

OUR PEOPLE



Our Values

- We're in it together
- Value each person
- Love what we do
- We can be even better

WE VALUE OUR PEOPLE

We are a business that values our people. Our employer brand is paramount to our ability to attract the best talent at the rate we need to match our pace of growth. Our values are at the heart of our culture and they reflect our entrepreneurial spirit and drive, preferring the excitement of change to the risks of standing still.

WE RECRUIT TALENTED PEOPLE

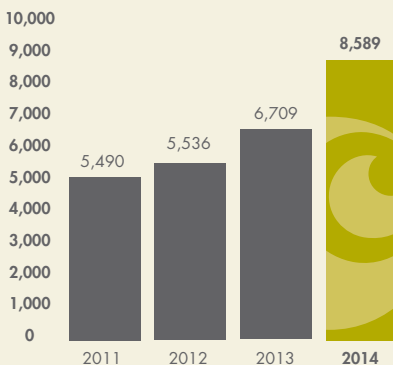
Our business is built on innovation, on finding solutions, and on delivering world-class service. Our recruitment team has been effective in meeting the significant challenge of recruiting the employees needed for our continuous growth, with total employee numbers growing by over 29% in the period. We attract and

encourage candidates to apply directly for roles with Ocado, rather than relying on third party agencies. Keeping this process in-house enables us to bring like-minded people into the Ocado team, is cost-effective and lets us reinvest these savings back into our learning and development programmes.

Our focus remains on attracting those with a can-do attitude who share our entrepreneurial spirit and determination to succeed.

We take pride in being recognised as one of the top graduate recruiters, providing us with the opportunity to pick the best young professionals at the start of their career.

ALL EMPLOYEES*



* Number of employees as at period end.

CASE STUDY: APPRENTICE OF THE YEAR

RYAN SCALES

One such successful appointment was of Technology Helpdesk Technician Ryan Scales. In December 2014 he was voted Apprentice of the Year by the "3aaa Academy", beating 12,000 apprentices to take the title. Ryan, 21, has been part of team Ocado for 16 months, and was announced the winner at a ceremony held at the House of Lords. Ryan was

one of 25 people to be nominated by employers and staff from the 3aaa Academies across England for their hard work and dedication throughout the year.



DIVERSITY

We value diversity and through our equal opportunities policy we are dedicated to creating an environment that is free from discrimination, harassment and victimisation. Everyone at Ocado is treated equally regardless of age, colour, disability, race, gender, sexual orientation, marital status, political views or religious belief. Applications for employment by people with disability are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned and our ability to make reasonable adjustments to the role and the work environment. In the event of existing employees becoming disabled all reasonable effort is made to ensure that their employment within the Group continues. Training, career development and promotion of a disabled person is, as far as possible, identical to that of an able bodied person.

Gender diversity is encouraged but is not always easy to implement. Women are under-represented in engineering and computer science university courses, and the gap is widening. Men constitute 83% of engineering graduates and 81% of computer science graduates (HESA data 2006-2012), and to add to the problem the total number of UK computer science graduates has decreased during this period. Our answer to this is to reach out to them early – our Code for Life initiative provides a fun and effective tool for primary school children to gain the ability to write code (further details on page 51). We hope that developing this skill in girls when they are still very young will encourage more young women to continue with high school and university courses in computer science.

The charts on the right show a breakdown of the number of people who were on the Board, Senior Managers and employees of the Group at the end of the period.

1. Number of employees as at period end (including employees in Poland).
2. Senior Managers means the Management Committee excluding Executive Directors.

ENGAGING OUR PEOPLE

Every one of our employees plays a part in the Ocado story; from running our automated warehouses, to buying our product range, managing our accounts, answering customer calls, and picking and delivering shopping to our customers' doors. In return we work hard to engage our employees in our vision.

This extends beyond keeping colleagues informed of the Company's performance and issues that affect them day to day. Through communications channels such as face to face briefings, rolling plasma screens in communal spaces, our intranet (The Grapevine) and our in-house magazine (Juice), we deliver a variety of messages on a diverse range of stories in a tone of voice that's relevant to our people.

We also encourage formal two-way communication through our annual employee survey and our employee representative body, the Ocado Council, both of which help us identify areas where we can improve as an employer and encourage participation and consultation in the decisions we make.

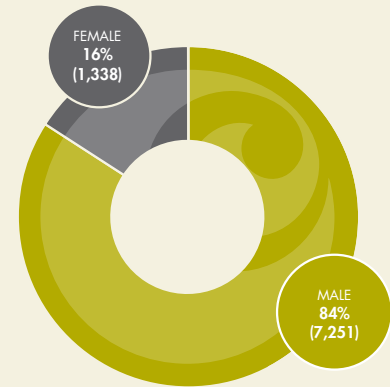
Ocado maintains a voluntary union recognition agreement with USDAW, which is integrated with our Ocado Council, to voice the views of our hourly paid employees.

The Ocado Council works constructively on behalf of all our employees. It has regular interaction with Ocado's senior leadership team, and is divided into business areas to give every single employee representation through an elected committee. A small number are then elected to a National Council, which deals with matters relevant across the Group. It is chaired by a Non-Executive Director, giving employees at all levels of the Group direct access to the Board.

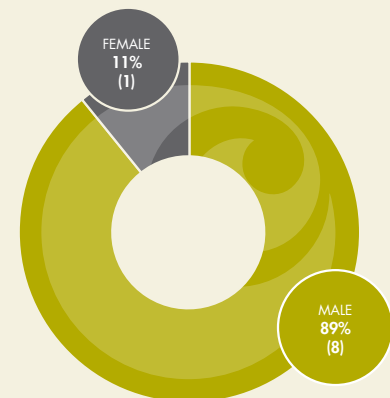
ACAS trained Council representatives are consulted on matters that affect all employees, such as new ways of working, benefits at work, new equipment, and training and development.

We have a diverse range of employee engagement activities - from charitable events to sporting activities, and some of which unashamedly have no purpose other than to have fun.

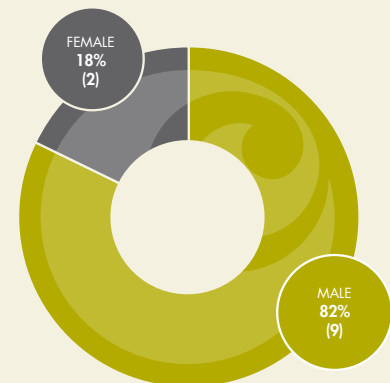
ALL EMPLOYEES¹



SENIOR MANAGERS²



DIRECTORS



OUR PEOPLE continued



CASE STUDY: MEET ANNE MARIE NEATHAM

CHIEF OPERATING OFFICER (OCADO TECHNOLOGY)

I grew up in Ireland and took a BSc in Computer Science in University College Cork.

I started my career in Dublin as a software engineer with a small development company. I moved to Boston in the US where I worked as a software developer rolling applications out to companies that had been acquired in the UK, Germany and Portugal.

Since 2001 I have been head of different technical development departments in Technology at Ocado. It has been exciting to be part of something that has grown and changed from nothing to the success story it is today.

In 2012 I became Head of Ocado Technology Poland. It was a fantastic role, combining the setting up of a business from scratch in another country with managing technical development. In Krakow we introduced the Ocado Technology brand so that it would be clear that we were a serious technical proposition in the city. We are viewed as a premium employer of choice because of the solutions we develop to challenging technical issues. Our technical team in Krakow are talented, enthusiastic and hardworking, which complements the excellence of the teams in the UK.

At the beginning of this year I returned to the UK as Chief Operating Officer – Ocado Technology. My remit includes our Polish office, Infrastructure and Ops, our organisational development and general management. It is an exciting time as Ocado looks to commercialise its technology and operating knowledge.

WE DEVELOP OUR PEOPLE

Training and developing employees is a vital part of enabling them to forge their career with Ocado.

Using talent matrix mapping we identify potential successors for every middle and senior management role, placing strong emphasis on developing our talent across the business and further embedding appraisals as a development tool. We now have an in-house management training curriculum including more than 300 e-learning modules and over 30 different workshops, team building days, a learning library and individual coaching.

Developing people is exciting, but also a challenge when growing a business as fast as we are. The biggest increase in employees of more than 30%, was in our delivery driver team. We call them our Customer Service Team Members, and their job title describes how they are essential to the success of Ocado. Our proprietary programme for recruiting, training and developing CSTMs was created by our HR department and is managed entirely in-house.

OCADO DELIVERS AWARD WINNING DRIVER TRAINING

Our comprehensive eight-day training programme is mandatory for all new CSTMs and refreshed at regular intervals. It covers:

- Health and Safety
- Food Safety
- Manual Handling
- Eco Safe Driving – theory and practical
- Customer Service
- Use of On-the-Job Systems

Its success was recognised when Neil Shaw, our Head of Service Delivery Training and Development won Road Risk Manager of the Year at the 2014 Brake Fleet Safety Awards.

Ocado also won the Company Driver Safety award in our size category for our sharp focus on fleet safety through continuous training, communication and recognition.

DEVELOPING AN IOSH-ACCREDITED HEALTH AND SAFETY TRAINING PROGRAMME

Historically Ocado outsourced Health and Safety training but found it was increasingly failing to match our organisation's specific requirements.

This year we developed and designed a custom-made training health & safety management training programme. It gained IOSH (Institution of Occupational Safety and Health) accreditation in March 2014 and IOSH now use part of this material in its own marketing and publications.

RETAINING OUR PEOPLE

Retaining our people is as important to us as developing them, particularly on the operational side. Warehousing as an industry has a high labour turnover rate, but we are working hard to manage this across our CFCs. Initiatives range from incentive and retention schemes to healthy eating programmes and subsidised cafes.

Our ten-year service award recognises those who have contributed to the Ocado story and marks a milestone in their career. In 2015 we will be celebrating 15 years' service with all those who have been with Ocado from the start.



Ocado van wraps — going the extra mile to recruit the best

In addition to significantly increasing the number of employees at our existing sites, during 2014 we also opened four new spokes with between 90 and 160 new employees at each.

RECOGNITION AND REWARD

To make Ocado an employer of choice our comprehensive employee benefits package includes a choice of pension schemes with employer contribution, life assurance, private medical insurance, critical illness cover and an employee assistance programme. There is also a range of traditional benefits and industry-leading 15% employee discount on all shopping with Ocado.

We have a commitment to ensuring that all employees share in the Group's success. Employees are able to buy Ocado shares with pre-tax income, and we have a Save As You Earn scheme that allows employees to save up to buy Ocado shares at a pre-set price.

In 2014 we replaced our historical programme of granting share options to all employees with a programme to give free shares equivalent to 1% of basic pay to all employees with six months or more service. Our intention is for this to repeat annually.

STRATEGIC REPORT

The Company's Strategic report is set out on pages 2 to 59.

Approved by the Board and signed on its behalf by

Neill Abrams

Legal & Business Affairs Director and Company Secretary
Ocado Group plc

3 February 2015



CASE STUDY: MEET MATT ROBSON

A SENIOR DEMAND MANAGER WHO HAS BEEN PART OF OCADO FOR 11 YEARS . . .

I joined Ocado in 2003 as a part-time CSTM whilst studying for an Automotive Engineering degree.

When I finished university I decided to stay with Ocado and move into a full-time CSTM position delivering groceries. I was employee number 738 in Ocado's history.

I spent two years as a CSTM; being out on my own in the van taught me to be organised. From there, I moved to the Contact Centre, where there were lots of opportunities to develop and I soon moved into a supervisory role. Many of my colleagues from that time remain in the business today.

I was promoted again to Supply Chain – where I still work today as a Senior Demand Manager, heading up a large team maintaining the availability of thousands of grocery products, whilst continuing to keep our wastage at incredibly low levels. We look after the inbound service for our entire supply base – over 1,000 suppliers and growing – maintaining close links with our retail and operational teams.



View more information online at www.ocadogroup.com