



MORRISONS

9 February 2010

Chris Hodge
Corporate Governance Unit
Financial Reporting Council
5 Floor
Aldwych House
71-91 Aldwych
London
WC2B 4HN

Dear Mr Hodge

Consultation on the Revised UK Corporate Governance Code

This letter is to set out one particular point which arises from the proposals in the latest consultation phase, in relation to re-election.

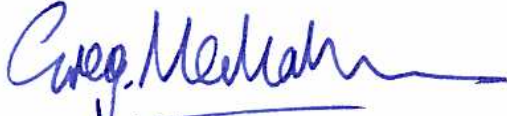
It is the view of Wm Morrison Supermarkets Plc that annual re-election of all Directors by shareholders is not appropriate since this could lead to wholly unnecessary and inappropriate campaigns against individuals by particular shareholders or shareholder groups. However, what clearly is appropriate is that there be accountability of the Board as a whole, consistent with the concept of a unitary Board. That being the case we agree that the Chairman should be subject to annual election by shareholders and that the existing arrangements for other Directors to be subject to re-election at intervals of no more than 3 years and the proposal that Non-Executive Directors who served longer than 9 years be subject to annual re-election are more appropriate.

The rationale for this is that it is the Chairman's responsibility to ensure that the Board composition, balance, and effectiveness is properly demonstrated and for the Chairman to lead that Board, to ensure its effectiveness in all aspects of the Board's role. That being the case, it is the Chairman's position which should come under scrutiny if there are significant concerns about Board performance to ensure the discharge of the Chairman's role is reviewed by shareholders on a regular basis. Annual submission for re-election seems to be the most appropriate way forward.

Our review of the proposed revisions to the UK Corporate Governance Code are continuing but I thought it may be helpful if you were to receive this advance comment in respect of Wm Morrison Supermarkets Plc's position.

If you wish to discuss this please do not hesitate to contact me.

Yours sincerely,



Greg McMahon

Company Secretary & Head of Legal Services

Wm Morrison Supermarkets plc