relies on the premise that the data and information provided to us by Morrisons have been provided in good faith. Challenge Sustainability expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

Our competence, independence and quality control

Challenge Sustainability has established policies and procedures that are designed to ensure that our team maintain independence and integrity. Our quality management arrangements are at least as demanding as the relevant sections of ISQM-1 and ISQM-2 (2022). Challenge Sustainability operates under a Code of Conduct to ensure that its employees maintain integrity, objectivity, professional competence and high ethical standards in their work. Our processes are designed and implemented to ensure that the work we undertake is objective, impartial and free from bias and conflict of interest. Our management arrangements covering independence and ethical requirements are at least as demanding as the relevant sections of Parts A & B of the IESBA Code relating to assurance engagements. Challenge Sustainability had no additional engagement with Morrisons during the reporting year that would constitute a conflict of interest or otherwise compromise our independence. This engagement was carried out by an independent team of sustainability assurance professionals. Further information on our competencies and experience can be found at www.challengesustainability.com.

Basis of our conclusion

We are required to plan and perform our work in order to consider the risk of material misstatement of the Subject Matter. Our work included, but was not restricted to:

- Assessing the appropriateness of the Reporting Criteria for the Subject Matter;
- Reviewing the effectiveness of internal controls and the processes for collecting and consolidating relevant data and information;
- Conducting remote interviews with Morrisons Management to obtain an understanding of the key processes, systems and controls in place to generate, aggregate and report relevant data and information;
- Remote meetings with staff at Morrisons Head Office to review the processes for gathering and consolidating relevant data and information and checking its consolidation;
- Examining, on a sample basis, source evidence to support the reported Subject Matter, specifically to establish the relationship between data and information aggregated at Head Office level, with the data and information gathered at an operational level;
- Reviewing the evidence, measurements and their scope provided to us by Morrisons for the Subject Matter to assess whether it was prepared in line with the Reporting Criteria; and
- Reviewing the Report and narrative accompanying the Subject Matter in the Report with regards to the Reporting Criteria.

For and on behalf of:

Challenge Sustainability Limited

Challenge Sustainability

United Kingdom, 10/07/24