

The following replaces the 'Response to Pension Scheme Trustees' Statement' announcement released on 24 August 2021 at 16.55 under RNS No 6559J. This announcement is linked to Wm Morrison Supermarkets plc. The announcement text is unchanged and is reproduced in full below.

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FOR IMMEDIATE RELEASE

24 August 2021

**Recommended Offer for Wm Morrison Supermarkets plc ("Morrisons")
by Market Bidco Limited ("Bidco") (the "CD&R Offer")**

**Statement by the Trustees of the Morrisons Retirement Saver Plan
and the Safeway Pension Scheme (together the "Trustees" and the "Schemes")**

Clayton, Dubilier & Rice, LLC as manager of Clayton, Dubilier & Rice Funds XI ("CD&R") and Bidco note the announcement made earlier today by the Trustees regarding their focus on any potential impact on the sponsor covenant supporting the Schemes as a result of the CD&R Offer and their request to discuss with CD&R and Bidco an appropriate mitigation comprising additional security to provide covenant support.

As announced on 19 August 2021, CD&R recognises the strength of Morrisons' heritage, the legacy of Sir Ken Morrison and its long-term track record of working with stakeholders. CD&R has a long history of successfully partnering and caring for the wide stakeholder constituencies of its portfolio companies and its focus is on building strong, sustainable businesses for the benefit of all stakeholders. Consistent with this approach, CD&R and Bidco have set out a number of intentions as part of the CD&R Offer in relation to pension rights, the future funding arrangements of the Schemes and their desire to engage in a constructive and timely dialogue with the Trustees. The intentions set out in its announcement on 19 August 2021 comprised:

- Bidco confirms that, following the CD&R Offer becoming Effective, the existing pension rights of all Morrisons' management team and employees of Morrisons will be fully safeguarded;
- Bidco does not intend to make any change to the benefits provided by the Schemes;
- Bidco confirms that its intention is for employer contributions to the Schemes to continue in line with current arrangements; and
- Bidco looks forward to constructive engagement with the Trustees in the future.

Since its initial proposal was submitted to the Board of Morrisons on 14 June 2021, CD&R has consistently acknowledged and appreciated that the Schemes and the Trustees are important stakeholders in Morrisons. Since that time CD&R has sought guidance from the Board and management team of Morrisons on the appropriate opportunity to engage the Trustees to explain to them CD&R's proposal for Morrisons and its strategic vision for the business and intentions for stakeholders. CD&R met the Trustees on 17 August 2021 to initiate this dialogue and process. CD&R believes that it had a positive discussion with the Trustees and the dialogue is now progressing. CD&R intends to continue this dialogue to ensure that the Trustees understand and support the sponsor covenant following the completion of the CD&R Offer. CD&R understands and accepts that the Trustees consider this dialogue is likely to extend to considering arrangements which provide additional security to the Schemes through an appropriate mitigation package.

Given their position as important stakeholder in Morrisons, CD&R looks forward to further positive engagement with the Trustees and to providing the appropriate support to the Schemes and its members.

A further announcement will be made if and when appropriate.

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In accordance with Rule 26.1, a copy of this announcement will be made available, subject to certain restrictions relating to persons resident in restricted jurisdictions, on CD&R's website at www.cdr-inc.com/offer by no later than noon (London time) on the day following this announcement. The content of this website is not incorporated into and does not form part of this announcement.

Capitalised terms used but not defined in this announcement have the meaning given to them in the Rule 2.7 announcement dated 19 August 2021 relating to the CD&R Offer.