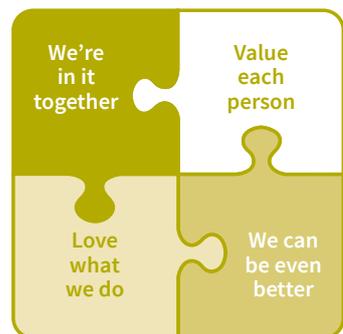


People Values



13. Our People

We Value Our People

We are a business that values our people. We listen to their opinions on customer service, operational efficiency and what it means to be an Ocado employee. We aim to understand our employees as well as we understand our customers and innovate and change together to match the pace of growth and diversification required in our markets.

We Recruit Talent

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 hiring the new employees needed for our continuous growth.

In November 2015 we reached a significant milestone – total employee numbers crossed 10,000 for the first time, cementing our place as a significant employer and creator of new jobs.

We opened three new spokes in 2015 and moved another to new premises, increasing our spokes from 16 to 20. This makes our delivery driver team the largest in the business. We call them our Customer Service Team Members, and their job title describes how they are essential to the success of Ocado.

With our third CFC opening in Andover and more expansion planned across our network in 2016, we plan to create even more opportunities for existing and new employees in the coming 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.

The charts opposite 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 by number and gender.

Engaging Our People

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're also developing our online communications with employees through the development of mobile apps and social media.

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. Five years since the Council's inception, we've refreshed our 'Charter' to ensure it reflects the business we are now and continues to be fit for purpose for the next five years.

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.



We Develop Our People

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

We place strong emphasis on developing our talent across the business and further embedding appraisals as a development tool. Using talent matrix mapping we also identify potential successors for every middle and senior management role.

Through our Apprenticeship and Graduate Programmes we attract a valuable source of talented individuals. It's a great way to get bright but inexperienced people into the business, and instil in them the knowledge and experience they need to fulfil their potential.

Developing people is exciting, but also a challenge when growing a business as fast as we are. 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.

All Employees



* Number of employees as at period end.

Case Study

Kristina Kriksikaite, Operations Manager, Hatfield CFC

I joined Ocado in November 2008 as a personal shopper in the CFC warehouse. I grasped things quickly and my managers spotted my potential. I worked hard and soon applied for a Team Manager position. Six months into this new role I wanted more so I was offered a trial as a Stand-up Section Manager, followed quickly by a Flow Manager's job. One year in this role gave me a lot of operational experience and I really enjoyed taking on more and more responsibility. I put my heart into what I was doing which my line managers appreciated and from there my colleagues encouraged me to apply for an Operations Manager's role.

I'm now in this role and would only change it for my boss's chair! It's challenging, absorbing and no day is ever the same. More importantly, I get to work with many interesting people from different parts of the world, with varying backgrounds, and different motivations driving them. What most of us have in common is commitment, appreciation and love of what we do.

Retaining Our People

We invest a significant amount of time and resources in recruiting the right people and developing their skills, so retaining our employees is vitally important to the business. This means designing work environments and benefits packages that are in tune with what different groups of employees want. 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.

Recognition and Reward

To make Ocado an employer of choice our comprehensive employee benefits package includes pension schemes with employer contribution, life assurance, private medical insurance, income protection and an employee assistance programme.

There is also a range of traditional benefits and an industry-leading 15% employee discount on all shopping with Ocado, and our destination sites Fetch and Sizzle. 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. For the second year running we also gave free shares equivalent to 1% of basic pay to all employees with six months or more service.

In 2016 we will be celebrating the 15th anniversary of our first online deliveries, and a significant number of our original employees are still with Ocado.

Strategic Report

The Company's Strategic Report is set out on pages 8 to 47.

Approved by the Board and signed on its behalf by

Neill Abrams

Group General Counsel and Company Secretary
Ocado Group plc

2 February 2016

Case Study

Will Bronson, SD Council Rep and CSTM at Leeds spoke

I made myself available for the post of Council Rep to support and help my colleagues and to be part of the management structure at the spoke. That means I get calls at 6am in the morning on days off when drivers are having a problem, or when I'm on days out. Just because you have a day off, it doesn't mean that the people who elected you do and I'm quite happy with that.

I have a great working relationship with the management team. I know that I can raise issues with them and have no qualms that I'm not being listened to. I've never had a situation to deal with where I haven't believed that I have their full support.

My way of looking at the role is that hopefully I can take away some of the pressures and questions being asked on the frontline because I know the answers. Colleagues feel confident coming directly to me as they know I'll listen and will do all I can to resolve their problems. I feel that I've really accomplished something in the year that I've had this role.

Case Study

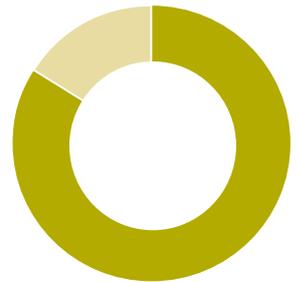
Claude Willis, Damages & Quality Manager, Hatfield CFC

I joined Ocado back in 2003 as a personal shopper and have not looked back. I've worked in various roles, and have moved through the ranks into management positions along the way.

The experience and the personal development I have gained through these roles has been invaluable. I give credit to those that gave me the support and opportunity to progress but also to my own drive to work hard and achieve better. Every day I learn something new and my current role has opened my eyes to a whole different side of our business. I have the privilege of working with an even bigger team now, including almost all departments in the company. Ocado has a huge abundance of talented and gifted individuals and I am proud to have been a part of Ocado's history, and most importantly, the team.

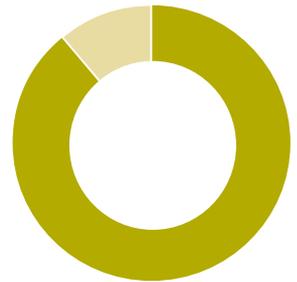
All Employees

Male: 8,491
Female: 1,690



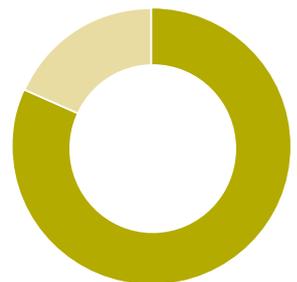
Senior Managers

Male: 8
Female: 1



Directors

Male: 9
Female: 2



1. Number of employees as at period end.
2. Senior Managers means the Management Committee excluding Executive Directors.

 **Read more about Board Diversity on page 58**