



Modern Slavery Act Statement 2021



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Introduction

This statement by Ocado Group plc and its subsidiaries, Ocado Central Services Limited and Ocado Operating Limited, has been published in accordance with Section 54 of the Modern Slavery Act 2015, for the financial year of 52 weeks ending 28 November 2021. It has been approved by the Boards of Ocado Group plc, Ocado Central Services Limited, and Ocado Operating Limited and signed on their behalf by:



Neill Abrams

Group General Counsel and Company Secretary

Ocado Group plc

02 February 2022



Ocado Group plc is committed to respecting and supporting the internationally recognised human rights encapsulated in the Universal Declaration of Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work.

Throughout our operations, we seek to prevent the infringement of human rights and commit to addressing any adverse human rights impacts we identify as prescribed by the UN Guiding Principles on Business and Human Rights. We support the elimination of all forms of forced and compulsory labour and support the protection of labour rights that promote safe and secure working environments for all workers.

We take all allegations of human rights abuse seriously and will not tolerate such practices in our operations or our supply chains. To report incidents of suspected misconduct, such as dangerous, fraudulent, illegal or unethical conduct taking place within Ocado Group's organisation we have a Speak Up service. This confidential service is operated by independent third party specialist, Navex Global. Speak Up allows anyone to report a concern by telephone or website, at any time of the day or night throughout the year.



By calling the relevant number listed in our Whistleblowing Policy¹.



Through the following website:
ocado.ethicspoint.com

¹ <https://www.ocadogroup.com/our-responsible-business/corporate-statements>

Organisation structure and supply chains

We are a technology-led, global software and robotics platform business, with a strong retail heritage. Our organisation is divided into a number of subsidiaries that make up the Ocado Group. Our head office is based in the United Kingdom with satellite offices in Australia, Canada, Bulgaria, France, Japan, Poland, Spain, Sweden and the United States.

The Ocado Smart Platform (OSP) is our proprietary world-class suite of solutions for operating online grocery businesses. It combines our end-to-end software systems with our physical fulfilment assets, enabling grocery retailers to capture and expand market share in the world's fastest growing retail channel. We manage the construction, installation and commissioning of these products, providing lifetime technical support, upgrades and refits, in perpetual pursuance of solution excellence. We offer OSP as a managed service to leading grocery retailers around the world, with partnerships across North America, Europe, Asia and Australasia. Working together to create the world's most advanced automated warehouses of the future.

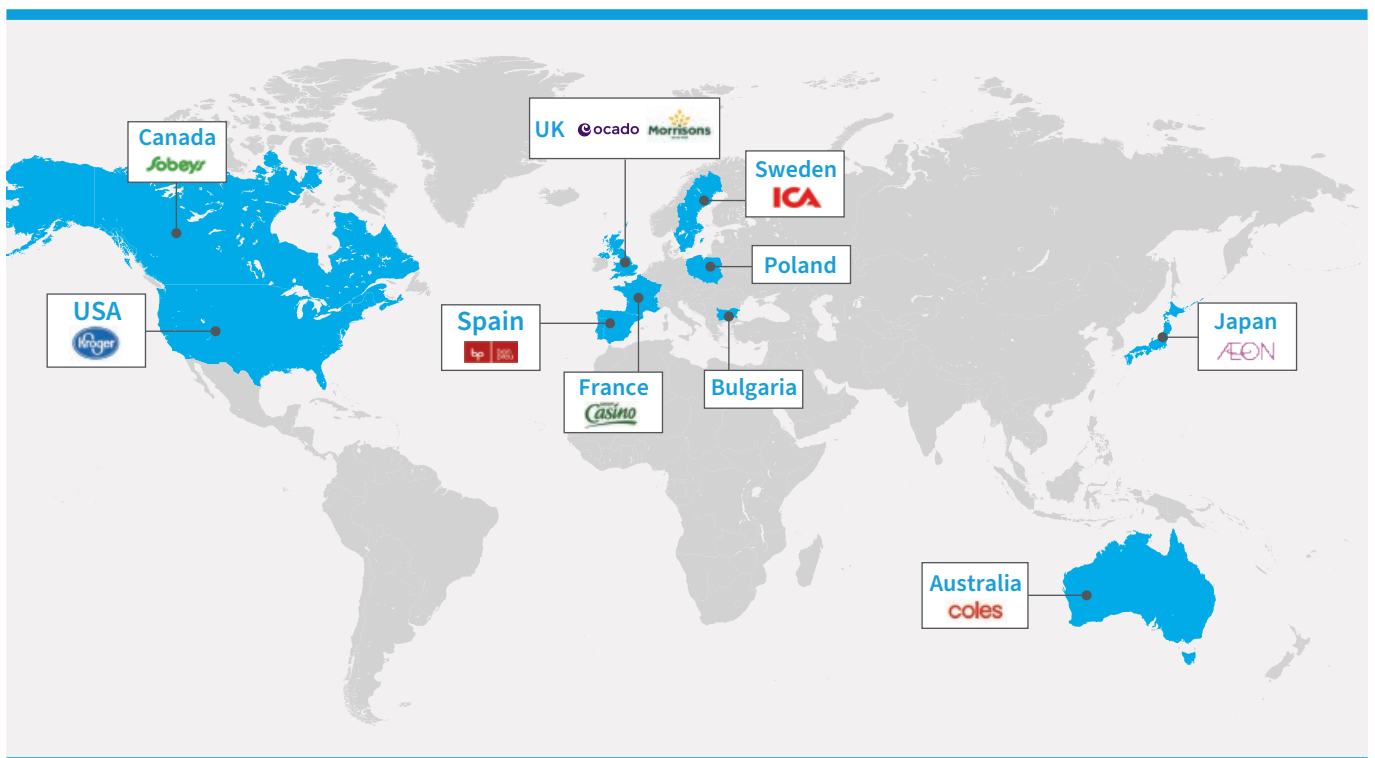
Revenue of reporting Ocado Group plc subsidiaries

£832.1m

Ocado Operating Ltd

£648.2m

Ocado Central Services Ltd



Our Purpose

Reimagining shopping, by solving complex problems to provide sustainable solutions for online grocery.

Ocado Solutions

Ocado Smart Platform (OSP) is what we supply to grocers around the world. It is our unique end-to-end eCommerce, fulfilment and logistics platform. It optimises the entire online grocery delivery process, from order placed to order delivered.

Ocado Technology

We developed OSP as a world-leading technology business and innovator. We're constantly reinventing ourselves, learning fast, evolving our craftsmanship and creating opportunities as we strive to fulfil our mission.

Ocado Engineering

We build and maintain Ocado's highly automated warehouses that incorporate the latest automation, robotics and control systems, playing a crucial role in creating the world's most advanced automated warehouse of the future.

Ocado Operating

We provide the physical online grocery fulfilment and logistics services for our UK partners, Ocado Retail Limited and Wm Morrisons Supermarkets plc.

Ocado Central Services

We provide the specialist services, Finance, Legal and People, to enable and support business areas to do what they do best.

Find a complete list of Ocado Group subsidiaries in the Financial Statements section of our Annual Report at ocadogroup.com.

Our values

Our success comes from our people; their commitment and belief in what we are achieving as a business is an ethos expressed and brought to life every day by our Values.

We are in it
together

Our inclusive community enables our people to feel a sense of belonging, part of one respectful and supportive team. We're empowered and valued, kind and understanding, honest and trusting – **in it together**.

We can
be even **better**

We're a community of limitlessly innovative and ambitious people who drive positive change. We're pioneers, we break the mould, we push boundaries, learn fast from our mistakes and lead the way with our solutions. We inspire and challenge each other – **to be even better**.

We are
proud
of what we do

We deliver a fast, efficient and responsible service for our client partners, their customers and for each other. We always anticipate the future and own our decisions – **proud of what we do**.

Our People

We have over 19,300 employees and 2,800 agency workers based across ten countries, the majority of these workers being based in the UK. As new people come on board it's important that we communicate what life is like at Ocado Group. We introduce the values, culture and principles that we live by, and help establish our standards of conduct. To deliver these key messages consistently, we have our Global Onboarding Programme – “Let’s go Ocado”, outlining our Global Employee Handbook and Code of Conduct.

The Board remains engaged and committed to ensure that it understands the composition and views of employees, recognising that the working environment is changing, and therefore engagement mechanisms must also change.

The Board regularly receives updates from the Chief People Officer at Board meetings and also receives invaluable feedback from its employee engagement platform “Peakon” which was introduced in 2020. Peakon allows employee feedback to be gathered continuously, as opposed to an annual survey, to provide more useful data and enable more timely action in response. We are focused on the wellbeing of our workforce and this has been heightened during the global pandemic, with additional challenges for our frontline and remote workers. We have introduced a number of new initiatives to provide support for wellbeing, including a global Employee Assistance Programme, the Mind Yourself global wellbeing support programme and our new approach to listening, wellbeing and inclusion called **#YouMatter**.

EMPLOYMENT TYPES



GENDER



LOCATION



Our Supply Chain

During this financial year, we had vendors from more than a dozen countries supply materials, components, systems and services to our company. These goods and services were used primarily in the engineering and construction of both electronics and buildings, installation of components and machinery, information technology, transport and logistics, fuel and professional services.



Ocado Unlimited

During the year we launched our new Corporate Responsibility strategy for moving towards a sustainable future, called Ocado Unlimited. It uses the UN Sustainable Development Goals (SDGs) as a central framework. The strategy has three pillars, each identifying an area where we have a significant impact, an opportunity to make a difference and an ability to use our expertise for greater environmental and societal change. Responsible Sourcing is one of the three pillars; with focus on the mapping and assessment of high risk products and materials, tackling forced labour and human trafficking, and stepping up our commitments to human rights within our global supply chain.

Responsible sourcing is also identified as one of the key material risks in the materiality work that took place in 2020. This is further reported in the ESG roadmap and subsequent governance structure (ESG Committee).

Read more at www.ocadogroup.com/our-responsible-business/corporate-responsibility

Policies in relation to slavery and human trafficking

Governance

Ocado Group Board of Directors

The Board is collectively responsible for the long-term success of the company. During 2021, they regularly discussed governance and risk management and have approved this Modern Slavery Act statement.

Statement's final review and approval process.



Audit Committee

Reviews and reports on the Group's internal controls and risk management systems.

Statement's second review process



Executive Director

Neill Abrams

Board responsibility for Legal, Governance, Real Estate, Risk, Government Relations and Corporate Responsibility.

Statement's first review process



People, Governance and Corporate Responsibility

Oversees the Group's risk register, policies, working groups and best practice mechanisms.

Responsible for drafting the Group's annual Modern Slavery Act statement



Procurement and Project Managers

Day-to-day management of operations

Code of Conduct

Sets out our minimum standards and expectations for all Ocado Group employees and contractors, wherever based. It states that everyone at Ocado is responsible for complying with our Code, policies, processes and procedures and all applicable laws, regulations and standards. To speak up if any of these have been breached in any way. That any instance of non-compliance will be investigated and appropriate disciplinary action, up to and including dismissal, will be taken as needed.

Human Rights Policy

Sets out our requirements for all persons working for us or on our behalf, in any and all capacity. Provisions in this policy include:

- The prohibition of all forced and compulsory labour.
- The prohibition of child labour.
- The right to freedom of association and collective bargaining.
- That working hours, wages and deductions comply with national laws.
- That discrimination does not occur in the conditions of employment of workers.

Anti-Bribery Policy

Sets out our responsibilities, and of those working for us, in observing and upholding our position on bribery and corruption. Providing information and guidance to those working for us on how to recognise and deal with bribery and corruption issues.

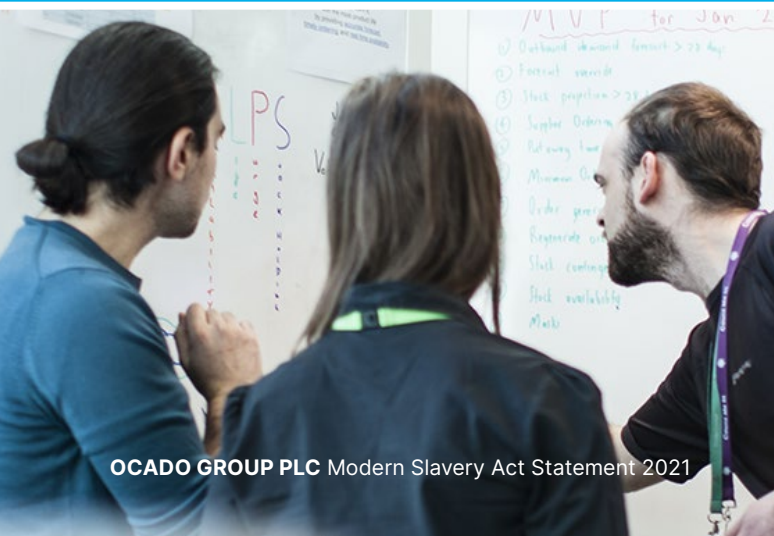
Whistleblowing Policy

We have updated our "Speak Up" whistleblowing policy to help make it easier for our employees to understand when and how to report suspected wrongdoing, such as any dangerous, fraudulent, illegal or unethical conduct at work.

In addition, we have migrated our "Speak Up" platform from Expolink to Navex Global. This change follows from the purchase of Expolink by Navex, who will still be providing the same secure and confidential service to our global operations.

ESG Committee (Governance)

During 2020 we undertook a materiality assessment, engaging with all of our key stakeholder groups, to reassess and prioritise our most material sustainability issues. Building on the materiality work completed in that year, we have now established an Environmental, Social and Governance (ESG) committee to provide governance over the delivery, and further progression of an ESG strategy. The committee is chaired by our Group General Counsel with additional sponsorship by our Chief Financial Officer. Its members consist of leaders from across the business who are key to the strategic and operational success of our ESG activities. Since September 2021, the committee meets monthly in a decision making capacity, and reports into both our Risk Committee and the Board. It is supported by a cross-functional working group, including colleagues from Risk, Corporate Responsibility, Group Transformation and Investor Relations; and partners with business area leads to progress actions and, where necessary, relay feedback and refine proposals to the committee based on identified challenges or opportunities.



Due diligence processes & Risk assessment and management

We are predominantly based in the UK, with smaller and specialised teams located internationally.

The majority of the countries where we have operations are ratified members of the Organisation for Economic Co-operation and Development or OECD; an international organisation that works on establishing international standards and finding solutions to a range of social, economic and environmental challenges. Our office in Sofia, Bulgaria, a non-OECD country, is a software development centre for Ocado Technology and we believe represents a low risk. We recognise that Modern Slavery poses a potential risk to several key sectors that are vital to how we operate as a business. These sectors have been identified by both government and third-party reports for having an increased inherent risk of forced labour and human trafficking.

Inherent Risk for Key Sectors

Construction^{2,3}

Conditions can be demanding and dangerous, with high levels of industrial accidents.

Individuals potentially working without genuine qualification certificates, relevant training and/or previous experience.

Electronic manufacturing²

Factory conditions can include excessive working hours and production targets.

Conflict minerals (tantalum, tungsten, cassiterite, and gold) that are produced in conflict zones found in lower tiers of the supply chain.

Warehouse & Distribution^{2,4}

Employment can be casual, with workers on temporary and zero-hour contracts.

Agencies and individuals are known to have arranged employment and transportation to the UK, sometimes in exchange for a work finding fee.

Inherent issues for workers:

- language barriers for migrant workers
- forced to meet targets by being refused breaks and being forced to do overtime
 - being underpaid or having their wages withheld
- accommodation and transport to and from work being provided by potential exploiters

² https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_575479.pdf

³ <https://www.gla.gov.uk/media/5073/industry-profile-construction.pdf>

⁴ <https://www.gla.gov.uk/media/5085/industry-profile-warehouse-and-distribution.pdf>

At Ocado Group, we require our construction suppliers to provide evidence that they:

- manage the “right-to-work” eligibility of their contractual employees, including subcontractors, in that country,
- that their workers receive health & safety training relevant to their work, and
- that their workers hold valid construction competency cards, such as the Construction Skills Certification Scheme in the UK.

This provides confidence that workers on our sites are safeguarded during their recruitment.

In the UK, agency workers in our warehouse and distribution operations are recruited through trusted suppliers, who are members of the Association of Labour Providers, which promotes responsible recruitment and good practice.

Our agency recruitment partners are:

- Siamo Recruitment
- Staffline Recruitment

As our business continues to grow internationally we recognise that we may open ourselves to the risk of adverse impacts to human rights. To ensure we continue to remain diligent we have conducted an extensive review of solutions and initiatives for evaluating suppliers on their environmental and social performance. Implementing a robust due diligence process and enacting a culture of procurement ethics will be a key focus for us in 2022.

techUK

For a second year we have continued our membership with techUK, a trade organisation with over 800 member companies from the tech sector across the UK, and actively engage with their Responsible Business Conduct Group; focusing on human rights and environmental supply chain due diligence, ESG reporting, international labour laws and responsible sourcing of materials and minerals.

Key performance indicators to measure effectiveness of steps being taken and training on modern slavery and trafficking

The success of Ocado comes from our people. If they see something that doesn't seem right or conflicts with our values and principles, we encourage them to do the right thing and speak up. Training on our Code of Conduct, whistleblowing mechanisms and Anti-bribery were completed during the year.

7,034

employees completed training on our Code of Conduct, this included our "Speak Up" whistleblowing policy.

7,077

employees completed training on our Anti-bribery policy.

During the financial year we received no reports of incidents involving forced labour, human trafficking, child labour, or related exploitation of workers through our whistleblowing "Speak Up" channels. We recognise that this does not guarantee our operations are "slavery free", and we commit to continue reviewing and strengthening our organisation's training, reporting and remediation mechanisms throughout our value chain.

Since appointing Andrew Harrison as the Designated Non-Executive Director (DNED) for engagement with the Company's workforce in 2019, he has worked closely with the Chief People Officer and the Global Head of Culture and Engagement to ensure that engagement between the workforce and the Board is a 360 degree process, with communication both from the Board to the employees and from the employees to the Board. Whilst the full Board makes every effort to engage with the workforce, Andrew has embraced this position which provides a key link for the Board. Issues that Andrew has brought to the Board's attention have included:

- Concerns over the mental health of hourly paid employees which had been raised at Ocado Council meetings.
- A review of the Health, Safety and Environment Strategy to see how it aligned with the Mental Health and Wellbeing Strategy.

Ensuring our employees' wellbeing starts with an active listening approach. There are a variety of ways for our employees to provide feedback at Ocado Group, and our central Listening and Engagement team supports the organisation to ensure our employee's voices are heard and at the heart of everything we do. Insights from Peakon are shared with the Ocado Group Board and the DNED throughout the year to drive positive change and action.

12,000+

people have shared their views

186,000+

feedback comments analysed

74

Logistics Council Meetings held to engage with our frontline workers

1,475

managers actively using Peakon to listen and engage with their teams

This year, briefings given to our logistics workforce outlined several regulatory and compliance topics important to our operations, including modern slavery awareness, our code of conduct, and whistleblowing mechanisms. Bespoke modern slavery training material for office based employees began development in this financial year, and will be implemented during 2022.



Our 2020 focus areas:

Our actions in 2021:

Identifying risks within the Group

Concerns over the mental health of hourly paid employees, raised by the Ocado Council, were brought to the Board's attention.

Insights from Peakon, our organisation-wide listening platform, was shared with the Ocado Group Board and the DNED throughout the year to drive positive change and action.

Due diligence

Continued to operate and promote an independent and global whistleblowing channel throughout our organisation.

Conducted an extensive review of solutions and initiatives available for evaluating suppliers on their environmental and social performance.

Development and training

Rolled out employee training on our Code of Conduct, Anti-bribery, and Whistleblowing policies.

Included modern slavery awareness in briefings to our logistics workforce.

Processes and policies

Recruited a Head of Procurement Policy, to streamline the implementation of procurement policies and processes throughout the Group.

Updated our "Speak Up" whistleblowing policy to help make it easier for our employees to understand when and how to report suspected wrongdoing.

Created an ESG Committee to provide governance over the delivery and progression of an ESG strategy, Responsible Sourcing being a material issue.

Launched Ocado Unlimited, our new Corporate Responsibility strategy, which includes a Responsible Sourcing pillar.

Supplier engagement

Engaged with key suppliers to explore their responsible sourcing insights.



This statement sets out the steps taken by Ocado Group plc, Ocado Central Services Limited, and Ocado Operating Limited; all of which fall within the scope of section 54 of the UK Modern Slavery Act 2015 and related regulations.

Ocado Group plc

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