ocado GROUP

Annual Report and Accounts 2025

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Our purpose

To reimagine the world of distribution, fulfilment and ecommerce to drive outstanding customer outcomes.

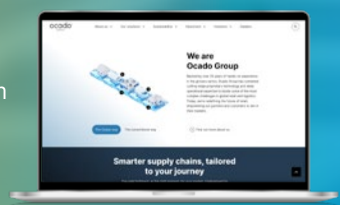
Our mission

To change the way the world shops, for good.

Our vision

To be the undisputed leader and global partner of choice in providing technology and automation solutions for grocery retail and beyond.

Visit www.ocadogroup.com to discover the latest news and information about our business



Read more online

Highlights of the Year

Financial progress

- **Group revenueⒶ £1,362m, +12.1%;** Technology Solutions +13.0%, Ocado Logistics +11.5%, Statutory revenue +13.8%
- **Group adjusted EBITDAⒶ[1] £178m (FY24: £112m);** Technology Solutions £140m, (FY24: £81m), (margin growth from 16.2% to 25.0%) and Ocado Logistics £38m, (FY24: £31m)
- **Ocado Retail ("ORL") revenue +15.4%;** EBITDAⒶ £84m (FY24: £45m); now reported as an associated undertaking following its deconsolidation in April 2025; Ocado's economic interest remains unchanged
- **Statutory profit £395m (FY24: £(374)m);** after adjusting items of £754m (FY24: £5m), including a reported gain of £783m on the statutory valuation of 50% ORL's equity upon deconsolidation
- **Underlying cash flowⒶ[2] of £(213)m** (FY24: £(199)m), excluding the £113m letter of credit received, with increasing EBITDA offset by higher finance costs
- **Strong liquidity at £1.0bn at YE** with cash and cash equivalents of £740m (FY24: £733m) and a £300m RCF; further underpinned by £279m received - £261m from Kroger and £18m from Sobeys - post year-end
- **Refinanced £400m debt in FY25;** Group set to address its £350m maturities to FY27 from existing cash

Operational and strategic progress

- **Growth in average modules;** +4% to 121 average live modules[3] (FY24: 116); Live modules at year end: 122 (FY24: 123) following the cessation of Morrisons deliveries from our Erith CFC (5 modules); 4 modules added across our CFCs in the US, UK and Poland
- **OSP network growth and Re:Imagined rollout;** 72m orders shipped worldwide in FY25, +26%[4] growth in international weekly CFC volumes; OGRP rolled out in 10 CFCs with most advanced CFC now picking c.50% volumes robotically; 3-module Warsaw CFC optimised-site design built and opened in 12 months
- **Resetting our Kroger and Sobeys partnerships;** now a combined base of 7 live CFCs; following 4 site closures. Key learnings addressed with North American market now fully open to Ocado
- **Rolling off exclusivity across wider global markets;** enabling a return to multiple mature grocery markets with a significantly evolved solutions proposition
- **New solutions and more flexibility;** rolling out same-day and short lead-time deliveries from CFCs, already achieving up to 40% same-day in most advance site; integrating global online aggregators; well positioned to take advantage of a clear opportunity in the US and globally with Store Based Automation
- **Ocado Retail, enabled by Ocado Logistics, delivering market-leading[5] growth with orders +13.1%;** 3.8% EBITDA marginⒶ (excl. Hatfield fees); total CFC costs, incl. labour, at 6% sales with UPH efficiency +8%

Sustainability progress

- **In February 2025, we refreshed our sustainability framework;** The framework reaffirms our commitment to addressing global challenges and delivering long-term value for our stakeholders. It is structured around four pillars: Climate, Circularity, Conduct and Community
- **This year we made progress against several of our 2030 targets;** Our Scope 1 & 2 intensity fell by 5% as our EV fleet at two London spoke sites completed its first full year of operation and our OSP technology roll out helped improve routing efficiency across our whole UK fleet. We also achieved a tenfold increase in the % of high-risk suppliers who have completed a social audit and remediated any critical non-conformances
- **Leading ratings agencies continue to recognise our progress;** In 2025, we received an AAA rating from MCSI and our CDP Climate score rose to B

Read more page 54

Ⓐ Where this symbol appears in the Report, see Alternative Performance Measures: pages 270-273.
1. Adjusted EBITDAⒶ is defined as earnings before net finance cost, taxation, depreciation, amortisation, impairment and adjusting itemsⒶ[6]
2. Underlying cash flowⒶ is the movement in cash and cash equivalents excluding adjusting itemsⒶ, proceeds from the disposal of assets held for sale, loans to investee companies, cash received in respect of contingent consideration, costs of financing, proceeds from the disposal of unlisted equity investments and FX movements.
3. A module is considered live when it has been fully installed and is available for use by our partner or where fees are being received for the module. This includes 14 modules for the Hatfield CFC, and Leeds and Canning Town Zooms, which were not actively trading at the end of the period, but for which fees are being received in full.
4. Exit rate of P12-25 vs. P12-24 used, excludes the CFCs closed in January 2026 and February 2026, those being Baltimore, Groveland, Pleasant Prairie and Calgary.
5. NIQ Total Till and NIQ Homescan from Nielsen Consumer LLC, figures stated relate to the last four weeks ending 29 November 2025.
6. Adjusting itemsⒶ of £756.0m income (FY24: £12.4m income) comprise largely 1.the gain on the statutory valuation of the Group's investment in Ocado Retail of £782.6m, 2.loss on deconsolidation of Jones Food Company of £23.0m, 3.£20.2m income recognised relating to Letter of Credit and attributable to prior periods, and 4.organisational restructuring costs of £14.8m.

Business model

Who we are

Ocado Group leverages cutting-edge technology solutions in automation, robotics, machine learning and AI for online grocery and non-grocery distribution. We are headquartered in Hatfield, UK, employing approximately 20,000 people globally across technology and logistics operations. We have a strong retail heritage, through Ocado Retail Limited ("Ocado Retail" or "ORL"), now a 50:50 owned joint venture with Marks & Spencer Group plc ("M&S").

How we create value

Technology Solutions

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Ocado Solutions

Ocado Smart Platform ("OSP") is the world's most advanced end-to-end ecommerce, fulfilment and logistics platform for grocery retail.

Core features

- A wide range of fulfilment solutions for online grocery from automated Customer Fulfilment Centres ("CFC") of all sizes to Store Based Automation ("SBA") to In-Store Fulfilment ("ISF") solutions.
- AI-driven demand forecasting and inventory management.
- Fully integrated order management and delivery systems.

Value creation

Operating the full suite of OSP capabilities enables high levels of productivity and efficiency for the retailer and the best available proposition for the customer.

Ocado Intelligent Automation ("OIA")

OIA offers Ocado's automation solutions to sectors outside of grocery retail to drive efficiency in complex, high-volume warehouse environments.

Core features

- Automated fulfilment solutions tailored for non-grocery ecommerce.
- Integration of robotics for precision, speed and cost reduction.
- Customisable systems for diverse industries.

Value creation

OIA helps businesses achieve higher efficiency, scalability and operational excellence by integrating cutting-edge automation technologies.

£561m

Revenue FY24: £497m

Our culture and values

We take pride in the distinctive culture that unites our businesses and defines who we are. Open, collaborative, innovative and entrepreneurial – our culture drives our success and powers the delivery of our vision. These qualities are not just part of what we do; they are the foundation of everything we achieve and are built into our behaviours, which guide us on how we work together as a business.

Read more on page 72

Ocado Logistics

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Ocado Logistics is a high-performing third-party logistics and fulfilment business, operating in the UK for retailers Ocado Retail and Morrisons. It leverages deep operational knowledge and expertise to drive operating efficiency and customer satisfaction.

Core features

- Every order is picked and packed in one of our automated sites using our market-leading software and technology.
- Orders are delivered directly to customers using the Ocado Logistics network.
- Supports two UK retailers.

Value creation

Ocado Logistics offers deep knowledge and expertise from over 20 years of operating an online logistics model using Ocado's technology. This capability enables high performance levels across productivity, availability, on-time delivery and doorstep customer experience.

£800m

Revenue FY24: £718m

Ocado Retail

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Ocado Retail is a pureplay online grocery retail business serving customers in the UK, with a geographic coverage of over 80% of UK households. The business is a 50:50 owned joint venture between M&S and Ocado Group. This structure enables ORL to outperform the market, combining award-winning customer service and unrivalled customer data with world-leading technology and logistics from Ocado Group, and product development from M&S.

From 7 April 2025 and consistent with the 2019 Shareholder Agreement with M&S, Ocado Group began accounting for ORL as an associate using the equity method. There was no change in Ocado's 50% shareholding and economic interest. As a consequence of the accounting change, Ocado recognised a valuation of £750m for its 50% share of Ocado Retail's equity and an accounting gain of £783m. No consideration was received on deconsolidation.

Core features

- Personalisation: Uses data analytics to provide tailored recommendations and promotions.
- Efficient online platform: Easy-to-navigate ecommerce site with advanced filtering and search capabilities.
- Flexible delivery: Includes scheduled delivery slots and same-day delivery.

Value creation

The collaboration with M&S allows ORL to offer an unrivalled range of products, including from M&S, Ocado Own Range and other branded products. Utilising Ocado's advanced technology and logistics infrastructure ensures efficient order fulfilment and delivery, enhancing customer satisfaction and loyalty.

£3,099m

Revenue FY24: £2,686m

CEO Review

"FY25 was a year in which we continued to grow and expand our offering, while also applying lessons from our earliest CFC deployments, and setting important partnerships onto the right footing for future growth."

Our FY25 Annual Report is a key moment to take stock of Ocado Group's journey. Particularly for those of us who have been part of the Ocado journey from the beginning, it's possible to look back and see clearly the different 'chapters' in our history. These are the moments when the story grows and develops in particularly fundamental ways.

As we look back across FY25 and look ahead to 2026, I am excited to be leading a business that is going through another significant chapter of change.

Overview

FY25 was a year of evolution and key milestones for Ocado Group. In the UK, Ocado Retail ("ORL") once again demonstrated that a business with 25 years of trading history can still command a leading position as the fastest-growing grocery retailer in one of the world's largest and most competitive grocery markets. It also demonstrated its continued focus on innovation and enhancement to its customer offer, enabled by the full transition to the Ocado Smart Platform ("OSP"), and the new opportunities it enables for customers.

Internationally, FY25 was a year of evolution for some of our longest-standing partnerships. From our oldest international partnership with Bon Preu, to our largest international partnership with Kroger, we made key decisions to ensure those partnerships are well set for long-term growth, whether that is evolving their use of Ocado Smart Platform, or resetting early network decisions and adapting to new priorities.

At the same time, we continued to roll out our latest technologies and greater flexibility to our partners and clients around the world, enabling them to make use of an even wider technology toolkit. These new options are already generating significant benefits in their operations.

Overall, FY25 was a year in which we continued to grow and expand our offering, while also applying lessons from our earliest Customer Fulfilment Centre ("CFC") deployment and setting important partnerships onto the right footing for future growth.

Technology Solutions

Our Technology Solutions segment reached a significant level of maturity in FY25, with 72 million OSP orders delivered across the globe and robust Eaches per Week ("EPW") growth across the international CFC network of 26%[1]. At the same time we rolled out new technologies and greater flexibility for our partners, with On-Grid Robotic Pick ("OGRP") now live in 10 CFCs and Auto Frame Load ("AFL") live in 12 CFCs.

We also worked with some partners to address location and network planning challenges in a number of early sites, which contributed to lower utilisation than they originally expected. These actions have reset baseline capacity in North America and, while difficult, they have strengthened the foundations of those partnerships and positioned us to deliver disciplined, sustainable growth in the market.

In the US, Kroger took a decision as part of its 2025 ecommerce review to close a minority of sites that were in the main processing low volumes of items. Ocado and Kroger continue to work closely together across the five live CFCs in Monroe (OH), Dallas (TX), Atlanta (GA), Denver (CO) and Detroit (MI), with a further upcoming CFC expected to open in Phoenix (AZ). Ocado teams remain well-embedded within this network of CFCs, supporting significant progress in operational efficiency and volume growth, and increasing same-day availability, resulting in a significant improvement in financial performance.

Sobeys also undertook a review of e-commerce demand in key Canadian markets during the year, making a subsequent decision to close the CFC in Calgary, largely due to the Alberta grocery e-commerce market's size and the rate of expansion being slower than originally anticipated.

Sobeys will continue to serve customers through its Ocado-enabled Voilà banner in Ontario and Quebec, where there is improving ecommerce penetration and high growth potential. This growth will be supported by the CFCs in Toronto and Montreal.

Alongside these changes, we are also deploying new technology into Sobeys' operations in Toronto and Montreal, including the delivery of Ocado Swift Router and the option for Ocado-fulfilled orders to be integrated with third party platforms, such as online aggregators. We have agreed with Sobeys a number of further actions to place the partnership on a strong footing for continued long term growth.

Where we took CFCs live most recently, we also applied important lessons from our early deployments, with very good results. Our Australian partner Coles saw particularly strong growth in both volumes and customer satisfaction, with the geographies served by our CFCs seeing growth in orders well ahead of the wider market. It saw a significant uplift in customer net promoter score ("NPS"), particularly for those orders fulfilled via CFCs. Meanwhile in Spain, Alcampo also made significant strides, with its CFC enabling an uplift in online revenue of 50% in Madrid within the first year of operation.

Our longest-standing international partner, Bon Preu, also demonstrated this year how a grocery business can go from almost a standing start in ecommerce, to growing well with a flexible fulfilment toolkit, before then taking the decision to invest in full automation once the growth trajectory and market conditions were right. We are excited to be underway with plans for its first CFC outside Barcelona.

In the past few months, we have also achieved our fastest-ever CFC build – from spades in the ground to go-live – with Auchan Poland launching its new CFC outside Warsaw within a year. The CFC launched with the full range of Re:Imagined technologies, including our latest 600 Series bots, On-Grid Robotic Pick ("OGRP"), and Auto Frame Load ("AFL").

Elsewhere, we continue to make strong progress in supporting all our live partners to grow and optimise their efficiency. Our Partner Success teams are well embedded in the operations of each of our live partners, and they have helped generate significant improvements for our partners. On average, we have seen double digit productivity increases across our CFC network over the past year, as well as strong improvements in last mile efficiency. In two CFCs where our support has been particularly intensive, our teams were able to improve the DP8 (the number of orders delivered in a single shift) by 22% in less than a year.

Worldwide, our Partner Success teams continue to support all of our partners in a number of areas, helping them to develop more efficient logistics operations, as well as the new ecommerce 'muscles' that will help them take market share from competitors. Across multiple partners, our support and recommendations are driving step change in operational efficiency and growth.

1 Exit rate of P12-25 vs. P12-24 used, excludes the CFCs closed in January 2026 and February 2026, those being Baltimore, Groveland, Pleasant Prairie and Calgary.

Across both our grocery ecommerce and wider activities, our latest technologies continued to roll out at pace this year. Ocado Swift Router – enabling short lead-time orders from CFCs – is now enabled across nine CFCs supporting deliveries in up to two-hour windows from ordering. In the most advanced CFC using Ocado Swift Router, we are achieving up to 40% same-day volumes, with the fastest delivery to date in 73 minutes.

At the same time, Re:Imagined technologies continue to ramp across almost all CFC partners worldwide. Luton CFC in the UK achieved a record 318 Units picked per labour hour (“UPH”) during the year.

Ocado Intelligent Automation (“OIA”) has also continued to make strides in identifying the right opportunities in wider supply chain and logistics sectors for Ocado’s fulfilment technologies, with new contract wins across apparel and wider logistics in FY25. In October, OIA completed the installation of Ocado’s technology in McKesson’s upcoming fulfilment centre.

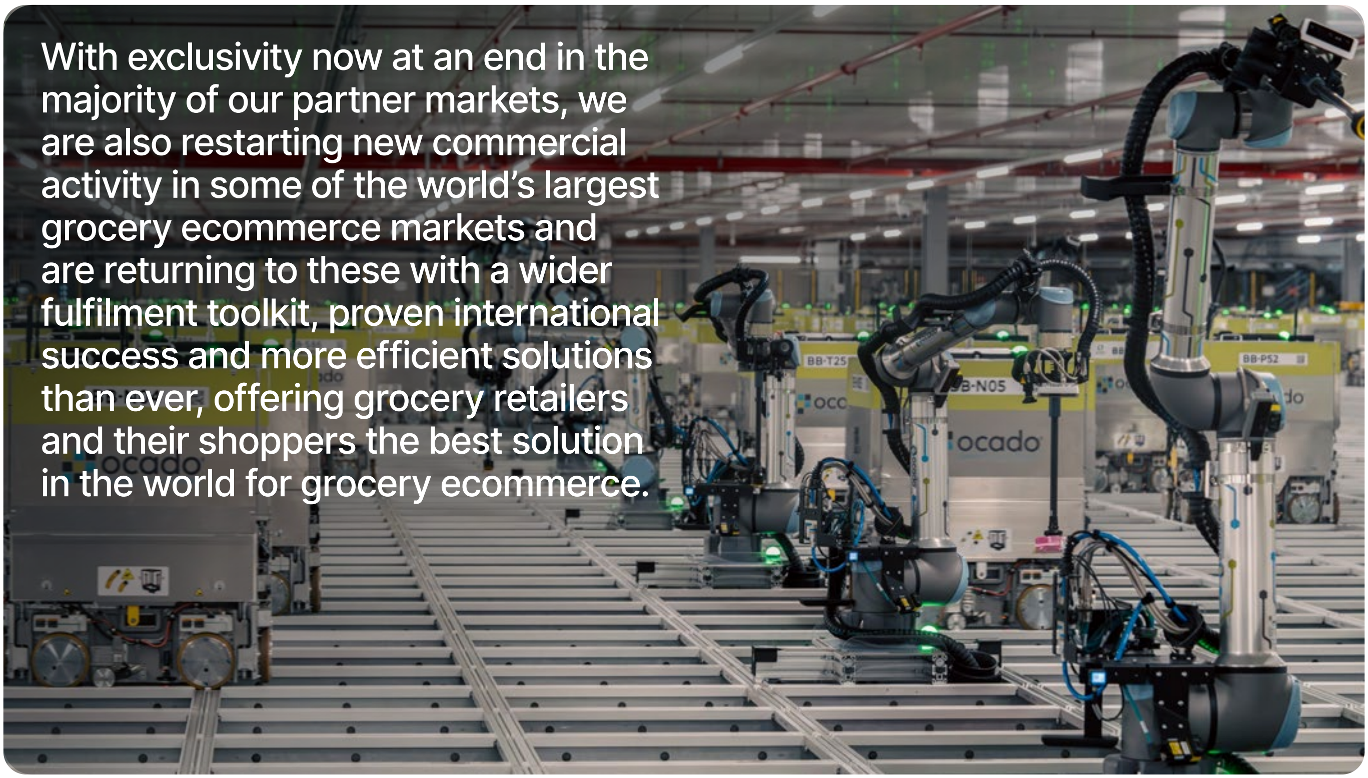
We have also seen growing interest not only in OIA’s grid-based fulfilment, but also our Autonomous Mobile Robot (“AMR”) products focused both on case handling (Porter), as well as item pick and fulfilment (Chuck).

Ocado Retail

Ocado Retail continued to gain market share over the course of FY25, seeing strong growth driven by a growing active customer base. As a result of this growth, Kantar figures showed it was the fastest-growing retailer in the sector for 12 consecutive months across 2024-2025. Revenue growth and continued focus on cost and efficiency have resulted in solid growth in Adjusted EBITDAⒶ.

Across FY25, Ocado Retail continued to raise the bar with its customer proposition. Keeping its promise to customers by delivering orders on time and in full, the business now offers an even better availability of products and delivery slots. We also saw an improvement on its already high ‘perfect orders’ rate, continuing to ensure 99% of items were delivered exactly as promised. We also saw an added half a day’s life to the freshness of produce on ocado.com.

Achieving this level of continued growth and customer satisfaction in one of the world’s most competitive grocery markets is a tribute to the talented teams at Ocado Retail, the quality of the customer proposition and the outcomes enabled by Ocado’s technology.



With exclusivity now at an end in the majority of our partner markets, we are also restarting new commercial activity in some of the world’s largest grocery ecommerce markets and are returning to these with a wider fulfilment toolkit, proven international success and more efficient solutions than ever, offering grocery retailers and their shoppers the best solution in the world for grocery ecommerce.

Ocado Logistics

Ocado Logistics continued to deliver a high level of service and efficiency to our UK partners in FY25. With our CFC network operating at record volumes and high utilisation levels, the operational efficiency of our CFCs continues to improve. Overall, CFC labour productivity ("UPH") increased by 7.9% to 245 from 227; driven by higher volume utilisation and the roll out of our Re:Imagined innovations, particularly particularly OGRP and AFL.

In FY25, Ocado Logistics successfully completed the migration of Morrisons and Ocado Retail from the legacy platform onto OSP. Ocado's UK partners can now fully leverage the potential of the platform. The customer migration has allowed Ocado Retail to unlock short lead-time orders and more flexible customer delivery slots with the roll-out of Ocado Swift Router solution.

Priorities for FY26

Ocado's core priorities are to turn cash flow positive during FY26, to continue driving improved performance with all our partners and to be organisationally fit to capitalise on growing opportunity in global grocery ecommerce and logistics.

With exclusivity now at an end in the majority of our partner markets, we are also restarting new commercial activity in some of the world's largest grocery ecommerce markets and are returning to these with a wider fulfilment toolkit, proven international success and more efficient solutions than ever, offering grocery retailers and their shoppers the best solution in the world for grocery ecommerce.

As we enter a new commercial phase, we are also taking decisive steps to put the business on a firm foundation for the future, including focusing our go-to-market strategy, simplifying our operating model, and concentrating investment where we see the clearest path to value creation. To support these decisions and following a very significant development phase, in particular in our robotics and wider hardware, we have also decided to reshape our R&D and support functions to be fit for the future.

A key outcome of this exercise is the consolidation of our commercial divisions (Ocado Solutions and Ocado Intelligent Automation) into a single organisation, led by our new Chief Revenue Officer Nick de la Vega. This change will mean pursuing opportunities in both grocery and adjacent sectors from a single point of sales and account management, driving more agility and efficiency in our sales approach, as well as clear accountability and better outcomes.

Alongside this change to our commercial structure, we will focus on the opportunities with the greatest proven value to Ocado, and areas where Ocado's expertise is most relevant. While we continue to work successfully with a number of clients in sectors beyond grocery, our primary focus for future contracts will be in the grocery supply chain, both within the ecommerce channel and wider opportunities in CPG and logistics sectors.

Following the very significant Re:Imagined development cycle, we are also now transitioning to a new R&D phase. This will focus on making our solutions easier to use, enabling greater efficiency across diverse international markets and further reducing capital expenditure requirements for our partners to deploy Ocado's technology.

We are also taking steps in our commercial approach to better position ourselves for growth. These include making changes to our exclusivity arrangements, rolling off our historic conditional exclusivity in most markets and limiting new exclusivity for future partners. Our previous arrangements were appropriate to the 'first mover' market of 2018, but are less relevant for the market of 2026, where grocery investment in ecommerce is ubiquitous. These changes to our approach are a reflection of the market shift.

We are also adapting our approach to partner success to drive greater incentives for partners to take advantage of our deep expertise as an ecommerce and logistics operator, proven both with Ocado Retail, and increasingly with our international partners. Importantly, we are putting partner success onto a professional services footing – ensuring our operational support and ecommerce consultancy activity is productised appropriately within our wider solutions.

This realignment of our structure is underpinned by our core focus on sustainable, profitable growth and it places Ocado on the right footing to grow and thrive in the coming years. As these changes take effect, we expect to see a substantial reduction in our overall cost base, alongside greater efficiency across our organisation. In aggregate, we expect these actions to reduce our total cash costs across Technology and Support in FY27 by around £150m in FY27, relative to FY25. These actions will reduce our technology R&D capital expenditure to a run rate to around 20% of recurring revenues for FY27.

In FY26, we expect to see multiple international sites break even for the first time. We also expect to see further module orders from both new and existing partners, including for Ocado's newly announced Store Based Automation solution. We also expect to go live with new CFCs in South Korea, Japan and the USA.

Tim Steiner
Chief Executive Officer
26 February 2026

Our Markets

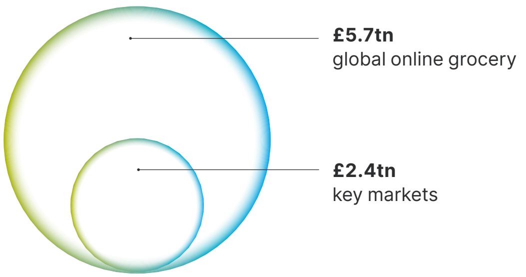
1

Since 2017, the Compound Annual Growth Rate (CAGR) of online grocery across our 11 partner markets has been 39.57%

Our key markets are significantly larger today than when we first signed an international partnership in 2017.

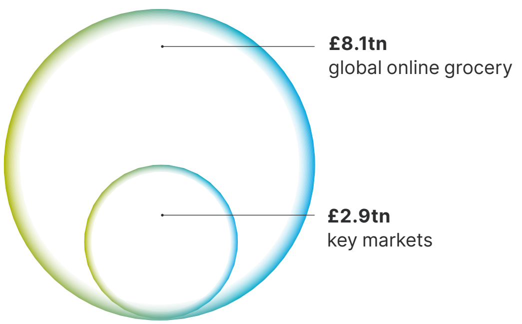
2017

Ocado Grocery – Emerging market



2025

Ocado Grocery – Stabilised growth



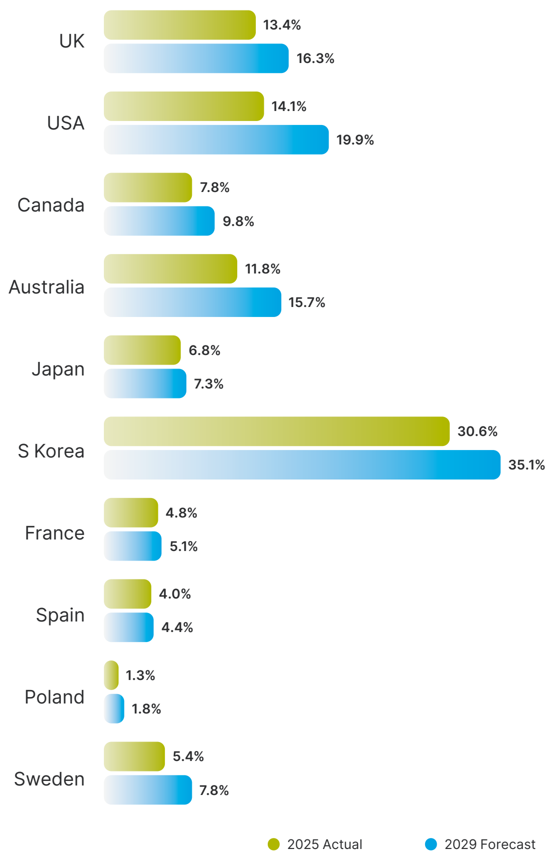
Source: Global Data. Key markets defined as countries with population greater than 5 million and GDP per capita greater than £25k. Opportunity defined based on Ocado's internal assumption.

2

In our OSP Partner markets, online penetration has grown substantially

Ecommerce is the fastest-growing channel in global grocery and with exclusivity rolling off we are now able to re-enter multiple markets.

Online grocery penetration by OSP Partner markets 2025 vs 2029



Source: Global Data, Nielsen.

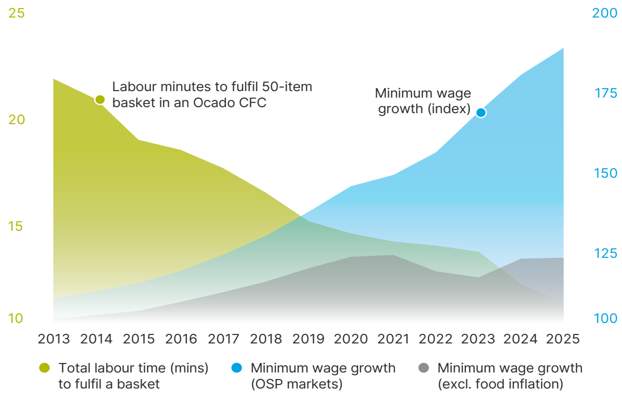
3

At the same time, the average minimum wage rate across those 10 OSP markets has increased by 30%

The implied labour cost of fulfilling a 50-item basket order with Ocado's technology has reduced by 18% over the same period

Source: Euromonitor

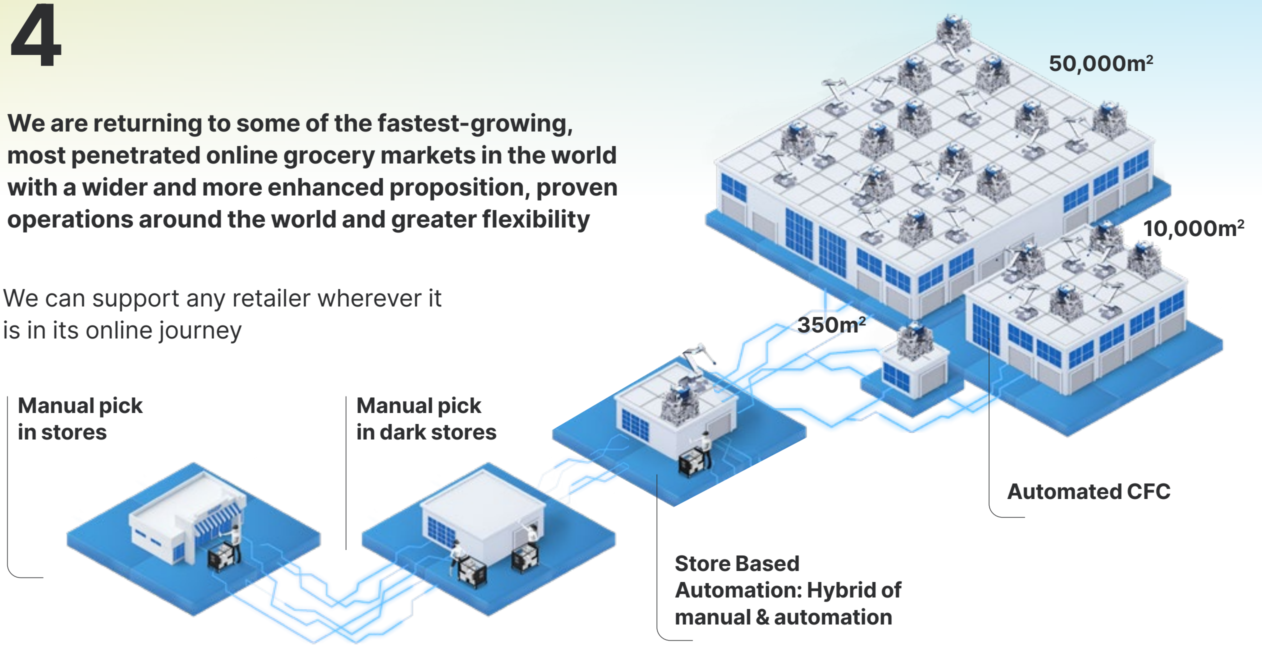
Ocado's labour productivity improvement relative to labour cost increases



4

We are returning to some of the fastest-growing, most penetrated online grocery markets in the world with a wider and more enhanced proposition, proven operations around the world and greater flexibility

We can support any retailer wherever it is in its online journey



Our Strategy

Our vision

Our vision is to be the undisputed leader and global partner of choice in providing technology solutions for grocery retail and beyond.

Our vision is supported by our strategic framework made up of five high-level strategic priorities that are relevant for the Group (see diagram below). These strategic priorities are underpinned by internal strategic goals and associated key results that support the delivery of this vision and our ability to monitor performance and progress in the short term.

Our strategic priorities

Key results progress against our strategic priorities is monitored regularly by the Board.

Our strategic priorities enable:

Growth
Strengthening our core and expanding into new markets

Profitability
Delivering lasting value through disciplined investment and efficiency

Innovation
Innovating smarter and executing with focus

Read more

- **Our CEO Review: pages 4-7**
- **Business in focus: pages 12-21**
- **Our Sustainability Report: pages 54-75**
- **How we manage risk: pages 84-94**
- **Governance (how we manage our risks): page 107**

Group Key Performance Indicators ("KPIs")

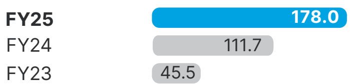
Group KPIs reflect aggregate performance across our reported segments. Below are some of our financial and non-financial KPIs. You can read more about the business segment KPIs in each business section.

Financial KPIs

Group adjusted revenueⒶ (£m)

Why we use this measure
A fundamental measure of Ocado Group's financial performance, providing the total turnover across our operations.

Adjusted EBITDAⒶ (£m)



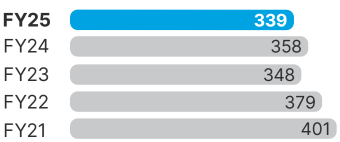
Why we use this measure
A key profitability measure that reflects Ocado Group's underlying earnings performance by excluding the impact of material, non-recurring (adjusting) items. It allows the Group to assess its core profitability and financial health across periods.

Underlying cash flowⒶ (£m)

Why we use this measure
Reflects the underlying movement in cash and cash equivalents to measure Ocado Group's ability to generate cash from operations, fund ongoing investments and sustain long-term growth. This ensures that we maintain financial resilience, whilst pursuing targeted innovation and growth in our core markets.

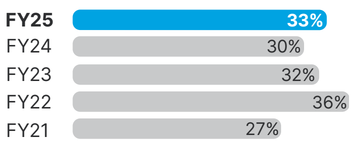
Non-financial KPIs

Tonnes of CO_2e/ 100,000 orders (Scope 1 and 2 – market-based)



Why we use this measure
Measures the Green House Gas ("GHG") emissions intensity (direct and indirect) of our total business operations.

Female representation in senior leadership (%)



Why we use this measure
Ocado is committed to increasing female representation in senior leadership in line with the recommendation of FTSE Female Leaders and set a target in 2023 to reach 40%.

Read more about how these have driven performance in FY25: CEO Review on pages 4 -7; Financial Review on pages 22-47; and the Directors' Remuneration Report (pages 133-158)

Our Strategy: page 10

Our Sustainability Report: pages 54-75

Business in Focus

Technology solutions

FY25 was a significant year for Ocado's Technology Solutions segment. Ocado's partners around the world continued to develop the ways in which they deploy Ocado's solutions, with the further rollout of Re:Imagined technologies and new flexibility in how they can deploy our technology. Over the course of the year, we also took decisions to ensure our partnerships and commercial model are well set for long-term success.

Our Business Model on pages 2-3 summarises the overall structure and approach of our Technology Solutions division, underpinned by the delivery of our world-class technologies.

Technology Solutions KPIs

Recurring capacity fees (£m)

FY25	**444.2**
FY24	415.8
FY23	363.4
FY22	253.4

Why we use this measure
Measures OSP recurring revenue growth of Technology Solutions

Direct operating costs (% of live sales capacity)

FY25	**1.33%**
FY24	1.60%
FY23	1.65%
FY22	2.02%
FY21	2.74%

Why we use this measure
Measures the average rate position at the period end for Group site level operational costs, including engineering, cloud, insurance & property tax costs. FY21, 22, 23 and 24 based on the exit rate.

Average number of live modules

FY25	**121**
FY24	116
FY23	105
FY22	84
FY21	53

Why we use this measure
Live modules measures the average capacity installed and ready for use by OSP clients, driving recurring revenue.

Employee Net Promoter Score ("eNPS")

FY25	**11**
FY24	12
FY23	19
FY22	31
FY21	25

Why we use this measure
This is a scoring system widely used in industry and designed to help us measure the engagement of our people.

Reaffirming our partners' pathway to profitable growth

Overall volumes processed through Ocado's worldwide CFC network have continued to scale robustly through FY25, with Eaches per Week ("EPW") growth of 26% in our international markets (excl. Kroger and Sobeys closures), underlining a strong trend of rising demand, improving customer propositions, and growing utilisation across our CFCs. At the same time, we have continued to roll out new technologies to give our partners greater scope to grow further, with greater efficiency and with more flexibility in their offer.

Ocado Re:Imagined rollout has accelerated, with On-Grid Robotic Pick ("OGRP") now live in 10 CFCs and Auto Frame Load ("AFL") live in 12 CFCs. These enhancements are driving significant improvements in efficiency and throughput for our partners, for instance, enabling Kroger's CFC in Detroit to add an additional module of capacity to its design capacity of two modules. Luton CFC in the UK also achieved a record 318 Units per Hour ("UPH") during the year, an implied total labour time across the CFC of 8 minutes to fulfil a full-basket order.

In November, Auchan Poland went live with their first CFC, including the full suite of Re:Imagined technologies. The Warsaw CFC broke records as the fastest build of any Ocado CFC to date, with just 12 months from breaking ground to go-live. It was also the first international CFC to go live with our latest 600 Series bots, our lightest and most efficient bots to date.

Alongside these enhancements, we have also enabled our partners to serve a much larger share of short lead-time and same day orders from their existing CFC network. Ocado Retail in the UK, Coles in Australia and Kroger in the USA have all commenced the rollout of Ocado Swift Router, with Sobeys also due to roll out the technology in the coming year. This technology reconfigures inventory management in our CFCs and delivery network, enabling Ocado partners to reserve CFC picking capacity and van space for same day orders, thereby supporting short lead times with best in class CFC economics.

Ocado Swift Router is now enabled across 9 CFCs, supporting deliveries in up to 2 hour windows from customer order. In CFCs with the most advanced rollout of the new functionality, the technology has already enabled up to 40% same day volumes and a record delivery time of 73 minutes from click to delivery of a full-basket, 40 item order.

In FY25, we announced Store Based Automation ("SBA") as a new product within our OSP fulfilment ecosystem. We expect this new technology to bring our expertise in robotics and AI for single pick online grocery into stores for the first time with SBA trials expected to commence this year. Using our core automation, SBA will enable Ocado's partners to more efficiently serve immediacy and pick up orders from stores, as well as a range of delivery missions. Alongside our range of small and large CFCs, we believe the SBA solution will allow Ocado's solutions to address a significant opportunity in markets where pick-up represents a significant proportion of the market.

We also introduced new flexibilities to our partners in how they deploy Ocado's technology to support wider online activity, with the rollout of online aggregator integration on OSP. This new integration with aggregator platforms enables grocery customers to shop online with our retail partners via their chosen marketplace. In the second half of the year, we extended our partnerships with Monoprix in France and Morrisons in the UK, integrating both with a large global aggregator for the first time, and enabling them to extend their market coverage.

The flexibility that we provide our partners to grow in the most effective way for their businesses was highlighted this year by our longest standing partner, Bon Preu.

Bon Preu was Ocado's first international partner, signing a deal in 2017 for Ocado's In Store Fulfilment (ISF) solution to grow a leading online proposition in Catalonia. Since going live in 2018, the business has developed substantially and taken significant market share. It has grown well ahead of the wider online channel in Spain. It has become the leading online grocery proposition in Catalonia, recognised in 2024 by Spain's largest consumers organisation (OCU) as the highest-rated online grocery service in Spain.

Bon Preu's fulfilment network has scaled substantially with Ocado's ISF and will now upgrade to a fully automated, three module Ocado CFC in the Barcelona region.

Setting key partnerships on the right footing for long-term growth

With two of our earliest partners, we have taken pragmatic steps in the past months to place the partnerships on a stronger footing for long-term growth. We engaged closely with Kroger in the USA, and Sobeys in Canada to identify where operations have been performing best and where sites required a different strategic approach. These discussions led to decisions by those partners to wind down operations in a combined 4 CFCs in those markets, as well as decisions to build on the positive momentum, and the lessons learned, in the remaining 7 CFCs that have performed well.

Following Kroger's review of ecommerce in the second half of the year and with the majority of live CFCs continuing to make good progress in both volume growth and operational efficiency, the decision was made not to maintain underutilised assets at the expense of the good progress being made elsewhere in the network. As a result, the CFCs in Frederick (MD), Pleasant Prairie (WI), and Groveland (FL) closed in January 2026.

Ocado and Kroger continue to work closely together across the five live CFCs in Monroe (OH), Dallas (TX), Atlanta (GA), Denver (CO), and Detroit (MI), with a further upcoming CFC expected to go live in Phoenix (AZ). Ocado teams remain well-embedded within the remaining fulfilment network, supporting significant progress in operational efficiency, volume growth, and increasing same day availability, resulting in a significant improvement in the underlying financial performance of the CFCs.

Sobeys also conducted an assessment of ecommerce demand in key markets and made a subsequent decision to close its CFC in Calgary, largely due to the Alberta grocery ecommerce market's size and the rate of expansion being slower than originally anticipated.

With improving e-commerce penetration and high-growth potential in Ontario and Quebec, Sobeys will continue to serve customers through its Ocado-enabled Voilà banner in those regions, supported by its two existing CFCs in Toronto and Montreal.

Ocado is also deploying new technology into Sobeys' operations in Toronto and Montreal, including the delivery of Ocado Swift Router. This also includes the option for Ocado-fulfilled orders to be integrated with third party platforms, such as online aggregators. Ocado and Sobeys have also agreed on a number of further actions to place the partnership on a strong footing for continued long term growth.

In the UK, our Technology Solutions division continued to receive £34m of fees from Ocado Retail for the 13 modules of capacity in the closed Hatfield CFC, which represents one of two legacy CFCs built before the development of our hive-enabled technologies.

As Ocado Retail grows and orders new UK OSP capacity, the economics associated with the legacy Hatfield modules are expected to evolve. Additional module drawdowns would be expected to result in a tapering of fees for the closed Hatfield modules, alongside a progressive reduction in the fees attributable to the 13 legacy modules by approximately half. A residual fee would remain payable in respect of the remaining modules until February 2032.

Reflecting the unique nature of the relationship between Ocado Technology Solutions and our joint venture partner, Ocado Retail, the lower Hatfield fee will significantly enhance the strong incremental returns already available from its continued growth.

As a result of these decisions, we have reconfigured our short-term module targets for our current partners to target a module count of 125 to 130-plus modules for FY27. These decisions are a reflection of constructive ongoing partnerships, which prioritise collegiate decision-making and long-term growth.

Bringing partner success and our grocery expertise onto a product footing

Our worldwide Partner Success teams continue to provide valuable support to Ocado's partners, both in how they operate their fulfilment networks, as well as in how they optimise their growth strategies with OSP. Where our partners have gone live most recently, they have benefited from significant learnings from Ocado's early international deployments and strong Partner Success support.

Our longer standing partnerships have also benefited significantly from Partner Success support. In the sites where Ocado's support has been most intensive, our partners have seen significant improvements in their operational efficiency. On average, we have seen double digit productivity increases across our CFC network over the past year, as well as strong improvements in last mile efficiency with a DP8[1] of 21 achieved across our partners in FY25, a number approaching UK levels. In two CFCs where our support has been particularly intensive, our teams were able to improve the DP8 (the number of orders delivered in a single 8-hour shift) by 22% in less than a year.

With our Partner Success division now operating at a mature level, and demonstrating significant value, we have welcomed Lawrence Hene back to Ocado as our new Chief Partner Success Officer. Lawrence will be responsible for bringing our Partner Success offering onto a more Professional Service footing, ensuring that our expertise is commercialised appropriately to generate maximum benefit for and uptake from our partners.

1. DP8 represents the customer deliveries per standardised eight-hour shift for Ocado Retail only.

Seizing new opportunities, with a significantly evolved solution

Ecommerce continues to be the fastest-growing channel in grocery globally, and alongside this rapidly developing online market, Ocado's products have also evolved significantly since we started licensing our technology internationally in 2017 and our first international CFC go-live in 2020. They have expanded to reflect the wide range of partners that we have today, and the wide variety of markets we operate in. They also reflect our increased ability to meet retailers wherever they are on their ecommerce journey, at any level of business maturity, and a wide range of market scenarios.

With exclusivity arrangements rolled off across multiple international markets, we are excited to start ramping commercial conversations in a number of attractive markets. To ensure we are well set to capitalise on the significant opportunity, we have decided to reconfigure the shape and focus of our Technology Solutions segment, bringing the sales and account management teams for both our grocery ecommerce and wider supply chain solutions under the leadership of a new Chief Revenue Officer, Nick de la Vega, who joined us in November 2025.

Aligning the business around our core priorities

Ocado's core priorities in FY26 are to turn cash flow positive during the year, to continue driving improved performance with all our partners, and to ensure our organisation and structure is well set to capitalise on the growing opportunity in global grocery ecommerce and logistics.

With exclusivity ending across multiple partners, we are also restarting new commercial activity in some of the world's largest grocery ecommerce markets and are returning to these with a wider fulfilment toolkit, proven international success and even more efficient solutions.

As we do so, and following a period of rapid growth and capital investment in our technology, we believe now is the appropriate time to realign and restructure our commercial, support and R&D functions. This will ensure all parts of our business are focused on our key priorities and pursuing the opportunities of greatest value in the most efficient way.

A key outcome of this exercise is the consolidation of our commercial brands (Ocado Solutions and Ocado Intelligent Automation) into a single organisation. This change will mean pursuing opportunities in both grocery and adjacent sectors from a single point of sales and account management, driving more agility and efficiency in our commercial approach, as well as clear accountability and better outcomes.

As we make this change to our commercial structure, we will focus on the opportunities with the greatest proven value to Ocado, and areas where Ocado's expertise can generate the greatest value to new commercial partners. While we continue to work successfully with a number of clients in sectors outside grocery, our primary focus for future contracts will be in grocery, both within the ecommerce channel and wider opportunities in the CPG supply chain.

Following the very significant Re:Imagined development cycle, we are transitioning to a new and less capital intensive R&D phase. This will focus on making our solutions easier to use, enabling greater efficiency across diverse international markets and further reducing capital expenditure requirements for our partners to deploy Ocado's technology.

We are also taking steps in our commercial approach to better position ourselves for growth. These include making changes to our exclusivity arrangements, rolling off our historic conditional exclusivity. Our previous arrangements were appropriate to the ‘first mover’ market of 2018, but not optimal for the market of 2026, where grocery investment in e-commerce has grown substantially.

Our approach to partner success will drive greater incentives for partners to take advantage of our deep expertise as an ecommerce and logistics operator, proven both with Ocado Retail, and increasingly with our international partners. Importantly, we are putting partner success onto a professional services footing, ensuring our operational support and ecommerce consultancy activity is commercialised appropriately within our wider solutions.

This realignment of our structure is underpinned by our core focus on sustainable, profitable growth and it places Ocado on the right footing to grow and thrive in the coming years. As these changes take effect, we expect to see a substantial reduction in our overall cost base, alongside greater efficiency across our organisation.

In aggregate, we expect these actions to reduce our total cash costs across Technology and Support in FY27 by around £150m in FY27, relative to FY25.

Alongside new CFC openings in South Korea, Japan and the USA, we expect to see further module orders from both new and existing partners, including Ocado’s new Store Based Automation solution.

Technology Solutions strategy

To design, build and support the deployment of Ocado’s technology – enabling our partners to grow profitable businesses at scale, utilising the wide range of solutions that Ocado provides. We’re expanding at home and internationally, developing our online grocery platform and solutions for adjacent sectors, while our Partner Success teams help our clients to grow.

Technology Solutions priorities for FY26 and beyond

- Continue to grow with our current OSP Partners, helping them to scale efficiently with Ocado’s technology and expand their operations.
- Expand our commercial footprint with new partners, both in new and existing markets.
- Progress widespread deployment of our latest technologies, following a scaled roll-out of our Re:Imagined solutions in FY25.

Ocado Logistics

Ocado Logistics is a highly efficient third-party logistics ("3PL") business, operating the CFCs and delivery services for our UK partners, Ocado Retail and Morrisons. In FY25, Ocado Logistics has continued to improve on its already high levels of efficiency and customer service across the UK network, implementing a range of initiatives to continue driving improved operational efficiency across the board. Our operational priority remains last mile delivery efficiency (DP8), with performance improving for both partners during the reported period.

Ocado Logistics KPIs

Total eaches picked (million)

FY25	**1,437**
FY24	1,325
FY23	1,182
FY22	1,196
FY21	1,273

Why we use this measure
Measures total units of volume fulfilled for UK clients, the key driver of cost recharges revenue. FY25 and FY24 show eaches picked, whereas previous years show eaches shipped.

Labour productivity (average OSP CFC UPH)

FY25	**245**
FY24	227
FY23	208
FY22	184
FY21	168

Why we use this measure
Measures CFC operations efficiency in average units picked per labour hour in our UK OSP CFCs (note: excludes Dordon).

Cost per each (£)

FY25	**0.53**
FY24	0.52
FY23	0.54
FY22	0.54

Why we use this measure
Measures total Ocado Logistics costs divided by total units (eaches) of volume fulfilled for UK clients.

Drops per van route in eight-hour shift ("DP8")

FY25	**21.5**
FY24	21.0
FY23	21.5
FY22	21.3
FY21	19.7

Why we use this measure
Measures the efficiency of our service delivery operations (note: metric based on ORL data only).

Employee Engagement Index

FY25	**62**

Why we use this measure
In November 2025, Ocado Logistics established a new baseline for employee sentiment by transitioning from eNPS to a more comprehensive Engagement Index, achieving an initial score of 62% with a robust 63% participation rate. A significant engagement level for a dispersed, hourly-paid workforce.

Revenue grew by 11.5%, ahead of the 8.5% growth in eaches, largely reflecting labour cost inflation passed on to our partners. Ocado Logistics again reaffirmed its credentials as a consistent generator of adjusted EBITDAⒶ, delivering FY25 adjusted EBITDAⒶ of £38m (FY24: £31m).

Driven by increasing volumes, high network utilisation levels and the continued rollout of Ocado Re:Imagined technologies, overall CFC labour productivity has continued to improve. Overall CFC labour productivity ("UPH") within our OSP warehouses increased by 7.9% to 245 from 227, driven by higher volume utilisation and the roll-out of our Re:Imagined innovations, particularly On-Grid Robotic Pick ("OGRP") and Auto Frame Load ("AFL").

Delivery efficiency also improved, with DP8 increasing by 2.4% to an average of 21.5 drops per standardised 8-hour shift for Ocado Retail (FY24: 21.0 drops). During the year we commenced a range of initiatives aimed at further optimising our delivery operations. We achieved incremental gains in on time deliveries and routing optimisation, alongside higher drop densities.

In FY25, Ocado Logistics successfully completed the migration of Ocado Retail and Morrisons from the legacy platform onto OSP. Ocado's UK partners can now fully leverage the potential of the platform by implementing key logistics changes and new functionalities. The customer migration has allowed Ocado Retail to begin to unlock short lead-time orders and more flexible customer delivery slots with the initial rollout of the Ocado Swift Router solution. In the lead CFCs, this functionality has enabled Ocado Retail customers to receive CFC-fulfilled orders in less than 2 hours of ordering.

With the integration of online aggregators into OSP, we are now also supporting Morrisons to fulfil orders placed via third-party platforms using the Ocado solution for the first time. Ocado's fulfilment solutions have already enabled Morrisons to expand its offer with a global online aggregator to an additional 100 UK catchments.

Ocado Logistics strategy

Looking ahead to FY26, our strategic priorities remain largely unchanged, with our organisational goals focusing on the highest value drivers.

Strategic pillars

1. Deliver on unrivalled customer experience.
2. Enable profitable growth for our partners.
3. Make Ocado Logistics a great place to work.
4. Strategic enabler - develop capabilities to be fit for the future.

Priorities for FY26 and beyond

- Continued improvement in delivery efficiency and last mile costs.
- Increase capacity from the existing network.
- Raise the bar in driving further improvements to customer experience.
- Continue to build an environment where people feel valued, motivated and proud to work for Ocado Logistics.
- Further improvement in CFC UPH, supported by deployment of OGRP and AFL across the UK.

Ocado Retail

From 7 April 2025 and consistent with the 2019 Shareholder Agreement with Marks & Spencer Group plc, Ocado Group began accounting for Ocado Retail Limited as an associate using the equity method. There was no change in Ocado's 50% shareholding and economic interest. As a consequence of the accounting change, Ocado recognised a valuation of £750m for its 50% share of Ocado Retail's equity and an accounting gain of £783m. No consideration was received on deconsolidation.

Ocado Retail KPIs

Average basket value (£)

FY25	**123.69**
FY24	122.09
FY23	120.94
FY22	117.74
FY21	127.87

Why we use this measure
Measures aggregate impact on average shopping basket for Ocado.com.

Year-end active customers (000s)

FY25	**1,233**
FY24	1,119
FY23	998
FY22	942
FY21	832

Why we use this measure
Measures growth in ORL core customers who shopped at Ocado.com within the previous 12 weeks.

Average orders per week (000s)

FY25	**500**
FY24	442
FY23	393
FY22	378
FY21	358

Why we use this measure
Measures order growth in the ORL business for Ocado.com.

Average eaches per basket

FY25	**44**
FY24	44
FY23	44
FY22	46
FY21	53

Why we use this measure
Measures total units of volume for Ocado.com divided by the total number of Ocado.com orders, the key driver of average basket value for the ORL business.

Compounding and secular growth enabled by Ocado Smart Platform

Ocado Retail retained its leading growth position in the UK grocery market, yet again ending the period as the UK's fastest growing grocer over the past 12 consecutive months. Ocado Retail's share of the online market increased to 14.0% in the four weeks to 29th November 2025 (Nielsen), up 1.1 ppts year-on-year.

Revenue increased by 15.4% to £3,098.8m (FY24: £2,685.8m), with growth significantly ahead of the wider UK online grocery channel[1]. The strength of the performance was driven by order growth of 13.1%, with an increase in customers[2] of 12.5% and an improved frequency of purchase. Mature customers (those with five or more orders) grew by 11.5%.

The average basket value grew by 1.3% to £123.69. A small decline in the average number of items in a basket was offset by an increase of 2.2% in average selling price, remaining below UK grocery inflation of 5.5%[1].

The strength of the ORL customer offer continues to be underpinned by Ocado Group's world-leading technology, enabling an extended range of 46,000 items, visible code life and with 99% of items delivered as promised.

1. NIQ Total Till and NIQ Homescan from Nielsen Consumer LLC, figures stated relate to the last four weeks ending 29 November 2025.
2. Customers are classified as active if they have shopped at Ocado.com within the previous 12 weeks. Average active customers represents the average number of active customers over the 52-week period.

Technology deployments are enhancing CFC productivity, improving delivery capabilities and driving up profitability

During the year, we successfully completed the migration of Ocado Retail customers from Ocado's legacy ('Ocean') platform, to the full Ocado Smart Platform. This was a key initiative in ensuring ORL's platform remains reliable and robust in the future, and that ORL is able to benefit from the wide range of enhancements being developed for Ocado Group's worldwide partners. As a consequence, we have begun to offer short-lead time slots from our Bristol and Purfleet CFCs, with Ocado Retail's fastest click-to-door of 101 minutes to date.

The efficiency of our CFCs has continued to benefit from the rollout of our Re:Imagined technologies into the current generation CFCs at Erith, Andover, Purfleet, Bristol, Bicester and Luton. In aggregate, these sites improved year-on-year their wall-to-wall variable labour efficiency by 8%, to an average UPH of 245 in the period (FY24: 227). The Luton CFC is at the most advanced stage of Re:Imagined technology rollout and delivered a peak UPH of 318 during the period.

We expect these improvements to continue, enabling Ocado Retail CFCs to meet production levels beyond their initial designed capacity, with utilisation averaging 93% during the year and reaching 98% of designed capacity in November. Alongside the modules available in Erith CFC, we expect Ocado Retail to grow into the additional capacity created within its existing CFCs with minimal capital expenditure, leveraging Ocado Group's investment into its Re:Imagined technologies.

Ocado Retail reported an adjusted EBITDAⒶ of £84m (£118m excluding the capacity fees payable for the closed Hatfield site) in FY25, compared to £45m in FY24. This represents an adjusted EBITDAⒶ margin of 2.7% (3.8% excluding Hatfield capacity fees), versus 1.7% in FY24. Profitability improvements were primarily driven by the volume-led growth of the business and the greater efficiency of the CFCs. These benefits were partly offset by a lower gross margin and higher delivery costs across the industry, resulting from changes to employers' NICs and the National Living Wage.

Ocado Retail strategy

Unbeatable Choice
Ocado.com offers a huge range of around 46,000 products, providing unbeatable choice for our customers. Last year, we added even more M&S newness to our range and continued to showcase upcoming challenger brands alongside our dependable range of big brands - ensuring there is an option for everyone at Ocado.

Unrivalled Service
We aim to give our customers unrivalled online service, delivering orders on time and in full. Last year, we continued to deliver 99% of items as promised. Together with Ocado Group, we're investing in technology that gives customers better slot availability, more flexibility in placing and editing orders, and faster order-to-deliver times. The freshness of our products also remains a focus. We're committed to offering our customers the longest shelf life possible, which we guarantee with our Freshness Guarantee.

Reassuringly Good Value
We want to give our customers reassuringly good value. Our Ocado Price Promise price matches over 10,000 products to tesco.com including promotions and Clubcard prices, and our own Top Offers and regular Big Savings events ensure we have competitive deals for our customers. We have also expanded our Ocado Own Brand range to give great value on everyday products.

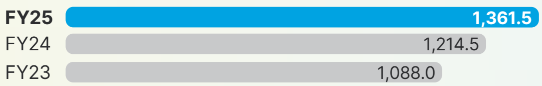
Priorities for FY26 and beyond

Our ambition is to be the world's leading online grocer, delivering joy in every shop. In FY26, our strategy remains focussed on three pillars:

- **First**, deliver a leading customer proposition, through building on our range of Unbeatable Choice, ever-improving our Unrivalled Service and delivering Reassuringly Good Value.
- **Second**, drive profitable growth as part of our Smart Growth pillar. We will do this by continuing to acquire more customers and driving more customer value from a better customer proposition, further improving our operational efficiency with Ocado Group through more automation in our CFCs and smarter last mile delivery, and maximising our network capacity from our existing CFCs.
- **Third**, embed our platforms for the future. FY25 was a year of significant tech transformation for ORL, including the migration of our webshop and app, supply chain and last mile to Ocado Smart Platform. Looking ahead, we are focussed on embedding our new systems and continuing to deploy new developments for the benefit of the customer and the business.

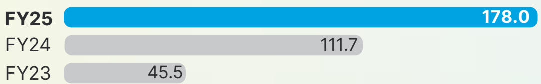
Financial Review

Group adjusted revenueⒶ (£m)



FY23 was a 53-week year. For comparability, the figure presented is on a 52-week basis.

Group adjusted EBITDAⒶ (£m)



Underlying cash flowⒶ (£m)

Headlines

The Group presents its FY25 results for the 52 weeks ended 30 November 2025.

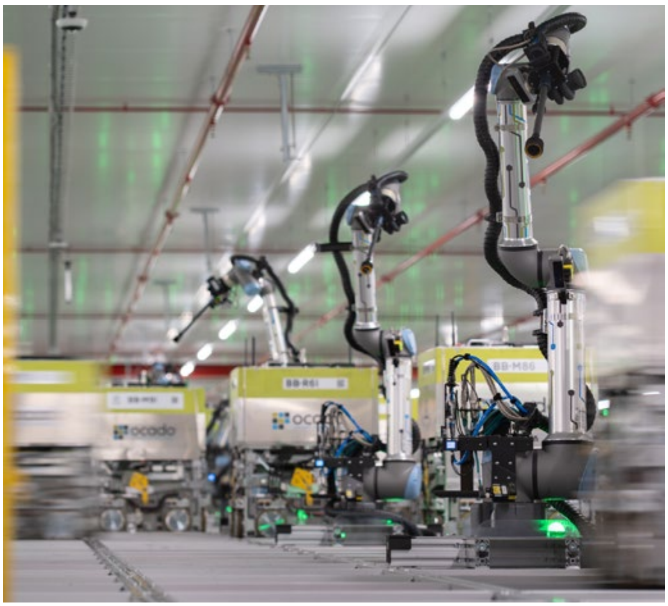
In August 2019, the Group sold 50% of the shares it held in Ocado Retail Limited ("Ocado Retail" or "ORL") to Marks & Spencer plc ("M&S"). Under the terms of the Shareholder Agreement, the Group remained the controlling shareholder via certain tie-breaking rights. On 6 April 2025, and as envisaged in August 2019, the Group relinquished these tie-breaking rights and ceased to fully consolidate Ocado Retail's results. This change in accounting treatment did not result in a change in the economic interest of both shareholders in Ocado Retail or any consideration paid by M&S.

From 7 April 2025, the Group has accounted for its investment in Ocado Retail as an "investment in associate" using the equity method and this accounting treatment has been applied within the FY25 statutory results. The Group's share of Ocado Retail's pre-adjusting, post-tax results is shown as "share of results from joint venture and associate" in the Income Statement. The Group's share of Ocado Retail's adjusting itemsⒶ is shown within adjusting itemsⒶ in the Income Statement.

In accordance with relevant accounting standards, Ocado Retail and relevant inter-segment eliminations are reported as a discontinued operation up to the date that tie-breaking rights were relinquished and are equity accounted thereafter. To aid year-on-year comparability of financial performance, the current and prior periods' income and expenses have been re-presented to "equity account" for Ocado Retail from the start of the financial period. The current and prior periods' cash flow statements are also re-presented to reflect the equity accounting of Ocado Retail from the start of the financial period. The Balance Sheets as at the end of the current and prior periods are shown on a reported basis.

The Group

- **The Group** delivered revenue of £1,361.5m, an increase of 12.1% year-on-year (FY24: £1,214.5m). Adjusted EBITDAⒶ increased by £66.3m to £178.0m (FY24: £111.7m).
- The Group continues to maintain strong liquidity of £1.04bn at the end of the period, to support our future growth and to meet our commitments as they fall due. Group underlying cash flowⒶ including proceeds of £113.4m relating to the Letter of Credit ("LoC"), as detailed below, improved by £99.3m to a £99.7m outflow (FY24: £199.0m outflow). Group underlying cash flowⒶ was a £213.1m outflow. The Group held cash and cash equivalents at the end of the period of £740.0m (FY24: £732.5m) and liquidity of £1.04bn (FY24: £1.03bn).
- During the period, the Group issued £400m of senior unsecured notes and used £335.3m of cash to redeem £340.7m of senior unsecured debt, at a £5.4m (c.2%) discount to par value.



Technology Solutions

- **Technology Solutions** delivered good revenue growth, up 13.0% to £561.2m (FY24: £496.5m) with 121 average live modules during the period (FY24: 116), up 4.3%. At the end of the period, we had 30 live sites (FY24: 29 sites) and 122 live modules (FY24: 123 live modules). Adjusted EBITDAⒶ for the period was £140.3m (FY24: £80.6m), an improvement of £59.7m. The improvement was driven by the strong profit flow-through from the growth in average modules live, growth in non-recurring income and continued optimisation of our cost base.

Logistics

- **Logistics** revenue increased by 11.5% to £800.3m (FY24: £718.0m) and primarily represents cost recharges to Ocado Retail and Morrisons of £764.9m (FY24: £686.5m). Orders per week increased by 9.8% to 619,000 (FY24: 564,000); eaches (individual items in the shopping basket) processed increased by 8.5% to 1,436.8m (FY24: 1,324.8m). Adjusted EBITDAⒶ for the period was £37.7m, an increase of £6.6m (FY24: £31.1m) reflecting higher management fees and vehicle lease income associated with delivering higher volumes for our partners.

Ocado Retail

- **Ocado Retail** revenue increased by 15.4% in the period to £3,098.8m (FY24: £2,685.8m) driven by 13.1% growth in orders. The order growth was driven by an increase in the average number of active customers of 12.5% and an increase in the frequency of orders. Adjusted EBITDAⒶ increased by £39.3m to £83.9m (FY24: £44.6m) with an adjusted EBITDA marginⒶ of 2.7% (FY24: 1.7%) driven by strong trading performance, partially offset by increased last mile and Customer Fulfilment Centre ("CFC") costs to fulfil these orders. Excluding the £34.0m (FY24: £33.2m) capacity fees payable for the closed Hatfield CFC, Ocado Retail delivered an adjusted EBITDAⒶ of £117.9m (FY24: £77.8m) at a margin of 3.8% (FY24: 2.9%).

Group summary

£m	**FY25 pro-forma**Ⓐ	FY24 pro-formaⒶ	Change
Revenue			
Technology Solutions	561.2	496.5	13.0%
Logistics	800.3	718.0	11.5%
Group	**1,361.5**	**1,214.5**	**12.1%**
Operating costs			
Technology Solutions	(420.9)	(415.9)	(1.2)%
Logistics	(762.6)	(686.9)	(11.0)%
Group	**(1,183.5)**	**(1,102.8)**	**(7.3)%**
Adjusted EBITDAⒶ			
Technology Solutions	140.3	80.6	£59.7m
Logistics	37.7	31.1	£6.6m
Group	**178.0**	**111.7**	**£66.3m**
Share of results of joint venture and associate	(13.5)	(24.0)	43.8%
Depreciation, amortisation and impairment[1]	(411.4)	(413.9)	0.6%
Finance income[2]	45.7	49.6	(7.9)%
Finance costs	(146.7)	(98.6)	(48.8)%
Other finance gains and losses[3]	(5.2)	10.0	(152.0)%
Adjusted EBT	**(353.1)**	**(365.2)**	**£12.1m**
Adjusting itemsⒶ	756.0	12.4	£743.6m
EBT	**402.9**	**(352.8)**	**£755.7m**
Tax	(14.5)	0.2	£(14.7)m
Profit/(loss) after taxⒶ	**388.4**	**(352.6)**	**£741.0m**

Ⓐ These measures are alternative performance measures. Please refer to pages 270 to 273.
1. Depreciation, amortisation and impairment of £411.4m (FY24: £413.9m) excludes £4.7m (FY24: £1.6m) recognised in adjusting itemsⒶ.
2. Finance income of £45.7m (FY24: £49.6m) excludes £2.1m (FY24: £11.4m) recognised in adjusting itemsⒶ.
3. Other finance gains and losses of £5.2m loss (FY24: £10.0m gain) excludes a £4.1m gain (FY24: £43.6m gain) recognised in adjusting itemsⒶ.

This commentary is on a pre-adjusting itemⒶ basis to aid understanding of the performance of the business on a comparable basis. Adjusting itemsⒶ are detailed in Note 2.5 to the Consolidated Financial Statements. Adjusted profit/(loss) before tax similarly excludes the impact of adjusting itemsⒶ.

Revenue for the period increased by 12.1%, an increase of £147.0m to £1,361.5m (FY24: £1,214.5m).

Technology Solutions revenue increased by 13.0% to £561.2m (FY24: £496.5m), an increase of £64.7m, mainly driven by 1. the annualisation of the three sites opened during the second half of FY24 (two CFCs for Coles in Australia and one for Alcampo in Spain), 2. incremental non-recurring fees of £14.7m following the cessation of Morrisons deliveries from our Erith CFC, as announced in November 2024, 3. acceleration of income in relation to the closure of three Kroger CFCs of £13.6m and 4. £6.9m revenue recognised in relation to the LoC excluding the acceleration of income noted above, detailed in net cumulative invoiced fees below. The average number of live modules is the key revenue driver for Technology Solutions and average live modules increased by 4.3% to 121 (FY24: 116).

Logistics revenue increased by 11.5% to £800.3m (FY24: £718.0m) and mainly comprises cost recharges and management fees to its two UK partners, Ocado Retail and Morrisons. While the volume of eaches increased by 8.5% to 1,436.8m (FY24: 1,324.8m), revenue growth was proportionately higher, at 11.5%, reflecting higher cost inflation on labour and increased costs for the maintenance of our fleet.

Net cumulative invoiced fees to our partners that are reported on our Balance Sheet and not yet recognised as revenue increased by £124.9m to £631.5m (FY24: £506.6m). Net cumulative invoiced fees are recognised as contract liabilities on the Balance Sheet and reflect future revenues as these balances will be released to the Income Statement as the relevant performance obligations are satisfied. The net movement of £124.9m during the period is mainly driven by 1. the addition of the receipt of £113.4m from the LoC as described below, 2. the deduction of revenue recognised in the Income Statement of £97.3m as described below, 3. the addition of amounts invoiced of £56.1m relating to incremental staged payments from our Ocado Smart Platform ("OSP") and Ocado Intelligent Automation ("OIA") partners and 4. the addition of £54.0m primarily relating to design and set-up fees received from ORL in prior periods, which were eliminated on consolidation in the prior period. The release to the Income Statement of £97.3m reflects 1. revenue recognised on operational sites in line with IFRS 15, 2. revenue recognised in respect of the LoC, 3. amounts received from Morrisons in respect of the Erith CFC following the cessation of deliveries during the period and 4. the acceleration of advance receipts related to the three Kroger sites which closed in January 2026. These items are explained in further detail below and in the Technology Solutions segment review.

In June 2025, the Group drew down US$151.7m under a LoC issued by the Bank of Nova Scotia. This arrangement was established as part of the strategic partnership between Ocado and Kroger, announced in 2018. The LoC was intended to provide a capital contribution to Ocado in support of its investment in Kroger's online business. In line with the terms of the agreement, which specified a seven-year maturity period, the drawdown was executed upon the maturity date being reached. In accordance with relevant accounting standards, the income from the LoC is apportioned across CFCs that are live or in construction, and initially recognised within contract liabilities on the Balance Sheet. The income is released to the Income Statement, within revenue, over the life of those sites, with £12.7m recognised in the period. The cumulative income attributable to prior periods for sites that are already live, of £20.2m, is recognised as an adjusting itemⒶ during the period. The remaining £80.5m is included within contract liabilities on the Balance Sheet, and will be recognised within revenue over the remaining life of those sites, with the final amounts expected to be recognised in 2036. The current liabilities portion of the remaining £80.5m balance is £24.9m and represents amounts due to be recognised as revenue within 12 months of the period end. This includes £20.5m in relation to the closure of three Kroger CFCs.

Operating costs increased by 7.3% to £1,183.5m (FY24: £1,102.8m). Technology Solutions operating costs increased by 1.2% to £420.9m (FY24: £415.9m). This comprises 1. direct operating costs of £156.6m (FY24: £149.1m), which increased by 5.0% as labour cost increases from the growth in average live modules were partially offset by efficiencies in repairs, maintenance and remote support costs during the period, 2. technology costs of £90.7m (FY24: £92.9m), which reduced by 2.4% as the Group focuses on targeted investment opportunities and the successful deployment of its Re:Imagined technology and 3. support costs of £173.6m (FY24: £173.9m) which were broadly in line year-on-year. Support costs in the prior period benefited from £5.1m of litigation income following the settlement reached with MasterCard and Visa in relation to bank interchange fees. Excluding the impact of this, support costs reduced by £5.4m, a decrease of 3.1%, largely driven by 1. an increase in the R&D tax credit, 2. savings across Finance, IT and Legal, 3. lower overheads in Jones Food Company ("JFC") following the business appointing administrators during the period and 4. lower Board share-based payment charges. Logistics operating costs increased by 11.0% to £762.6m

(FY24: £686.9m) reflecting 1. a 9.8% growth in orders, 2. higher labour costs from legislative changes to the National Living Wage and Employers' National Insurance Contributions and 3. inflationary pressure on the repairs and maintenance costs of our fleet. Cost increases were partially offset by improved productivity across our OSP sites and efficiency in our last mile operations.

Adjusted EBITDAⒶ was £178.0m (FY24: £111.7m) with each of the Technology Solutions and Logistics segments delivering strong growth in adjusted EBITDAⒶ. The £66.3m year-on-year increase was driven by a £59.7m improvement in Technology Solutions to £140.3m (FY24: £80.6m), and by a £6.6m increase in Logistics to £37.7m (FY24: £31.1m). The improvement in Technology Solutions adjusted EBITDAⒶ was mainly driven by the strong flow-through of incremental revenue to adjusted EBITDAⒶ. Logistics delivered positive adjusted EBITDAⒶ from its reliable cost-plus model.

Share of results of joint venture and associate was a £13.5m loss (FY24: £24.0m loss), an improvement of £10.5m.

The Group has two equity-accounted investments (Ocado Retail and MHE JVCo).

- **Ocado Retail** operates as an online grocery retailer in the UK. It leverages the Group's proprietary end-to-end technology platform and third-party logistics services to provide consumers with a wide range of M&S and branded grocery products. The Group's share of Ocado Retail's pre-adjusting, post-tax results for the period amounted to a £(13.7)m loss (FY24: £(24.3)m loss). This includes Ocado Retail's adjusted EBITDAⒶ of £83.9m (FY24: £44.6m); and
- **MHE JVCo** holds the Dordon CFC MHE assets which Ocado Retail and Morrisons use to service their online businesses. The Group's share of the MHE JVCo profit after tax in the period amounted to £0.2m (FY24: £0.3m).

Depreciation, amortisation and impairment decreased by 0.6% to a charge of £411.4m (FY24: £413.9m). This comprises 1. depreciation of property, plant and equipment of £218.5m (FY24: £195.6m), 2. depreciation of right-of-use assets of £29.3m (FY24: £28.7m), 3. amortisation expense of £125.0m (FY24: £145.9m) and 4. an impairment charge of £38.6m (FY24: £43.7m).

The decrease mainly reflects large-scale technology projects that were fully amortised in the prior period and lower impairments year-on-year. These are partly offset by additional depreciation due to the go-live of three sites in the prior period.

Finance costs of £146.7m (FY24: £98.6m) mainly comprise the interest expense of £128.0m (FY24: £80.7m) on borrowings and interest expense of £17.3m (FY24: £16.7m) on lease liabilities. The increase of £48.1m was primarily due to the higher interest rate on the £700m senior unsecured debt issued in the prior period and the £400m senior unsecured notes issued during the period, relative to the senior unsecured notes and senior unsecured convertible bonds partially redeemed of £681.4m in the prior period and £284.0m redeemed during the period.

During the period, the Group raised gross proceeds of £400.0m through the issue of senior unsecured notes, with a coupon rate of 11% per annum, maturing in 2030. £335.3m of the proceeds were used to fund the early partial redemption of £117.0m of the £600m senior unsecured convertible bonds and full redemption of remaining £223.6m of the £500m senior unsecured notes. The redemption of the senior unsecured notes resulted in a gain, after transaction costs, of £4.1m, recognised in adjusting itemsⒶ. See Note 4.1 to the Consolidated Financial Statements for details.

Total borrowings, excluding lease liabilities, at the end of the period were £1,486.2m (FY24: £1,386.7m). The increase of £99.5m was mainly due to 1. the recognition of £391.0m in senior unsecured notes issued in the period, 2. £337.4m of senior unsecured notes and convertible bonds derecognised in the period, 3. accrued interest on loans and borrowings of £123.0m, 4. interest payments of £72.4m and 5. the derecognition of borrowings held by JFC of £4.7m on deconsolidation from the Group.

Lease liabilities at the end of the period were £302.2m (FY24: £311.7m) and primarily relate to 1. headleases on UK CFCs and spokes, and large goods vehicles ("LGVs"), which are subsequently recharged to Ocado Retail and Morrisons and 2. UK and international Technology Solutions Development Centres.

Finance income of £45.7m (FY24: £49.6m) comprises 1. interest income on cash balances held during the period and principally derives from investments in money market funds and term deposits of £27.4m (FY24: £29.5m), 2. interest income on assets sub-leased to Ocado Retail in accordance with IFRS 16 of £9.5m (FY24: £10.5m) and 3. interest income on loans receivable, principally the shareholder loan to Ocado Retail of £7.9m (FY24: £8.6m). The decrease in interest income on cash balances was largely driven by lower interest rates during the period.

Other finance losses of £5.2m (FY24: £10.0m gain) mainly comprise net foreign exchange losses of £4.1m (FY24: £0.1m), largely in respect of US, Canadian and Australian dollar balances held.

Adjusted loss before tax of £353.1m (FY24: £365.2m) reflects an adjusted EBITDAⒶ profit of £178.0m (FY24: £111.7m), share of loss of joint venture and associate of £13.5m (FY24: £24.0m), depreciation, amortisation and impairment of £411.4m (FY24: £413.9m) and net finance costs of £106.2m (FY24: £39.0m).

Adjusting itemsⒶ of £756.0m income (FY24: £12.4m income) largely comprises 1. the gain on the statutory valuation of the Group's investment in Ocado Retail of £782.6m, 2. loss on deconsolidation of JFC of £23.0m, 3. £20.2m relating to the proportion of the LoC that is attributable to prior period performance obligations and 4. organisational restructuring costs of £14.8m.

In April 2025, the Group transferred its tie-breaking rights in Ocado Retail to M&S and ceased to fully consolidate the business. There was no change in the shareholding or economic interest of the two shareholders and no transfer of consideration. The Group has subsequently accounted for its investment in Ocado Retail as an "investment in associate" using the equity method and, in accordance with relevant accounting standards, has recognised its 50% share of Ocado Retail's equity at a fair value of £750.0m. The Group therefore recognised a gain of £782.6m on the deconsolidation of Ocado Retail. Further details can be found in Note 2.9 to the Consolidated Financial Statements.

On 7 April 2025, JFC, a vertical farming business in which the Group holds an equity interest of 54.6% (FY24: 54.6%) appointed administrators. As a result, JFC was deconsolidated from the Group's Financial Statements from that date. This resulted in a loss on deconsolidation of £23.0m, which includes a £4.7m impairment of goodwill.

Further details of all adjusting itemsⒶ can be found in Note 2.5 to the Consolidated Financial Statements.

Profit before tax was £402.9m (FY24: £352.8m loss).

The **total tax charge** in the Income Statement was £14.5m (FY24: £0.2m credit), which comprises a corporation tax charge of £10.0m (FY24: £6.1m) and a deferred tax charge of £4.5m (FY24: £6.3m credit) recognised in the period.

Deferred tax assets increased due mainly to the availability of future R&D tax relief and future utilisation of losses.

At the end of the period, the Group had £1,453.0m (FY24: £1,441.0m) of unutilised carried-forward tax losses.

During the period, the Group did not declare a **dividend** (FY24: £nil).

Earnings/loss per share

Pence	**FY25**	FY24	Change
Basic earnings/(loss) per share	**47.3**	(42.3)	89.6
Adjusted loss per share	**(44.3)**	(43.8)	(0.5)

The Group continues to maintain strong liquidity to support its growth plans, with cash and cash equivalents of £740.0m at the end of the period (FY24: £732.5m) and gross liquidity of £1.04bn (FY24: £1.03bn) (including the Group undrawn revolving credit facility ("RCF") of £300.0m).

Net debtⒶ was £(1,048.4)m (FY24: £(965.9)m) at the end of the period.

Technology Solutions

£m	**FY25**	FY24	Change
Recurring capacity fees	444.2	415.8	6.8%
Non-recurring fees	78.5	38.4	104.4%
OIA	35.6	35.6	-
Other	2.9	6.7	(56.7)%
Revenue	**561.2**	**496.5**	**13.0%**
Direct operating costs	(156.6)	(149.1)	(5.0)%
Contribution	**404.6**	**347.4**	**16.5%**
Contribution %	*72.1%*	*70.0%*	*2.1ppts*
Technology costs	(90.7)	(92.9)	2.4%
Support costs[1]	(173.6)	(173.9)	0.2%
Adjusted EBITDAⒶ	**140.3**	**80.6**	**£59.7m**
Adjusted EBITDA %Ⓐ	*25.0%*	*16.2%*	*8.8ppts*

1. The current and prior year excludes the Group's share of the MHE JVCo profit after tax of £0.2m (FY24: £0.3m). This is now recognised in the share of results of joint venture and associate in the Income Statement.

Key Performance Indicators

The following table sets out a summary of selected operating information in the period:

	FY25	FY24	Change
No. of live modules[1,2]	**122**	123	(0.8)%
Average live modules[1,2]	**121**	116	4.3%
Direct operating cost (% of live sales capacity)[3]	**1.33%**	1.55%	0.22ppts

1. A module is considered live when it has been fully installed and is available for use by our partner, or where fees are being received for the module. This includes 14 modules for the Hatfield CFC, and the Leeds and Canning Town Zooms, which were not actively trading at the end of the period, but for which fees are being received in full.
2. A module of capacity is assumed as 5,000 eaches picked per hour and c.£79m (FY24: c.£75m) per annum of partner live sales capacity.
3. Direct operating costs as a percentage of live sales capacity reflects the average for all OSP sites live during the period. Direct operating costs include engineering, cloud and other technology direct costs. The prior year presented the exit rate as at the period end. Under the prior year's methodology, FY25 would be 1.35% (FY24: 1.60%).

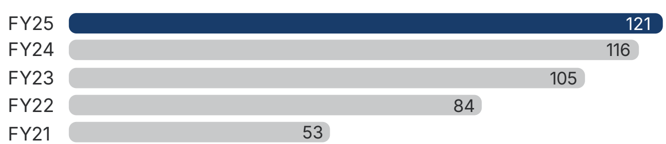
£561.2m

Revenue (FY24: £496.5m)

£140.3m

Adjusted EBITDAⒶ (FY24: £80.6m)

Average live modules



Technology Solutions is the global technology platform business providing OSP as a managed service to 13 grocery retail partners and OIA solutions to our non-grocery partners.

Technology Solutions comprises 1. the revenue and direct operating costs associated with our OSP and OIA businesses, 2. the technology costs to sustain and grow these businesses and 3. the support costs for these businesses, including Technology Operations, Solutions Sales and Partner Success, OIA Sales, Finance, Legal, HR, Information Technology and the Board.

The segment's non-grocery business, OIA, comprises 1. Ocado Storage and Retrieval Systems ("OSRSs"), our ultra-high-density cubic Automated Storage Retrieval Systems ("ASRSs"), 2. Ocado Mobile Robot System ("OMRS"), which combines fulfilment execution software with our Autonomous Mobile Robots ("AMRs"), namely Chuck, previously referred to as 6RS, and Porter, our configurable and flexible automated case-picking pallet jack, and 3. our robotic Sort business. During the period, McKesson opened its OSRS facility in Canada, and we signed our second OSRS contract with Gap Inc. We continued to focus on our marketing initiatives and expanding the sales funnel across our OIA businesses.

Technology Solutions also includes our fully consolidated vertical farming business, JFC. In April 2025, JFC appointed administrators. While the administration of JFC was driven by the broader challenges facing the vertical farming sector, these factors do not impact Technology Solutions' core operations or strategic priorities.

As announced in November 2024, Morrisons ceased deliveries from our Erith CFC during the period in order to continue building further volumes through our Dordon CFC, as well as expansion of deliveries from its store network where online orders are fulfilled using the Group's AI-powered In-Store Fulfilment solution. While the exit results in a short-term reduction of five live modules at the site, it provides greater operational flexibility and supports the Group's broader strategy to drive efficiency and growth across its UK CFC network. The Group expects that, in time, these modules will be utilised by Ocado Retail.

In June 2025, the Group and Bon Preu announced an expansion of our partnership with the ordering of a CFC, the first for Bon Preu, in Parets del Vallès to serve the Catalonia region. This follows strong growth in Bon Preu's online business, enabled by Ocado's In-Store Fulfilment solution.

In November 2025, Auchan Polska's first CFC, located in Warsaw, went live. At the end of the period, we had 30 live sites, comprising 26 CFCs and four Zooms, with a total of 122 live modules (FY24: 29 live sites, comprising 25 CFCs and four Zooms, with a total of 123 live modules).

The 122 live modules include 14 modules of capacity on sites where Ocado Retail has ceased operations. The Technology Solutions business continues to charge Ocado Retail capacity fees for these modules, as it is contractually entitled to do. At the end of the period, Technology Solutions had 27 sites, with 108 modules, in which partners were actively trading (25 CFCs and two Zooms).

At the end of the period, we had 163 modules ordered at sites in operation, and 35 modules ordered at sites under construction but not yet live for AEON, Lotte and Kroger.

During the period, we continued to focus on supporting our partners to increase volume growth to improve capacity utilisation in their CFCs. Our Partner Success teams continue to work closely with our partners to support sales growth, drive operational efficiency and improve profitability.

Revenue

Revenue in the period increased by 13.0% to £561.2m (FY24: £496.5m).

Recurring capacity fee revenue is typically index-linked and is driven by the average number of modules live during the period. Recurring capacity fee revenue increased by 6.8% to £444.2m (FY24: £415.8m) and was driven by the 4.3% increase in the average number of live modules to 121 (FY24: 116) and indexation of OSP fees.

Non-recurring fee revenue comprises 1. the upfront design and access fees amortised in the Income Statement, 2. revenue recognised in relation to the LoC drawn during the period and 3. other non-recurring income generated by the OSP business.

In accordance with IFRS 15, design and access fees are initially recorded on the Balance Sheet, within contract liabilities, until a working solution is delivered to the partner, i.e. the site goes 'live'. Fees are released to the Income Statement over the period in which the underlying performance obligations have been satisfied.

On 18 November 2025, Kroger announced plans to optimise its CFC network, resulting in the closure of three CFCs in January 2026. The announcement in November resulted in an acceleration in revenue of advance receipts, previously held as contract liabilities of £13.6m.

Income from the LoC is apportioned across CFCs that are live or in construction, and initially recognised within contract liabilities on the Balance Sheet. The income is released to the Income Statement, within revenue, over the life of those sites.

Excluding the acceleration from the closure of the three Kroger CFCs, the Group recognised £6.9m within revenue.

Total non-recurring fee revenue of £78.5m (FY24: £38.4m) increased by £40.1m largely reflecting 1. the amortisation of fees in relation to the three sites that went live in 2H24, 2. £14.7m of non-recurring income from Morrisons following the cessation of deliveries for Morrisons from the Erith CFC and 3. acceleration of income in relation to the closure of the three Kroger CFCs of £13.6m.

At the end of the period, cumulative fees relating to OSP partners that are not yet recognised as revenue, but instead are recorded on the Balance Sheet within contract liabilities, were £586.2m (FY24: £474.9m) and are largely in relation to Kroger, Coles, AEON, ORL and Sobeys.

There are 30 legacy non-OSP modules within the 122 modules at the end of the period. These primarily relate to the Hatfield and Dordon CFCs, which generate a lower fee per module than an OSP module. While the Hatfield CFC ceased trading in FY23, the Technology Solutions business is entitled to continued capacity fees at Hatfield, which in the period were £34.0m (FY24: £33.2m), and continued to charge them to Ocado Retail.

OIA revenue of £35.6m (FY24: £35.6m) during the period comprises £6.8m (FY24: £0.1m) from OSRS, £19.8m (FY24: £26.8m) from OMRS and £9.0m (FY24: £8.7m) from Sort. OIA revenue remained stable year-on-year with an increase in OSRS revenue of £6.7m largely offset by a decrease in OMRS revenue of £(7.0)m.

During the period, we delivered our OSRS solution to McKesson. In accordance with IFRS 15, income and expenditure relating to the sale of third-party equipment is recognised when services are provided. Fees in relation to the sale of the automated warehouse system are recognised in the Income Statement over the contract term of approximately eight years. The associated assets including the costs of construction are recognised within property, plant and equipment and other intangible assets on the Balance Sheet and are depreciated and amortised respectively over the contract term. Costs associated with the sale of third-party equipment are recognised in direct operating costs. During the period, the Group recognised OSRS revenue of £6.8m (FY24: £0.1m), primarily relating to the sale of third-party equipment to McKesson.

At the end of the period, cumulative fees relating to OIA partners that are not yet recognised as revenue, but instead are recorded on the Balance Sheet within contract liabilities, were £45.3m (FY24: £31.7m), including McKesson.

OMRS revenue decreased by £(7.0)m during the period due to fewer contracts going live during the period and a non-recurring adjustment made in the prior period relating to the treatment of sales within the OMRS business.

Other revenue primarily relates to equipment sales to retail partners of £2.4m (FY24: £5.3m) recognised as revenue under IFRS 15 (the cost of this equipment is recognised within direct operating costs).

Direct costs

Direct operating costs largely relate to the day-to-day costs of operating our CFC, Zoom and OIA sites, primarily engineering support, maintenance and spares, and the costs of hosting the technology services for partners. Direct operating costs also include cost of sales primarily relating to equipment sales to OSP and OIA partners.

Direct operating costs increased by £7.5m (5.0%) to £156.6m (FY24: £149.1m). The increase primarily reflects 1. incremental costs associated with the volume growth in sites opened during the current and prior year and 2. costs associated with the sale of third-party equipment to McKesson. The increase was partly offset by efficiencies in repairs and maintenance, and remote support costs during the period.

Contribution margin increased by 2.1ppts to 72.1% (FY24: 70.0%). The increase was partly driven by higher non-recurring income of £14.7m from Morrisons, following the cessation of deliveries from the Erith CFC, revenue recognised in respect of the LoC of £12.7m, and the accelerated recognition of advance receipts relating to the three Kroger sites which closed in January 2026 of £7.8m. The underlying improvement in contribution margin reflects the good progress made to reduce repair and maintenance costs in our CFCs and to optimise labour spend across our sites and remote support locations.

Technology and support costs

Technology costs that are expensed primarily reflect costs incurred during activities in the early stages of innovation, before projects meet the criteria for capitalisation. This includes research and discovery work undertaken to explore and assess problems and opportunities. Other people-related costs include management time and live system support, while other non-people technology costs include hardware, software and cloud costs. Technology costs in FY25 reduced by £2.2m to £90.7m (FY24: £92.9m), through reduced non-capitalisable hardware and consultancy spend, as the Group continues to focus on targeted investment opportunities and the successful deployment of its Re:Imagined technology.

Support costs are costs incurred in supporting the global operations of the business. These costs include Solutions and OIA Sales, Partner Success, Technology Operations, Finance, HR, IT and Legal.

Costs decreased by £0.3m to £173.6m during the period (FY24: £173.9m). Support costs in the prior period included the one-off benefit of a settlement reached with MasterCard and Visa in relation to bank interchange fees, which generated a net income of £5.1m. Excluding this benefit, support costs reduced by £5.4m, a reduction of 3.0%, largely driven by 1. an increase in the R&D tax credit, 2. savings across Finance, IT and Legal, 3. lower overheads in JFC following the business appointing administrators during the period and 4. lower Board share-based payment charges, as noted below. These savings were partially offset by our continued investment in developing our commercial teams (OIA and Solutions Sales, and Partner Success), supported by an experienced leadership team, which is dedicated to driving growth for new and existing partners.

Board costs of £16.4m (FY24: £19.3m) are included within Technology Solutions support costs. The year-on-year decrease of £2.9m was mainly driven by a lower share-based payment charge of £5.6m (FY24: £7.7m) following the cessation of the Value Creation Plan during the prior period.

Adjusted EBITDAⒶ

Adjusted EBITDAⒶ for the period was £140.3m (FY24: £80.6m), an improvement of £59.7m. Adjusted EBITDA marginⒶ improved by 8.8ppts to 25.0% (FY24: 16.2%). The strong profit flow-through from the £64.7m growth in revenue was driven by 1. the benefits of scale from more modules going live in our CFC sites, 2. the ongoing optimisation of direct CFC operating costs (including labour and maintenance costs) which have reduced as a percentage of live sales capacity, 3. incremental non-recurring revenue and 4. the continued optimisation of our Technology cost base.

Ocado Logistics

£m	**FY25**	FY24	Change
Cost recharges[1]	764.9	686.5	11.4%
Fee revenue[1]	35.4	31.5	12.4%
Revenue	**800.3**	**718.0**	**11.5%**
Other income	2.0	4.0	(50.0)%
Fulfilment and delivery costs	(690.1)	(625.4)	(10.3)%
Technology and support costs	(74.5)	(65.5)	(13.7)%
Adjusted EBITDAⒶ	**37.7**	**31.1**	**£6.6m**

1. Cost recharges include £6.8m (FY24: £4.9m), primarily relating to the recharge of LGV leases. In the prior year, this income was included within fee revenue. The cost of these leases are recognised outside of adjusted EBITDAⒶ in accordance with IFRS 16.

Ocado Logistics is our third-party logistics business providing services to partners in the UK (Ocado Retail and Morrisons). The Logistics business operates automated warehouses and provides the associated supply chain and delivery services to our UK partners, and recharges these costs in full, together with an additional management fee of c.4%. The business also generates revenue from capital recharges charged to Ocado Retail relating to certain historical Material Handling Equipment ("MHE") assets used to provide logistics services that were not transferred to Ocado Retail on its formation. The segment includes 1. revenue from cost recharges (primarily CFC and delivery costs incurred), capital recharges and the management fee for operating all UK sites, 2. the related CFC fulfilment and delivery costs, 3. technology costs directly related to sites and any non-OSP customer platform technology costs and 4. costs relating to central functions to support the provision of the Logistics business.

Key Performance Indicators

The following table sets out a summary of selected operating information in the period:

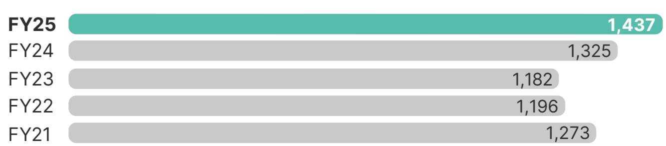
	FY25	FY24	Change
Total eaches (million)	**1,436.8**	1,324.8	8.5%
Orders per week (000s)	**619**	564	9.8%
OSP CFC UPH[1,2]	**245**	227	7.9%
DP8[3]	**21.5**	21.0	2.4%

1. Measured as units picked from the CFC per variable hour worked by operational personnel.
2. OSP CFCs are all CFCs excluding Dordon.
3. DP8 represents the drops per standardised eight-hour shift for Ocado Retail only.

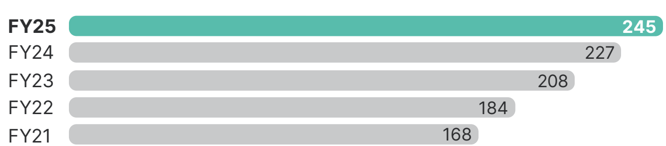
£37.7m

Adjusted EBITDAⒶ (FY24: £31.1m)

Total eaches picked (million)



OSP CFC UPH



Ocado Logistics operates a cost-plus business model. Client volumes in the sites we operate are a key driver of our revenue and costs. During the period, average orders per week across our two partners increased by 9.8% to 619,000 (FY24: 564,000), while the volume of eaches processed increased by 8.5% to 1,436.8m (FY24: 1,324.8m).

Revenue

This comprises 1. cost recharges, which are the recharge of variable and fixed costs incurred to provide fulfilment and delivery services, which are recharged to Ocado Retail and Morrisons, 2. a c.4% management fee charged on those rechargeable costs, and 3. capital recharges to Ocado Retail for the use of certain fixtures and fittings, and plant and machinery that were not transferred to Ocado Retail on its formation as a separate business.

Cost recharges increased by £78.4m to £764.9m (FY24: £686.5m), up 11.4%. These costs represent the operational costs that are recharged to Ocado Retail and Morrisons for the provision of third-party logistics services. The key driver of the cost recharges is the volume of orders and eaches processed through the CFC sites. While total eaches increased by 8.5%, cost recharges increased at a faster rate, increasing by 11.4% primarily due to inflationary pressure on 1. labour costs within our CFCs and service delivery operations following legislative increases to the National Minimum Wage and Employers' National Insurance Contributions during the period and 2. the repairs and maintenance of our fleet. This was partially offset by fulfilment efficiencies driven by the continued roll-out of our Re:Imagined technology and higher volumes through our sites. Cost recharges are greater than rechargeable costs of £742.1m (FY24: £667.0m) as cost recharges also include lease income for lease costs in shared sites and LGVs, where we are providing a service, for which the cost is included outside adjusted EBITDAⒶ.

Fee revenue of £35.4m (FY24: £31.5m) increased by 12.4% mainly due to an increase in management fees of 11.2% to £27.7m (FY24: £24.9m). Management fees are c.4% of rechargeable costs.

Fee revenue also includes £7.7m of capital recharges (FY24: £6.6m). Capital recharges relate to charges to Ocado Retail for the use of certain assets that are owned by the Group and utilised by Ocado Retail. For partner-shared sites (primarily Dordon and Erith), capital recharges are accounted for as revenue as we are considered to be providing a service (per IFRS 16). For sites that are used exclusively by Ocado Retail (primarily Purfleet, Bristol and Andover), this income is accounted for in accordance with IFRS 16 (outside of adjusted EBITDAⒶ) as we are considered to be providing a finance lease.

Included within revenue is £13.1m (FY24: £12.0m) relating to the shared Erith site, comprising capital recharges of £7.0m (FY24: £5.5m) and rent recharges of £6.1m (FY24: £6.5m).

Other income

Other income of £2.0m (FY24: £4.0m) relates to MHE JVCo asset rental income. The year-on-year decrease of £2.0m was mainly driven by the expiry of large MHE asset rental agreements in the prior period. These agreements were made as part of the original fit-out of the Dordon CFC. Other income is presented within operating costs in the Consolidated Income Statement.

Fulfilment and delivery costs

These costs comprise the costs of fulfilment and delivery operations which are recharged to Ocado Retail and Morrisons.

Total fulfilment and delivery costs increased by 10.3% to £690.1m (FY24: £625.4m) with eaches increasing by 8.5% to 1,436.8m (FY24: 1,324.8m). Costs increased faster than the growth in eaches primarily due to inflationary pressure on 1. labour costs within our CFCs and service delivery operations following legislative increases to the National Minimum Wage and Employers' National Insurance Contributions during the period and 2. the repairs and maintenance of our fleet.

CFC productivity improvements are demonstrated by the improvement in UPH in OSP CFCs (Erith, Andover, Purfleet, Bristol, Bicester and Luton), which improved year-on-year to an average UPH of 245 in the period (FY24: 227). With the introduction of the Re:Imagined technologies including On-Grid Robotic Pick ("OGRP") and Auto Frame Load ("AFL"), our Luton CFC delivered an average UPH of 289 (FY24: 239) and peak UPH of 318 during the period, significantly ahead of our expectations.

A higher UPH results in a lower labour requirement and therefore lower costs for the same volume. The improvement in UPH and resulting productivity improvements, partially offset the legislative increases to the National Minimum Wage and Employers' National Insurance Contributions during the period.

The efficiency of our delivery operations is measured by DP8. This increased by 2.4% to an average of 21.5 drops per standardised 8-hour shift for Ocado Retail (FY24: 21.0 drops). The improvement was mainly driven by 1. increased order volume driving order density, 2. improvements in on-time management to ensure deliveries are made within their allocated time slot and 3. improvements to routing accuracy. This supported an expansion of a programme focused on routing efficiency. These improvements were partially offset by 1. inflationary pressures on labour costs as noted above and 2. investment from our partners into same-day deliveries and improved slot availability, which impacted efficiency but improved the customer proposition.

Technology and support costs

Technology and support costs increased by £9.0m to £74.5m (FY24: £65.5m) and comprise 1. head office and related costs to operate the Logistics business, 2. technology costs related to the operating of our pre-OSP grocery fulfilment platform and 3. the non-capitalised element of the programme costs to transition our UK partners from the pre-OSP technology platform to OSP.

Technology and support costs increased due to 1. labour cost inflation, 2. recruitment of personnel to deliver efficiencies in supply chain and last mile planning and 3. higher head office costs from management incentive schemes and acceleration of share-based payment charges. Head office costs and a portion of technology costs are recharged to our partners as part of our contractual agreements. The cost of operating the pre-OSP platform, the transition to OSP and ongoing Logistics systems costs, totalling £18.5m (FY24: £17.1m), are not recharged to partners.

Adjusted EBITDAⒶ

Adjusted EBITDAⒶ for the period was £37.7m, an increase of £6.6m (FY24: £31.1m) principally driven by 1. increased management fees of £2.8m from supporting the online growth of our UK retailers, 2. £2.4m additional revenue from the recharge of higher inflation driven lease costs, where the cost of these leases is recognised outside of adjusted EBITDAⒶ and 3. incremental recharges of costs to Ocado Retail of £1.9m, following the unwind of the transitional services agreement ("TSA") set up on the creation of the joint venture.

Ocado Retail

£m	FY25	FY24	Change
Revenue	**3,098.8**	**2,685.8**	**15.4%**
Gross profit	**1,041.3**	**914.3**	**13.9%**
Gross profit %	*33.6%*	*34.0%*	*(0.4)ppts*
Fulfilment and delivery costs	(583.1)	(513.6)	(13.5)%
Marketing costs	(44.8)	(43.7)	(2.5)%
Support costs	(125.3)	(116.0)	(8.0)%
Fees	(204.2)	(196.4)	(4.0)%
Adjusted EBITDAⒶ	**83.9**	**44.6**	**£39.3m**
Depreciation and amortisation	(70.2)	(59.7)	(17.6)%
Net finance costs	(41.1)	(33.4)	(23.1)%
Operating loss before adjusting items	**(27.4)**	**(48.5)**	**43.5%**
Adjusting items	(16.9)	(15.8)	(7.0)%
Tax	–	–	–
Loss after tax	**(44.3)**	**(64.3)**	**31.1%**
50% Ocado Group share of loss after tax	(22.2)	(32.2)	31.1%
Reported in Ocado Group's share of results of joint venture	(13.7)	(24.3)	43.6%
Reported in Group adjusting itemsⒶ	(8.5)	(7.9)	(7.6)%

Ocado Retail is the UK online grocery retail business serving a broad range of shopper missions. Ocado Retail is a 50% owned joint venture with M&S.

As described on page 22, the Group's share of Ocado Retail's pre-adjusting, post-tax results are now shown as "share of results of joint venture and associate" in the Income Statement. The Group's share of Ocado Retail's adjusting items are now shown within adjusting itemsⒶ in the Income Statement.

The Group and ORL no longer have coterminous accounting periods. ORL now aligns its accounting periods to M&S's financial calendar, with its financial periods ending one week earlier than Ocado Group's. To aid year-on-year comparability of financial performance, the current and prior periods' income and expenses have been re-presented to equity account for Ocado Retail from the start of the financial period, with an adjusted treatment of the week commencing 31 March 2025 to derive 52 weeks of performance for the period ending 23 November 2025. All balances are presented on this basis, unless otherwise stated.

Key Performance Indicators

The following table sets out a summary of selected Ocado.com operating information in the period:

Ocado.com[1]	FY25	FY24	Change
Average active customers (000s)[2]	**1,176**	1,045	12.5%
Average orders per week (000s)	**500**	442	13.1%
Average basket value (£)[3]	**123.69**	122.09	1.3%
Average selling price (£)[4]	**2.81**	2.75	2.2%
Average basket size (eaches)	**44.0**	44.3	(0.7)%

1. Ocado.com excludes Zoom by Ocado as Ocado.com represents the core business of Ocado Retail.
2. Customers are classified as active if they have shopped at Ocado.com within the previous 12 weeks. Average active customers represents the average number of active customers over the 52-week period.
3. Average basket value (£) is defined as product sales divided by total orders.
4. Average selling price ("ASP") (£) is defined as product sales divided by total eaches.

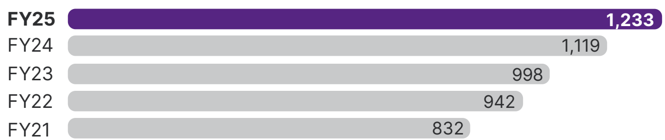
£3,098.8m

Revenue (FY24: £2,685.8m)

£83.9m

Adjusted EBITDAⒶ (FY24: £44.6m)

Year end active customers



Revenue

Revenue increased by 15.4% to £3,098.8m (FY24: £2,685.8m) driven by growth in Ocado.com, with a 13.1% order growth to 500,000 orders per week (FY24: 442,000 orders per week) and a 1.3% growth in basket value to £123.69 (FY24: £122.09).

The 13.1% growth in orders was driven by strong customer acquisition with the average number of active customers increasing by 12.5% during the period to 1,176,000 (FY24: 1,045,000). The active customer base at the end of the period was 1,233,000 (FY24: 1,119,000), up 10.2%.

Ocado.com grew its share of the online grocery market to 14.0% in the four weeks to 29 November 2025 (Nielsen), up 1.1ppts year-on-year (FY24: 12.9% in the four weeks to 30 November 2024). The online grocery market in the UK now represents 13.4% (FY24: 12.7%) of the total grocery market (Nielsen).

The average basket value grew by 1.3% to £123.69 (FY24: £122.09) driven by a modest increase in average selling price to £2.81 (FY24: £2.75). The 2.2% increase in average selling price on Ocado.com remained well below UK grocery inflation of 5.5% (Nielsen). The increase in basket value was partially offset by a decline in average basket size from 44.3 to 44.0 eaches.

Gross profit

Gross profit increased by 13.9% to £1,041.3m (FY24: £914.3m). Growth was lower than the 15.4% revenue growth due to a decrease in gross profit margin from 34.0% in FY24 to 33.6% in FY25. The recent 'Extended Producer Responsibility' legislation includes increased responsibilities on sustainable packaging, adding further cost pressures.

Gross profit includes the net benefit of supplier-funded media income of £98.0m (FY24: £89.7m) and the cost of discount vouchers redeemed by customers of £28.7m (FY24: £27.5m).

Fulfilment and delivery costs

CFC costs primarily comprise labour costs, property costs, consumables and related costs in CFCs, and increased by 6.5% to £195.5m (FY24: £183.6m). Costs increased at a slower rate than the 13.1% growth in average orders per week principally due to improved CFC productivity. The OSP CFCs (Erith, Andover, Purfleet, Bristol, Bicester and Luton) showed robust improvements in productivity reaching an average of 245 UPH (FY24: 227 UPH), an improvement of 7.9% partially driven by the introduction of OGRP during the prior period. The newest CFC for Ocado Retail in Luton delivered an average UPH of 289 (FY24: 239) and a peak UPH of 318 during the 52-week period

£m	FY25	FY24	Change
CFC	(195.5)	(183.6)	(6.5)%
Service delivery	(371.6)	(314.2)	(18.3)%
Utilities	(16.0)	(15.8)	(1.3)%
Fulfilment and delivery costs	**(583.1)**	**(513.6)**	**(13.5)%**

ending 30 November 2025. The average UPH for Ocado.com improved by 5.9% from 220 to 233.

Service delivery costs comprise labour, fleet, fuel and related costs to enable the delivery of orders to customers. Costs increased by 18.3% to £371.6m (FY24: £314.2m), driven by 1. the growth in the number of orders (+13.1%), 2. inflationary pressure on labour costs following the legislative changes to the National Living Wage and Employers' National Insurance Contributions and 3. higher repairs, maintenance and insurance costs of the fleet. The increase in costs was partially offset by an improvement in the efficiency of our last mile operations.

Utilities costs across CFCs and service delivery increased by 1.3% to £16.0m (FY24: £15.8m).

Marketing and support costs

Marketing costs comprise the cost of marketing activities to customers, such as digital performance marketing and brand advertising. This excludes vouchering costs, which are deducted in revenue. Marketing spend as a percentage of revenue decreased to 1.4% (FY24: 1.6%) reflecting the continued optimisation of the marketing channel mix.

Support costs of £125.3m (FY24: £116.0m) comprise head office, customer support and other overhead costs for Ocado Retail. The £9.3m, 8.0%, increase year-on-year was driven by 1. cost inflation partially reflecting the legislative increase in Employers' National Insurance Contributions, 2. increased headcount to support business growth, including the annualisation of senior, strategic vacancies in the prior period and 3. contractual increases in IT costs. As a percentage of revenue, support costs decreased to 4.0% (FY24: 4.3%).

Fees

Fees comprise 1. OSP fees paid to Technology Solutions for the operation of OSP and Re:Imagined technologies of £178.9m (FY24: £170.2m), 2. logistics management fees of £22.5m (FY24: £19.6m) and 3. capital recharges paid to Ocado Logistics of £2.8m (FY24: £6.6m). Fees of £204.2m (FY24: £196.4m) increased by £7.8m, driven by the index-linked OSP fees due to Technology Solutions. Fees include the ongoing fees for the closed Hatfield CFC.

Adjusted EBITDAⒶ

Adjusted EBITDAⒶ for the Retail business was £83.9m (FY24: £44.6m). The primary drivers for the £39.3m year-on-year increase were growth in active customers and orders driving trading performance, partly offset by higher service delivery and CFC costs to fulfil these orders.

The Retail business delivered an adjusted EBITDA marginⒶ of 2.7% (FY24: 1.7%), an improvement of 1.0ppt. Excluding the £34.0m (FY24: £33.2m) capacity fees payable for the Hatfield CFC, the adjusted EBITDAⒶ for the Ocado Retail business would have been £117.9m (FY24: £77.8m) at a margin of 3.8% (FY24: 2.9%).

Below adjusted EBITDAⒶ

Depreciation and amortisation increased by £10.5m to £70.2m (FY24: £59.7m). The increase was largely due to capital assets and rent in relation to the Erith CFC site now being accounted for, as a sole customer site, as a finance lease in accordance with IFRS 16. In the prior period, as a shared customer site, these charges were recognised within operating expenses in the Income Statement. Also included within depreciation and amortisation was an increase year-on-year due to additional motor vehicle charges from a larger fleet.

Net finance costs comprise gross interest costs less gross interest income. Net finance costs of £41.1m increased by £7.7m (FY24: £33.4m) largely reflecting higher lease interest expense relating to 1. the Erith CFC site and 2. new motor vehicle leases and lower interest income on lower average cash balances.

Adjusting items of £16.9m expense (FY24: £15.8m expense) primarily comprise transformation costs relating to the transition from legacy platforms onto OSP, IT systems transformation costs to transition from the Group to a standalone platform, and the deconsolidation from the Group and consolidation into M&S.

There was no **taxation** in the period (FY24: £nil).

Loss after tax of £44.3m decreased by £20.0m (FY24: £64.3m). The primary drivers for the increase were the improved adjusted EBITDAⒶ performance, partly offset by increased depreciation and lease interest costs.

Capital expenditure

Capital expenditure largely comprises 1. new site construction costs, 2. deployment of our Re:Imagined innovations, 3. technology development costs to enhance OSP and 4. construction costs in our OSRS business. Group capital expenditure for the period was £382.6m (FY24: £386.4m), a decrease of £3.8m.

The £382.6m of capital expenditure includes £47.6m relating to the capitalisation of grid, bots and MHE at McKesson's facility, which opened during the period.

Excluding this, capital expenditure decreased by £51.4m primarily due to a reduced level of capital expenditure for Technology development costs. We continue to remain focused on capital discipline and operate a thorough capital allocation approval process.

An analysis of capital expenditure by key categories is presented below:

£m	**FY25**	FY24	Change
CFC sites	157.4	162.6	(3.2)%
Technology R&D	156.5	196.6	(20.4)%
Group support and other	9.8	13.0	(24.6)%
OIA	47.6	-	100.0%
Technology Solutions	**371.3**	**372.2**	**(0.2)%**
Logistics	**11.3**	**14.2**	**(20.4)%**
Group capital expenditure	**382.6**	**386.4**	**(1.0)%**

Technology Solutions

CFC sites capital expenditure primarily relates to the construction of new sites and costs associated with upgrading our existing live sites, and totalled £157.4m in the period (FY24: £162.6m), a year-on-year decrease of £5.2m. The investment during the period of £157.4m primarily relates to the construction of new sites including the Warsaw site for Auchan Poland, which went live in 2H25, the Busan site for Lotte and the Hachioji site for AEON, both expected to go live in FY26, and the installation of Re:Imagined innovations.

Technology development spend decreased by £40.1m to £156.5m (FY24: £196.6m) as the Group reached an inflection point in its development cycle after several years of elevated investment levels. During the period, we continued to focus on targeted investment in OSP and our key Re:Imagined innovation projects with our newest generation 600 Series bot launching in live CFCs. In addition, we continued to invest in our two new products: a pallet-moving Autonomous Mobile Robot ("AMR"), which drives efficiencies into case-picking processes, and a de-palletiser that will benefit the solutions available to non-grocery partners through our OIA business.

£m	**FY25**	FY24	Change
CFC technologies	79.2	104.9	(24.5)%
Ecommerce	25.2	30.2	(16.6)%
Logistics and supply chain	22.4	21.7	3.2%
Other	29.7	39.8	(25.4)%
Technology	**156.5**	**196.6**	**(20.4)%**

We continue to enhance our customer proposition through OSP, delivering world-class end-to-end grocery and non-grocery ecommerce and fulfilment solutions. OSP includes ecommerce, order management, forecasting, routing and delivery, our grid, bots dexterous robotics and other material handling elements.

- **CFC technologies** are at the core of our OSP proposition. This capital expenditure encompasses the ongoing development of our grid and bots, peripheral MHE and software. This investment is focused on reducing both the capital cost and the ongoing operational running costs of the CFC for the partner and Ocado Group.

  We invested £79.2m in CFC and ISF technologies during the period (FY24: £104.9m), reflecting our ongoing commitment to optimising the OSP technologies in our CFC operations. Our investment focused on optimising site design, improvements in picking and enhancing our outbound operations. These investments delivered the successful launch of our 600 Series bot and 600 Series compatible grid in live CFCs during the period.
- **Ecommerce**: We invested £25.2m (FY24: £30.2m) in developing our ecommerce platform to enhance every aspect of the shopper journey, including improvements to the search and browse experience. During the period, we continued to invest in driving customer conversion, customisable homepages, marketing reporting and frictionless payments. We successfully launched the webshop for Lotte and also invested in the development of the webshop for Panda, including Arabic search support, which is expected to launch later this year. We successfully trialled an on-demand proposition with Morrisons to enable customers to collect their shopping in under one hour from a nearby store.
- A key benefit of OSP is our expertise in **Logistics and supply chain**, which underpins our end-to-end solution. In FY25, we invested £22.4m (FY24: £21.7m) in our capabilities, with the focus of our investment on the optimisation of the grocery supply chain and efficiency of the last mile delivery. During the period, we deployed Ocado Swift Router across multiple sites, enabling same-day and short-lead time delivery from CFCs at scale, while maintaining routing efficiency. We continued to invest in planning automation and operational tooling to improve routing accuracy and further reduce our cost to serve.
- Within the supply chain, we further strengthened our proposition by enhancing our analytics capabilities, making it easier for partners to identify risk and take insight-informed actions across forecasting, ordering and inventory management. We delivered targeted user experience improvements that simplify navigation and reduce the time taken to locate relevant forecasts and purchase orders. We extended planning horizons within our tooling, enabling partners to plan labour and operational resources further into the future. In addition, we trialled solutions to reduce the number of totes per order and last mile fulfilment costs and implemented aggregator support, enabling retailers to integrate OSP with third-party marketplaces and operate these as an additional customer order channel.
- The balance of the spend predominantly relates to our teams creating tooling and development systems necessary to deliver for the wider Technology function, where we invested £29.7m (FY24: £39.8m).

Group support and other capital expenditure comprise projects relating to support costs systems and infrastructure. Other capital expenditure of £9.8m is £3.2m lower year-on-year (FY24: £13.0m).

Logistics

Capital expenditure of £11.3m (FY24: £14.2m) largely relates to technology system development of £10.0m (FY24: £12.8m) to transition our UK partners from our legacy platforms onto OSP. During the period, the Group successfully migrated the Ocado.com website, associated mobile applications, and last mile and supply chain system services for Ocado Retail from the legacy platforms onto OSP.

Cash flow

£m	**FY25 pro-forma**Ⓐ	FY24 pro-formaⒶ
Adjusted EBITDAⒶ	178.0	**111.7**
Cash received from contract liabilities (upfront fees)	65.0	99.2
Proceeds from the Letter of Credit	113.4	-
Other working capital movements	20.5	17.6
Interest paid	(92.6)	(46.2)
Corporation tax paid	(3.0)	(7.7)
Adjusting itemsⒶ	37.0	83.1
Other non-cash items	(30.4)	(5.2)
Operating cash flow	**287.9**	**252.5**
Capital expenditure (excl. OIA)	(334.7)	(393.4)
OIA capital expenditure	(38.6)	-
Dividend from joint venture	0.8	2.8
Net proceeds from interest-bearing loans and borrowings	55.1	26.8
Repayment of lease liabilities	(33.2)	(32.6)
Net proceeds from share issues	2.6	4.6
Other investing and financing activities	72.9	67.2
Movement in cash and cash equivalents (excl. FX changes)	**12.8**	**(72.1)**
Effect of changes in FX rates	(5.3)	(4.2)
Movement in cash and cash equivalents (incl. FX changes)	**7.5**	**(76.3)**
Cash and cash equivalents at beginning of period	**732.5**	**808.8**
Movement in cash and cash equivalents (incl. FX changes)	7.5	**(76.3)**
Cash and cash equivalents at end of period	**740.0**	**732.5**

Cash and cash equivalents (including foreign exchange changes) increased by £7.5m (FY24: reduction of £76.3m) to £740.0m (FY24: £732.5m). There was an improvement in net cash flow of £83.8m year-on-year.

Operating cash flow improved by £35.4m to an inflow of £287.9m (FY24: £252.5m cash inflow). Key movements in cash flow during the period can be analysed as follows:

- **Adjusted EBITDA**Ⓐ improved by £66.3m to £178.0m (FY24: £111.7m).
- **Cash received from contract liabilities: cash inflow of £65.0m** (FY24: £99.2m cash inflow). The decrease during the period is driven by lower upfront design and access fees paid by our grocery retail partners of £42.7m (FY24: £72.6m) mainly reflecting fewer sites going live in the current year, and following the go-live of three sites in the prior period. Customer advances received by our OIA business in respect of customer project builds reduced by £4.3m to £22.3m (FY24: £26.6m).
- **Proceeds from the Letter of Credit: cash inflow of £113.4m** (FY24: £nil).
- **Interest paid: cash outflow of £92.6m** (FY24: cash outflow of £46.2m) comprises £75.3m interest and charges on borrowings (FY24: cash outflow of £29.5m) and £17.3m for the interest element of assets held under finance leases (FY24: £16.7m). The increase during the period mainly reflects the higher coupon payments on the Group's borrowings issued in the prior period.
- **Corporation tax paid: cash outflow of £3.0m** (FY24: £7.7m cash outflow) reflects tax paid in the period in respect of overseas entities.

- **Adjusting itemsⒶ: cash inflow of £37.0m** (FY24: £83.1m cash inflow) principally relates to cash-settled adjusting itemsⒶ and comprises the following:
  - £58.4m (FY24: £100.0m) proceeds from the settlement of AutoStore patent litigation and cross-licence pre-2020 patents;
  - £14.8m (FY24: £5.0m) organisational restructuring costs; and
  - £6.7m (FY24: £11.9m) Finance and HR system transformation costs.
- **Other non-cash items of £(30.4)m** (FY24: £(5.2)m) comprises:
  - revenue recognised from long-term Solutions contracts of £(71.9)m (FY24: £(39.3)m) and revenue recognised from long-term OIA contracts of £(6.3)m (FY24: £nil);
  - share-based payments charge of £38.8m (FY24: £37.2m);
  - movements in provisions of £9.2m (FY24: £(2.6)m); and
  - other smaller movements of £(0.2)m.

The movements above result in an operating cash inflow of £287.9m (FY24: cash inflow of £252.5m). The following movements explain the overall movement in cash and cash equivalents inflow of £7.5m (FY24: cash outflow of £76.3m):

- **Capital expenditure (excl. OIA) of £334.7m** (FY24: £393.4m) primarily relates to 1. new site construction costs, 2. deployment of our Re:Imagined innovations and 3. technology development costs to enhance OSP. Cash capital expenditure of £334.7m is lower than accounting capital expenditure (excluding OIA) of £335.0m mainly due to the timing of cash spend on capital items. This difference is reflected in accruals and prepayments on the Balance Sheet.
- **OIA capital expenditure of £38.6m** (FY24: £nil) relates to construction costs incurred by the OSRS business in respect of grid, bots and MHE at McKesson's facility that opened during the period. In the prior period, £9.0m of this was recognised within inventory and other working capital movements.
- **Net proceeds from interest-bearing loans and borrowings of £55.1m** (FY24: £26.8m) comprises:
  - gross proceeds from the issue of senior unsecured notes of £400.0m due in 2030. £280.6m of the gross proceeds was used to fund the early partial redemption of existing senior unsecured convertible bonds and senior unsecured notes, due in 2025 and 2026 respectively, at a c.2% discount to par. This reflected a net cash inflow of £119.4m;
  - redemption of the remaining principal at par and accrued interest of the senior unsecured notes due in 2026 of £54.7m; and
  - transaction costs of £9.6m.
- **Other investing and financing activities of £72.9m** (FY24: £67.2m) comprise:
  - £28.1m (FY24: £28.9m) of interest received on treasury deposits. The reduction in interest received on treasury deposits primarily reflects the lower interest rate environment, with average SONIA rates declining from 5.1% in FY24 to 4.3% in FY25. This impact was partially offset by proactive treasury management, including a continued focus on yield optimisation and the repatriation of cash from global bank accounts. As a result, the average proportion of cash invested in higher-yielding instruments, such as money market funds and term deposits, increased from 68% to 80% over the year.
  - £27.0m (FY24: £25.9m) received from Ocado Retail in respect of assets leased in accordance with IFRS 16;
  - £9.0m (FY24: £2.3m) repayment of loans from joint ventures, associates and investee companies; and
  - £8.8m (FY24: £nil) proceeds from sale of the Group's investment in Paneltex.

Underlying cash flowⒶ

£m	FY25 pro-formaⒶ	FY24 pro-formaⒶ
Movement in cash and cash equivalents	**7.5**	**(76.3)**
Adjusting itemsⒶ	(37.0)	(83.1)
Proceeds on disposal of asset held for sale	–	(18.5)
Proceeds on disposal of unlisted equity investments	(8.8)	–
Purchase of unlisted equity investments and loans to investee companies	(9.0)	7.7
Cash received in respect of contingent consideration	–	(1.6)
Financing[1]	(57.7)	(31.4)
Effect of changes in FX rates	5.3	4.2
Underlying cash flowⒶ (incl. Letter of Credit)	**(99.7)**	**(199.0)**
Proceeds from the Letter of Credit	(113.4)	–
Underlying cash flow	**(213.1)**	**(199.0)**

1. Financing of £57.7m (FY24: £31.4m) includes net proceeds from interest-bearing loans and borrowings of £55.1m (FY24: £26.8m) and net proceeds from share issues of £2.6m (FY24: £4.6m).

Underlying cash flowⒶ for the Group was a £213.1m outflow (FY24: £199.0m outflow). The movement was primarily driven by 1. a £46.4m increase in interest paid, reflecting the refinancing of the Group's borrowings at a higher rate in FY24, 2. £38.6m capitalised construction costs for our OSRS solution, which mainly comprise grid, bots and MHE at McKesson's OSRS facility that opened during the period and 3. £34.2m decrease in cash received from partners for the build and design of MHE, and advances received by our OIA business. These were partially offset by 1. £66.3m improvement in adjusted EBITDAⒶ and 2. £58.7m reduction in capital expenditure, primarily due to lower Technology capital expenditure as the Group focuses on targeted investment opportunities.

Underlying cash flowⒶ is the movement in cash and cash equivalents excluding the impact of adjusting itemsⒶ, proceeds on disposal of asset held for sale, proceeds on disposal of unlisted equity investments, investment in unlisted equity investments and loans to investee companies, cash received in respect of contingent consideration, costs of new financing activity, acquisition of subsidiaries and foreign exchange movements. We focus on underlying cash flow because it measures the cash inflows and outflows that relate to the core operations of the Group and excludes key one-offs detailed above.

Liquidity management

£m	30 November 2025	1 December 2024	Change
Cash and cash equivalents	**740.0**	**732.5**	**7.5**
£600m senior unsecured convertible bonds (Dec-25)	(56.0)	(167.2)	111.2
£500m senior unsecured notes (Oct-26)	–	(223.6)	223.6
£350m senior unsecured convertible bonds (Jan-27)	(334.7)	(320.8)	(13.9)
£250m senior unsecured convertible bonds (Aug-29)	(222.0)	(215.1)	(6.9)
£450m senior unsecured notes (Aug-29)	(456.4)	(455.2)	(1.2)
£400m senior unsecured notes (Jun-30)	(417.1)	–	(417.1)
Other borrowings	–	(4.8)	4.8
Borrowings	**(1,486.2)**	**(1,386.7)**	**(99.5)**
Lease liabilities	(302.2)	(311.7)	9.5
Gross debt	**(1,788.4)**	**(1,698.4)**	**(90.0)**
Net debtⒶ	**(1,048.4)**	**(965.9)**	**(82.5)**

During the period, the Group raised gross proceeds of £400.0m through the issuance of senior unsecured notes maturing in 2030. The £400m senior unsecured notes raised £391.0m, net of transaction costs of £9.0m. £280.6m of the proceeds was used to fund the early partial redemption of existing debt at a c.2% discount to par. The Group redeemed £169.0m of its £500m senior unsecured notes due in 2026 and £117.0m of its £600m senior unsecured convertible bonds due in 2025 for tender consideration of £166.7m and £113.9m respectively, and incurred £0.3m of transaction costs.

The Group redeemed the final £54.6m of the £500m senior unsecured notes due in 2026, at par in November 2025, together with accrued interest. Together with the £169.0m redeemed earlier in the period, this represents a total of £223.6m redeemed in the period of the £500m senior unsecured notes.

The Group held cash and cash equivalents at the end of the period of £740.0m (FY24: £732.5m) and gross liquidity of £1.04bn (FY24: £1.03bn), including the RCF.

The Group's gross finance costs recognised in the Income Statement and in the cash flow statement are set out below:

	FY25 pro-formaⒶ		FY24 pro-formaⒶ	
£m	**Income Statement**	**Cash flow**	Income Statement	Cash flow
Finance income	**45.7**	**55.1**	**49.6**	**54.8**
£600m senior unsecured convertible bonds (Dec-25)	(5.0)	(1.5)	(20.1)	(5.9)
£500m senior unsecured notes (Oct-26)	(5.3)	(6.2)	(17.4)	(17.7)
£350m senior unsecured convertible bonds (Jan-27)	(16.5)	(2.6)	(15.6)	(2.6)
£250m senior unsecured convertible bonds (Aug-29)	(22.5)	(15.6)	(7.1)	–
£450m senior unsecured notes (Aug-29)	(48.8)	(47.3)	(15.4)	–
£400m senior unsecured notes (Jun-30)	(24.9)	-	–	–
Other interest and charges on borrowings	(5.0)	(2.1)	(5.1)	(3.3)
Total interest and charges on borrowings	**(128.0)**	**(75.3)**	**(80.7)**	**(29.5)**
Interest on lease liabilities	(17.3)	(17.3)	(16.7)	(16.7)
Other finance costs	(1.4)	–	(1.2)	–
Gross finance costs	**(146.7)**	**(92.6)**	**(98.6)**	**(46.2)**
Other finance gains and losses	**(5.2)**	**–**	**10.0**	**–**
Net finance costs	**(106.2)**	**(37.5)**	**(39.0)**	**8.6**

Balance Sheet

£m	**30 November 2025**	1 December 2024
Assets		
Goodwill	147.8	158.2
Other intangible assets	517.8	496.5
Property, plant and equipment	1,427.5	1,555.4
Right-of-use assets	191.3	264.8
Net investment in leases	138.8	–
Investment in joint venture and associate	742.7	7.0
Trade and other receivables	148.8	193.9
Cash and cash equivalents	740.0	732.5
Other financial assets	172.3	113.7
Inventories	31.9	39.8
Other assets	20.1	8.2
Assets held for sale	–	586.5
Total assets	**4,279.0**	**4,156.5**
Liabilities		
Contract liabilities	(631.5)	(506.6)
Trade and other payables	(263.3)	(249.1)
Borrowings	(1,486.2)	(1,386.7)
Lease liabilities	(302.2)	(311.7)
Other liabilities	(34.5)	(24.8)
Liabilities held for sale	–	(506.4)
Total liabilities	**(2,717.7)**	**(2,985.3)**
Net assets	**1,561.3**	**1,171.2**
Total equity	**(1,561.3)**	**(1,171.2)**

The Balance Sheet as at 1 December 2024 has not been re-presented to deconsolidate Ocado Retail. The balances are shown as reported in the prior period.

Assets

Goodwill of £147.8m decreased by £10.4m (FY24: £158.2m), following the deconsolidation of JFC during the period, and the foreign exchange impact of the revaluation of the balance, which is predominantly US dollar-denominated. Goodwill of £147.8m predominantly arose on the prior acquisition of Kindred Systems Inc.

Other intangible assets net book value of £517.8m increased by £21.3m (FY24: £496.5m). The movement was driven by:

- £148.5m (FY24: £177.8m) internal development costs capitalised during the period that related to the development of our technology capabilities for our partners, across our CFC, Zoom and ISF solutions;
- £9.6m (FY24: £26.6m) of intangible assets acquired primarily relating to software and patents;
- amortisation charge for the period of £125.0m (FY24: £147.3m);
- impairment charge for the period of £11.3m (FY24: £5.9m); and
- other smaller movements of £(0.5)m.

Other intangible assets are typically amortised over three to five years.

Property, plant and equipment net book value decreased by £127.9m to £1,427.5m (FY24: £1,555.4m). The movement was driven by:

- capital additions in the period of £205.2m (FY24: £164.0m) primarily relating to partner sites under construction, the installation of Re:Imagined technologies and OSRS capital expenditure;
- internal development costs capitalised during the period of £19.3m (FY24: £23.6m) relating to OSP technology development and deployment;
- depreciation in the period of £221.6m (FY24: £215.8m);
- the derecognition of assets with a net book value of £51.9m that are sub-leased to Ocado Retail, following the change in control. Amounts receivable in respect of these assets are recognised as net investment in leases in accordance with IFRS 16;
- foreign exchange movements of £(28.2)m (FY24: £(15.7)m);
- impairment charge of £27.3m mainly in relation to bots, spare parts and grid components that have been upgraded, and technology projects the Group has decided not to pursue further;
- the derecognition of JFC assets with a net book value of £23.2m following the appointment of administrators during the period; and
- other smaller movements of £(0.2)m.

Tangible assets are typically depreciated over eight to 10 years.

Right-of-use assets net book value decreased by £73.5m to £191.3m (FY24: £264.8m). This comprises land and buildings of £153.1m (FY24: £234.6m), motor vehicles of £25.9m (FY24: £15.5m) and fixtures, fittings, plant and machinery of £12.3m (FY24: £14.7m). The £73.5m movement was driven by:

- new leases for assets of £19.6m comprising largely motor vehicles;
- the derecognition of buildings with a net book value of £63.8m that are sub-leased to Ocado Retail, following the change in control. Amounts receivable in respect of these assets are recognised as net investment in leases in accordance with IFRS 16;
- depreciation charge of £32.1m (FY24: £53.5); and
- other smaller movements of £2.8m.

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date over the shorter of the assets' useful life and the lease term.

Net investment in leases of £138.8m (FY24: £nil) comprises £107.3m (FY24: £nil) of land and buildings, relating to sites solely used by Ocado Retail, including the Purfleet, Andover and Park Royal sites, and £31.5m (FY24: £nil) of fixtures, fittings, plant and machinery, primarily relating to assets within sites. These assets are leased to Ocado Retail, and are recognised on the Group Balance Sheet following the deconsolidation of Ocado Retail during the period and reflect the present value of the amounts due.

Investment in joint venture and associate of £742.7m (FY24: £7.0m) reflects the Group's investment in Ocado Retail and MHE JVCo. The increase of £735.7m during the period is primarily driven by the initial recognition of the Group's 50% equity interest in Ocado Retail at a fair value of £750.0m, following the transfer of its tie-breaking rights to M&S in April 2025. At the end of the period, the Group's investment in Ocado Retail was £736.3m. See Note 3.5 to the Consolidated Financial Statements for further detail.

Trade and other receivables decreased by £45.1m to £148.8m (FY24: £193.9m) and comprise:

- trade receivables, net of expected credit loss allowance, of £53.6m (FY24: £58.9m). These primarily relate to receivable balances due from Technology Solutions' retail partners;
- prepayments of £48.0m (FY24: £53.3m). These mainly relate to software maintenance payments, site support and maintenance costs (including business rates and utilities payments), CFC components, prepaid payroll expenses and insurance premiums. The decrease of £5.3m is largely driven by a reduction on advance payments on centrally held CFC components;
- accrued income of £26.4m (FY24: £8.6m). The increase of £17.8m largely relates to amounts due to be invoiced to Technology Solutions' partners, primarily ORL (previously eliminated on consolidation); and
- other receivables of £20.8m (FY24: £73.1m). Other receivables largely comprise tax refunds due and deposits paid. The decrease of £52.3m is mainly driven by cash receipts from AutoStore, which concluded in the period.

Other financial assets of £172.3m (FY24: £113.7m) comprise:

- £106.0m (FY24: £12.9m) loans receivable held at amortised cost. The increase of £93.1m is due to the recognition of the shareholder loan provided to Ocado Retail, which was eliminated on consolidation in the prior period, and repayments of loans from joint ventures, associates and investee companies;
- £64.9m (FY24: £100.1m) unlisted equity investments held by the Group primarily in Wayve Technologies Limited ("Wayve") of £42.6m (FY24: £41.7m) and Oxa Autonomy Ltd of £16.0m (FY24: £37.4m). The decrease of £35.2m is primarily driven by changes in the commercial outlook of Oxa Autonomy Ltd and the disposal of the Group's investment in Paneltex Limited during the period. See Note 3.6 to the Consolidated Financial Statements for further detail;
- £0.7m (FY24: £0.7m) contributions towards dilapidations receivable; and
- £0.7m (FY24: £nil) contingent consideration receivable.

Inventories of £31.9m (FY24: £39.8m) largely comprise Technology Solutions grid and bot spares, and OMRS Chuck robots. Inventories decreased by £7.9m during the period mainly due to reclassification of OIA grid, bots, and MHE construction costs to property, plant and equipment.

Other assets of £20.1m (FY24: £8.2m) comprise:

- £13.5m (FY24: £4.7m) of deferred tax assets, of which £8.6m relates to Polish R&D assets and £4.9m relates to losses;
- £5.5m (FY24: £3.4m) derivative financial assets, relating to warrants for 80 Acres; and
- £1.1m (FY24: £0.1m) derivative financial instruments.

Liabilities

Contract liabilities of £631.5m (FY24: £506.6m) primarily relate to the consideration received in advance from Solutions and OIA customers. Revenue is recognised when the performance obligation is satisfied, typically when a site goes live or OIA products and services are provided. The £124.9m increase in the period is driven by:

- £169.5m (FY24: £103.9m) invoiced to partners for their contracted contribution towards the initial MHE investment made in a site, build and design of MHE, and proceeds from the drawdown of the LoC;
- £64.4m (FY24: £34.7m) in respect of prior receipts recognised as revenue in the period, primarily relating to Kroger, Coles, AEON, Sobeys and ORL;
- £32.9m revenue recognised in relation to the LoC;
- £54.0m received from Ocado Retail and recognised following deconsolidation during the period; and
- £(1.3)m foreign exchange revaluation.

The current liabilities portion of the contract liabilities balance of £99.2m (FY24: £38.1m) represents amounts due to be recognised as revenue within 12 months of the period end, comprising £93.8m for retail partners and £5.4m for OSRS solutions. Long-term liabilities of £532.3m (FY24: £468.5m) make up the balance.

Trade and other payables of £263.3m (FY24: £249.1m) increased by £14.2m. Trade and other payables comprise:

- accrued expenses of £129.2m (FY24: £119.1m). Accrued expenses at the end of the period largely relate to 1. accrued payroll expenses, 2. site support and maintenance costs, and 3. accrued insurance and professional fees;
- trade payables of £70.4m (FY24: £58.4m);
- tax and social security payables of £41.5m (FY24: £54.1m). Tax and social security payables at the end of the period predominantly relate to amounts due to HMRC in respect of UK PAYE and US Federal and US Sales Tax. The payables total also includes overseas taxes arising on lease arrangements and property. The movement of £12.6m

year-on-year primarily relates to the timing of UK VAT payments; and

- deferred income of £22.2m (FY24: £17.5m). Deferred income primarily relates to advance receipts of R&D tax credits in Technology Solutions, OSRS Chuck fees and ongoing capacity fees.

Borrowings of £1,486.2m (FY24: £1,386.7m) primarily comprise the liability element of the three senior unsecured convertible bonds and the three senior unsecured bonds held during the period. Movements in the period include:

- £391.0m recognised on issue of the senior unsecured notes due in 2030;
- £337.4m derecognised on the partial redemption of the senior unsecured convertible bonds, and full redemption of the senior unsecured notes, due in December 2025 and October 2026 respectively;
- £123.0m accrued interest on loans and borrowings held at amortised cost, paid bi-annually;
- £72.4m interest repayments; and
- £4.7m derecognition of borrowings held by JFC on deconsolidation.

Lease liabilities of £302.2m (FY24: £311.7m) comprise land and buildings of £262.9m (FY24: £281.1m), motor vehicles of £26.3m (FY24: £15.7m) and fixtures, fittings, plant and machinery of £13.0m (FY24: £14.9m). The decrease of £9.5m was driven by:

- payments made of £50.5m (FY24: £80.6m);
- new leases for assets of £19.4m (FY24: £29.4m) comprising mainly motor vehicles;
- accrued interest of £17.3m (FY24: £25.0m);
- remeasurements of £4.0m; and
- foreign exchange movements of £0.3m.

Lease liabilities of £302.2m (FY24: £311.7m) include £11.0m (FY24: £12.4m) payable to MHE JVCo, a company in which the Group holds a 50% interest.

Other liabilities of £34.5m (FY24: £24.8m) comprise:

- £33.5m (FY24: £23.5m) of provisions largely in respect of dilapidation of properties and vehicles, and onerous contracts in relation to unavoidable costs expected to be incurred in exiting manufacturing contracts as a result of changes to design and production; and
- £1.0m (FY24: £0.6m) of deferred tax liabilities.

Post-Balance Sheet events

On 5 December 2025, the Group and Kroger agreed a one-off cash payment of US$350m to compensate the Group following Kroger's decisions to close three CFCs in January 2026 and not to proceed with the CFC in Charlotte, North Carolina. The payment was received by the Group on 30 January 2026.

On 9 December 2025, the Group redeemed in full, and at the maturity date, all outstanding 2025 Convertible Bonds with an aggregate principal of £55.8m, at par value.

On 29 January 2026, Empire Company Limited announced its intention to close its Sobeys CFC in Calgary, largely due to the Alberta grocery e-commerce market's size and the rate of expansion being slower than originally expected. On 2 February 2026, the Group received £18.5m in compensation for the closure. Sobeys continues to serve its customers in Ontario and Quebec through its Ocado-enabled Voilà banner, supported by its two existing CFCs in the Greater Toronto and Montreal areas.

On 25 February 2026, Wayve announced it had raised US$1.2bn in a Series D investment round, bringing its post-money valuation to US$8.6bn. Whilst the Group has not undertaken a fair value assessment in relation to this change, it is expected to result in a material increase in carrying value of the Group's investment in Wayve.

Stakeholder Engagement

Listening and responding to our stakeholders

The Board oversees how we listen and respond to stakeholder views and how these inform our strategy and key decisions.

While we value engagement with a broad range of stakeholders, including regulators and professional advisors, we have identified certain stakeholders as key because they are fundamental to delivering our strategic priorities. To ensure the most effective dialogue, engagement is often led by senior management or other employees rather than the Board directly. The Board actively monitors effectiveness through Board reports and feedback via our governance structure.

Our people

- **Our people** are our most valuable resource. We rely on a talented, engaged and innovative workforce to achieve our strategic priorities: in particular, delivering transformational technology and driving the success of our partners and clients.
- They want opportunities for growth and development; fair reward and recognition; a diverse and inclusive working environment; and flexibility and choice.

Investors

- **Our current and potential investors** provide the capital that enables us to pursue our strategic objectives. Their continued investment supports the development and growth of our business.
- Our investors want sustainable financial and operational performance of the business; robust governance; and effective management of our strategic priorities, opportunities and risks.

Environment, society and community

- **Making a meaningful contribution to the wider society** enables us to generate positive environmental and social impacts and further our objective to operate as a responsible business.
- This stakeholder group places greatest importance on our approach to climate change, Green House Gas emissions, human rights, responsible sourcing, waste management; and regulatory compliance.

Partners

- **Strong trusted relationships with our partners** are critical to our success. Understanding the needs of our partners and working together enables us to help them get the most out of our technology, develop innovative solutions, meet our strategic objectives and deliver on our commitments.
- Our partners want a reliable and financially sustainable product that is innovative and flexible. Understanding their businesses and challenges is essential to meeting these expectations.

Suppliers

- **Our suppliers** are imperative to the success of our business. A strong supply chain is critical in enabling us to deliver on our commitments to our OSP Partners and continue to develop and grow our business globally.
- Our suppliers want fair contractual and payment terms; long-term strategic relationships; equitable and compliant supply chain practices and good social, environmental and ethical impacts.

Board engagement and oversight	Group engagement	Outcomes from engagement
Our people		
• The meetings took place between Non-Executive Directors ("NEDs") and our senior leaders and key groups of employees. • There was regular engagement by Andrew Harrison, the Designated Non-Executive Director for Workforce Engagement ("DNED"), with our employees, including reporting to the Board and People Committee on key issues and actions being taken, see page 112. • Key metrics that are monitored by the Board include eNPS scores, health and safety incidents, gender pay gap, and compliance and whistleblowing reports.	• We have a wide range of employee community groups designed to connect people, enable networking and create a sense of belonging, as part of an inclusive workplace across business segments, including the Ocado National Council – a network of elected employee representatives. • Peakon (Technology Solutions) and Voice+ (Ocado Logistics), our employee listening tools, are used to gather employee sentiment and feedback and, in turn, guide responsive action. • We published a Technology Solutions 2025 People Insights DEI Report, providing demographic data and actionable inclusion strategies. • We recognise our employees across Technology Solutions for demonstrating our values via Peer Recognition Awards and for length of service with our Ocadoversary celebrations. • Several communication channels are in place, providing regular business and people updates via Slack, digital newsletters, the intranet (Ocado Logistics only) and livestreams featuring two-way Q&A.	• Feedback from employee communication channels was shared with the Board and discussed during the meetings. • In-person and virtual town halls were held to share updates on performance and progress against the strategic plan. • We launched the Leading Through Change programme across Technology Solutions to support our leaders and managers during organisational transformation. • There is alignment of the emerging talent pipeline and new hire diversity with ethnicity and gender targets. • The DNED hosted two Culture Listening Sessions to explore our ways of working and understand and drive improvements in our employee engagement. • We established a new Inclusion Index Organisation Goal for Technology Solutions to address women's experience gaps in inclusion, psychological safety and career progression.
Investors		
• The Board receives regular updates on market sentiment and investor feedback. • Key metrics are monitored by the Board, which include share price and share register movements. • The Board reviews and approves material communications to investors. • The Chair met with investors several times throughout the year. • Following the audit tender process, investors had the opportunity to meet with management to discuss the process and outcome.	• The Company website has been refreshed to ensure the content is meaningful and clear for investors. • A programme of investor roadshows and attendance and participation at technology, internet and retail investor conferences. • The Chair, CFO, CEO and management regularly engaged with our investors and analysts on our strategic plan delivery and other key matters. • The FY24 and HY25 results presentations were held in person and online, which included a Q&A session. • We hosted investor site visits to UK and international CFCs, including demonstrations of On-Grid Robotic Pick at the Luton (UK) and operations at Monroe (USA).	• Focus was given to educating the capital markets on our equity story. • We continued to advance communication of our strategy and business objectives to current and potential investors to help increase their understanding of our business model and prospects. • We continued to develop our reporting and provide comprehensive information regarding sustainability issues. • We held a two-day roadshow and meetings with debt investors ahead of the issuance of our high-yield bond.

Board engagement and oversight	Group engagement	Outcomes from engagement
Partners		
• The Board regularly engaged with senior executives of partners and held quarterly executive leadership meetings with all global OSP Partners. • Regular business reports were provided at each Board meeting on partner relationships, including performance and progress on operations, key issues and potential new partners. • The Board received a deep dive into key partners, with particular focus on strengthening core partnerships and accelerating module expansion, at the June Board strategy meeting. • A key metric monitored by the Board is OSP Partner site utilisation.	• The Regional President and Account teams, the Partner Success teams and operational teams across the business engage directly and continually with our OSP Partners. • KPIs are set and feedback is provided during ongoing projects with our partners. • Representatives from all OSP Partners come together periodically to work collaboratively and discuss experiences of shared importance.	• Tailored action plans for each partner under the Partner Success programme continued to be implemented and monitored. • Regional President and Account teams for Ocado Solutions in Asia-Pacific, the Americas and Europe continued to develop and implement regional support models for partners. • We accelerated business proof points at the Detroit CFC by leveraging Ocado Logistics' UK expertise and operational control, driving profitability improvements and demonstrating the OSP model effectiveness. • We developed internal and external training material to help partners maximise OSP functionality.
Suppliers		
• The Board received regular business reports raising any concerns regarding suppliers and any supply chain issues. • The Audit Committee oversees prompt payment practices and updates on the impact of the Carbon Border Adjustment Mechanism ("CBAM") and sanctions and export controls. • The Board monitors key metrics, including prompt payment practices reports, engagement with suppliers around CBAM and sanctions and export controls.	• We have an onboarding process for new suppliers. • We hold weekly operational supplier meetings to review KPIs, as well as raise and resolve any issues. • There are monthly operational reviews and Quarterly Business Reviews ("QBRs") attended cross-functionally from both sides, covering quality, engineering, procurement and sustainability. • Our Responsible Sourcing and Sustainability ("RSS") team manages the due diligence on critical suppliers and high-risk manufacturing facilities.	• We implemented and embedded supplier relationship management, with a structured programme of QBRs underway. • There is improved visibility of demand and supply through the sales and operations planning process. • We continued to undertake social audits for high-risk suppliers. • Our suppliers are engaged on our Supplier Code of Conduct, which outlines the standards suppliers must uphold. • The RSS team tracks progress to the RSS requirements via the Supplier Sustainability Scorecard, ensuring suppliers are proactively meeting our requirements.

Board engagement and oversight	Group engagement	Outcomes from engagement
Environment, society and community		
• The Board dedicated two deep-dive sessions during the year to sustainability, receiving updates and progress reports on sustainability matters. • The Board approved the 2030 sustainability targets and, throughout the year, monitored progress towards achieving them. • The Board approved the Modern Slavery Act Statement.	• The Sustainability Committee meets quarterly to ensure there is engagement on key issues. • The sustainability section on our corporate website includes our published sustainability policies and disclosures, and a sustainability factsheet on our performance against our sustainability framework. • Dedicated internal communication channels are used to inform employees and indicate ways that employees can get involved.	• We progressed the delivery of the Net Zero Roadmap, with particular focus on electrifying our fleet and incorporating sustainability into procurement decisions. • We made progress against our Circularity, Conduct and Community targets (see pages 54-55). • We matured the control environment for sustainability data, expanded the scope of data receiving external assurance and adopted a plan to meet new regulatory requirements over the coming years. • Ocado Foundation, relaunched in May 2025, promotes team volunteering activities and matches funding for money raised by employees. • We launched a Sustainability Champions Network in June 2025 to raise the profile of the new sustainability goals and share best practices.

Section 172(1) Statement

Directors' duty to promote the success of the Company

The Board considers that, during 2025, it has acted to promote the success of the Company for the benefit of its members while having due regard to the factors set out in Section 172 of the Companies Act 2006.

How the Directors fulfil their Section 172 duty under the Companies Act 2006:

Strategic direction and culture

- The Board held a two-day strategy meeting in June to consider the long-term strategic direction of the Group and the short- and medium-term steps to achieve this. See the FY25 Refreshed Group Strategy case study opposite for more detail.
- The Board discussed in detail and approved a refreshed five-year plan to support profitable growth, financial resilience and service delivery.
- The Board approved refinancing of our debt (see page 26 for more detail) to ensure that the Group continues to maintain a sustainable level of debt and sufficient capital to support long-term growth.
- The People Committee received regular updates on culture, listening and engagement, including the results from an employee survey to understand how some employees view our current culture, and actions to take forward.
- The Board is responsible for setting and monitoring the culture, values and reputation of the Group, and ensuring the culture encourages our people to adhere to our values and demonstrate responsible business conduct. The Board monitors the culture through various qualitative and quantitative measures that provide insight into the culture of the Group. The DNED provides valuable feedback from employees to the Board and the Board reviews Peakon engagement scores regularly. The Board set a number of actions related to culture as a result of the Board effectiveness review, including articulating the desired culture and defining appropriate monitoring measures.
- The Board has reviewed and approved a number of corporate policies in the year, including the updated Delegation of Authority Policy, Board Division of Responsibilities, Treasury Policy and revised Fraud Prevention Policy.

See page 109 for more on culture

Board information and discussion

- The Board agenda this year has seen a significant focus on strategic matters, including with our key partners, as well as reports from across the business on performance, financing and other external factors. These feed into discussions on strategy and setting priorities to ensure that the potential impact of decisions, particularly in the long term, are understood and considered.
- The Board oversees the Group's risk management framework and ensures that appropriate measures are implemented to mitigate risks that may impact the Group's business model, performance, solvency or liquidity.

See pages 106-107 for the key Board focus areas

Diverse set of skills, knowledge and experience

- As part of the NED appointment process, the Board skills matrix was refreshed and refined to ensure the appointments reflected the future skills of the Board.
- Annually, we request key information from all Directors in relation to their skills and experience. This is also considered by the People Committee when discussing the Board composition and future Board appointments.

See pages 113-115 for our Board composition, including the skills and experience of the Directors

See page 119 for the focus of our NED appointment process

Stakeholder engagement

The Board ensures that it understands the views and interests of our stakeholders to enable effective consideration of these, in decision-making and in setting our strategic priorities.

Highlights can be found on pages 48-51

Link to Section 172 icons:

- **A** The likely consequences of any decision in the long term
- **B** The interests of our employees
- **C** The need to foster business relationships with key stakeholders
- **D** The impact of operations on community and environment
- **E** Maintaining a reputation for high standards of business conduct
- **F** The need to act fairly as between members

Stakeholder icons:

- Our people
- Partners
- Investors
- Suppliers
- Environment, society and community

You can read more about how the Board had regard to each factor set out in Section 172 during the year in the following sections of the Annual Report:

Section 172	Read more
A The likely consequences of any decision in the long term	• Business Model • Our Strategy • Group Key Performance Indicators • Business in Focus • Highlights
B The interests of the Company's employees	• Stakeholder Engagement • Sustainability Report • How Our Culture and Values Support Our Strategy • Monitoring the culture
C The need to foster business relationships with suppliers, customers and others	• Our Markets • Business in Focus: Ocado Technology Solutions • Stakeholder Engagement • Highlights • Non-Financial and Sustainability Information Statement
D The impact of the Company's operations on the community and the environment	• Business Model • Stakeholder Engagement • Highlights • Sustainability Report
E The desirability of the Company maintaining a reputation for high standards of business conduct	• Business Model • Sustainability Report • Non-Financial and Sustainability Information Statement • How We Manage Our Risks
F The need to act fairly as between members of the Company	• Stakeholder Engagement • Directors' Report

The following example demonstrates how we engaged with stakeholders and how the Board considered Section 172 matters as part of Board discussions and decision-making.

See pages 106-107 for the key Board focus areas during the year.

FY25 Refreshed Group Strategy

This year, the Board approved a refreshed Group Strategy to drive long-term value. The Board considered changing market trends and fully endorsed the Group's evolution towards an omnichannel fulfilment platform to secure a sustainable financial footing.

When considering the strategic reset, the Board kept in mind the need to balance growth opportunities with financial stability and disciplined execution, including the target to become cash flow positive by the end of FY26. The Board supported a more capital-disciplined pathway over near-term, higher-capital options, and supported the establishment of a Strategy Implementation Office and Objectives and Key Results framework to link strategy directly to execution and coordinate delivery.

The Board considered a number of factors when agreeing the strategic reset and the supporting delivery model, including the long-term impact of the decision, capital allocation and funding requirements, execution risk, and the interests of our investors, colleagues and partners.

Read more on page 108

Link to Section 172: A E F

Link to Stakeholders

Our sustainability performance

Our sustainability goals are organised under four pillars, focused on the issues that matter to our business and our stakeholders. We have made disclosures with reference to Global Reporting Initiative ("GRI") Standards. Our GRI Index and additional sustainability metrics are available in our Sustainability Databook at https://www.ocadogroup.com/investors/corporate-governance/policies-and-disclosures.

Climate

Advancing Net Zero & innovating for energy efficiency

Our technology and logistics operations rely on energy-intensive systems. Reducing our energy consumption and emissions is critical to our long-term resilience and helps to reduce our costs. Tackling our carbon footprint not only supports our own transition to a low carbon economy but also helps our retail partners to achieve their Net Zero ambitions.

2030 targets

40% reduction in Scope 1 and 2 GHG emissions intensity versus 2023 baseline

2025

3%

8% Progress

40% reduction in Scope 3 GHG emissions intensity versus 2023 baseline

2025

38%

96% Progress

Circularity

By design, saving resources & reducing waste

Efficient use of materials and resources is vital for both sustainability and profitability. Designing products and operations with circular principles reduces waste, protects natural resources and enhances our reputation for innovation. By embedding reuse and recycling across our business, we create value from efficiency and support our customers' environmental goals.

2030 targets

Zero waste to landfill

2025

0.14%

99+% Progress

95% of end-of-life MHE recycled

2025

100%

100% Progress

Support ORL to halve its food waste % versus a 0.59% baseline

2025

0.49%

33% Progress

Our Board has oversight of our sustainability framework and reviews it twice a year. It delegates responsibility for aspects of sustainability performance monitoring to the Audit Committee. The Sustainability Committee governs the implementation of our sustainability strategy. It is chaired by the Chief Financial Officer and meets quarterly. For further information on sustainability governance, see page 76-77 of our TCFD disclosure.

Conduct

Acting safely, with integrity & respecting human rights

Our reputation is built on trust. Acting with integrity, upholding human rights and maintaining safe, responsible practices are non-negotiable. Strong governance and ethical supply chains protect our people, partners and customers – and ensure that we grow in a way that's fair, transparent and sustainable.

2030 targets

Target	2025	Progress
95% completion of Ocado Code training annually*	68%	72% Progress
80% spend with suppliers with EcoVadis bronze medal or higher	20%	25% Progress
100% of high-risk suppliers complete social audit and critical non-conformances remediated	58%	58% Progress

* Salaried employees only

Community

Fostering a diverse & inclusive workplace, and building skills for the future

Our success depends on our people and the communities we serve. A diverse, inclusive and engaged workforce brings new perspectives and drives innovation. By investing in skills and opportunity, we create a culture where everyone can thrive – strengthening Ocado as a business and as a force for positive change.

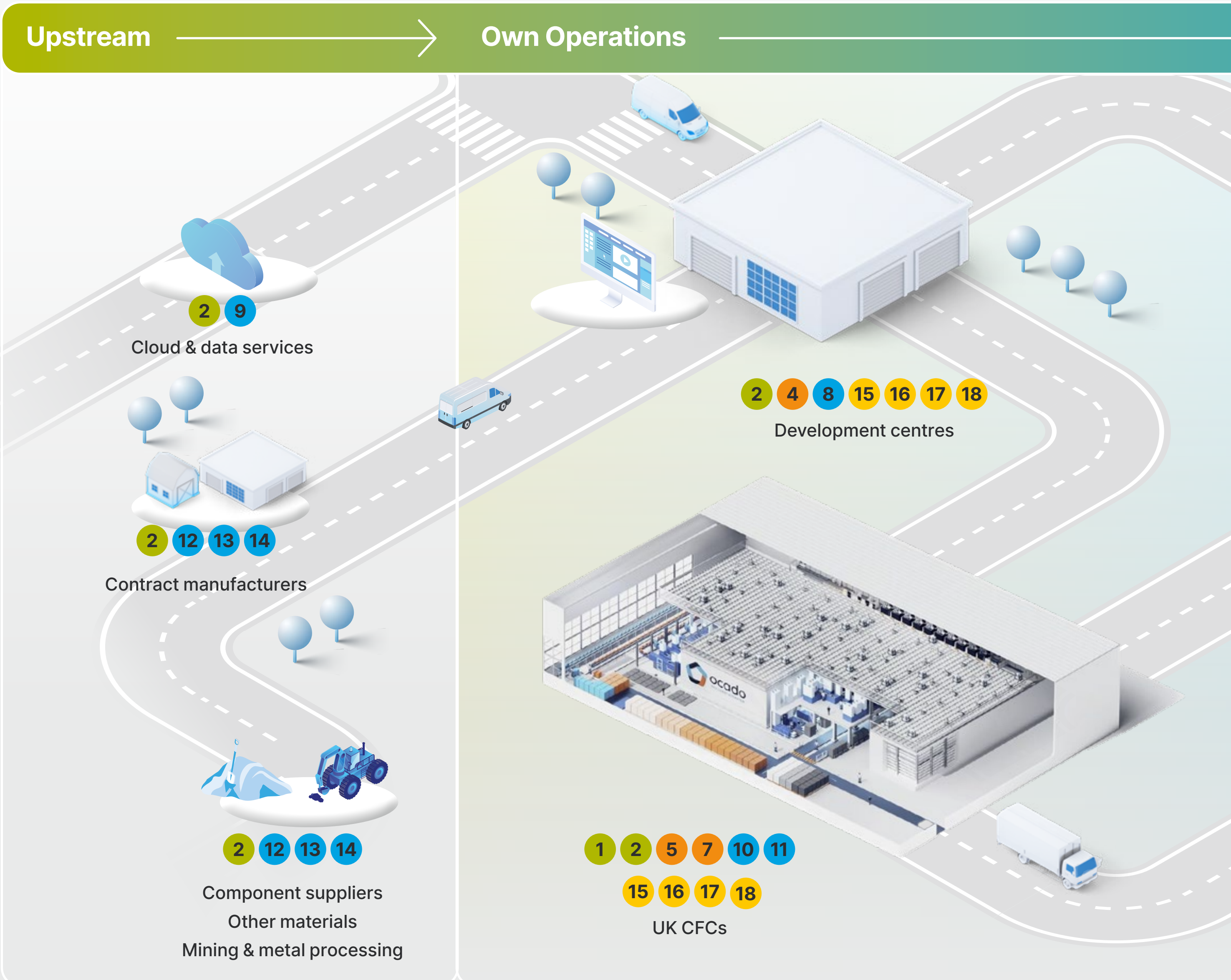
2030 targets

Target	2025	Progress
Increase Technology Solutions eNPS to +2 above benchmark**	11	No Progress
40% female representation in our senior leadership	33%	83% Progress
10% ethnic diversity in our senior leadership	5%	50% Progress

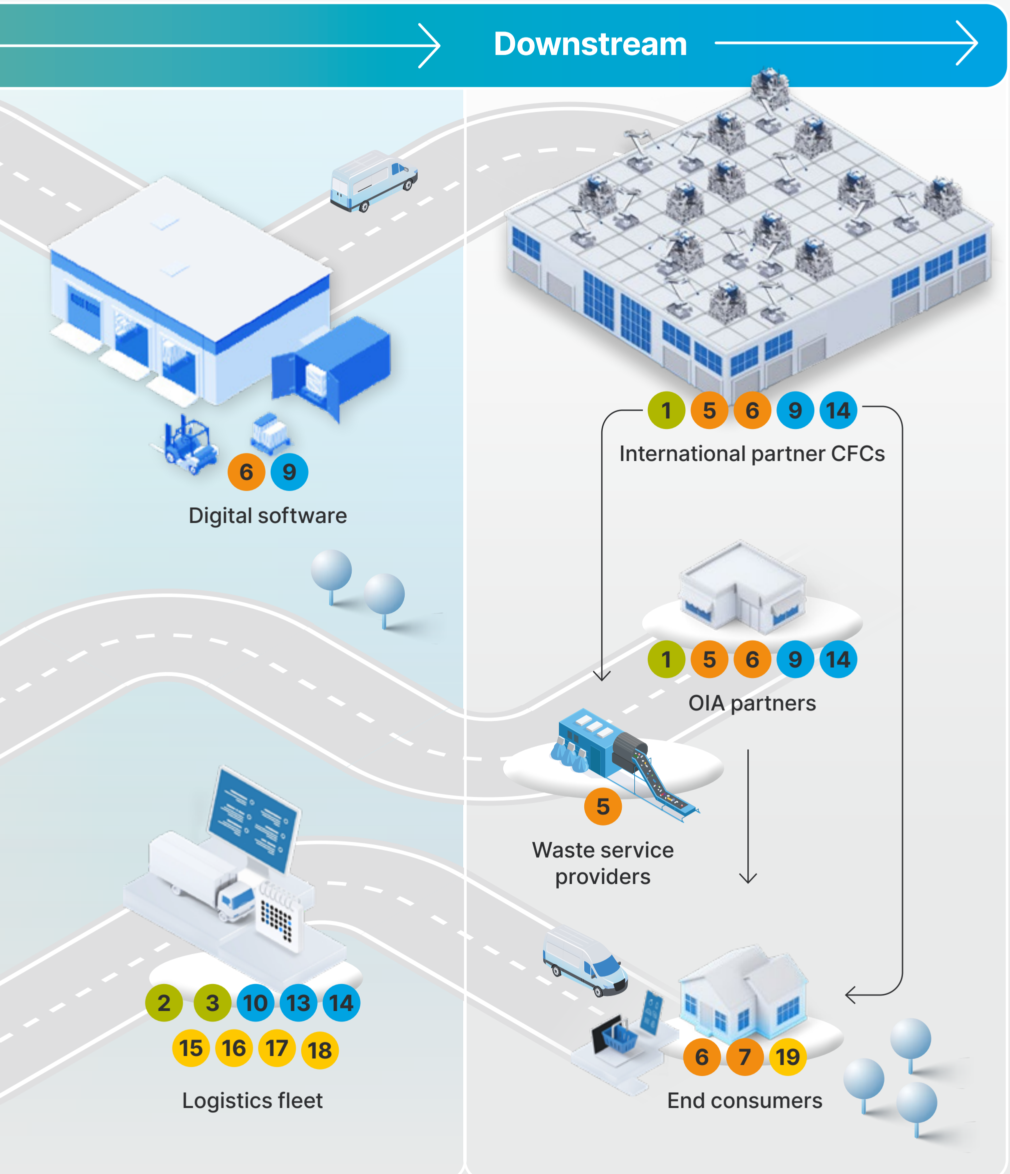
** At 30 November 2025, the benchmark score was 17

Our value chain

Our material topics and where they occur in our value chain were determined using our 2024 Double Materiality Assessment ("DMA"), which was performed with reference to European Sustainability Reporting Standards.



For our full DMA methodology statement, results and ERM CVS' unqualified limited assurance opinion, see https://www.ocadogroup.com/investors/corporate-governance/policies-and-disclosures.



Material topics

Climate

1 Climate change adaption

2 Climate change mitigation

3 Air pollution

Circularity

4 Resource use and efficiency

5 Waste management (excl. food)

6 Food waste

7 Microplastics and plastic waste

Conduct

8 Responsible use of AI and robotics

9 Cybersecurity and privacy

10 Occupational health and safety

11 Food safety

12 Workers in the value chain

13 Forced labour

14 Anti-corruption, anti-bribery and protection of whistleblowers

Community

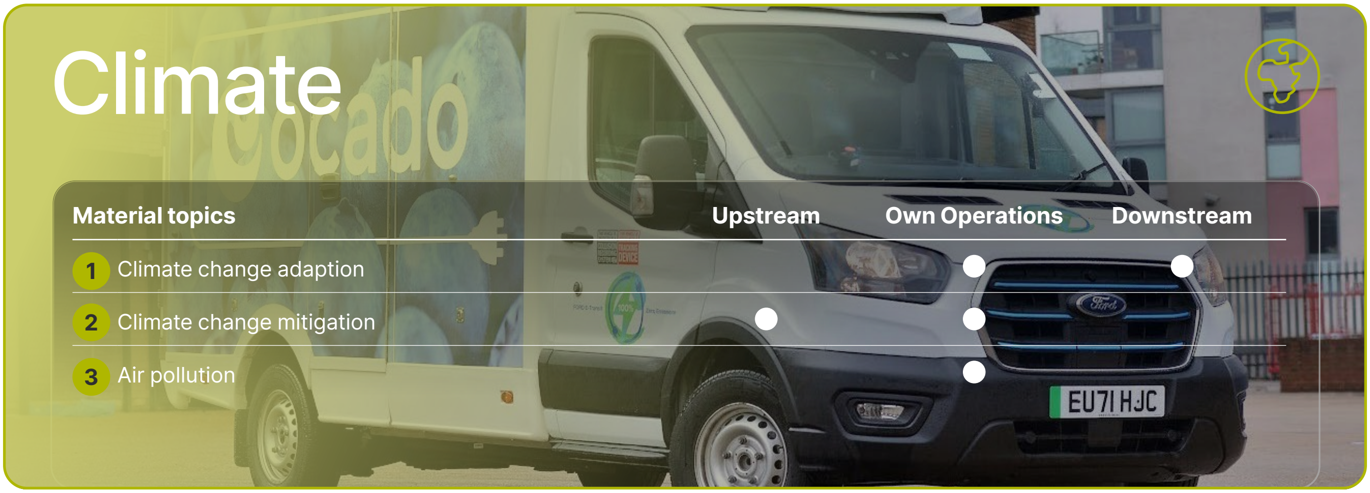
15 Corporate culture

16 Employee attraction and retention

17 Equal opportunities

18 Working conditions

19 Community relations



Climate

Material topics	Upstream	Own Operations	Downstream
1 Climate change adaption		●	●
2 Climate change mitigation	●	●	
3 Air pollution		●	

We remain committed to achieving Net Zero in our own operations (Scope 1 & 2) by 2035 and in our value chain (Scope 3) by 2040.

To help us track our progress against these targets, we have also set interim targets to reduce our Scope 1, 2 and 3 GHG emissions intensities by 40% by 2030 from our 2023 baseline.

FY25 Performance

Scope 1 and 2

90% of our total Scope 1 and 2 (market) GHG emissions in FY25 came from our last mile fleet, 8% from our HGV fleet and 2% from our buildings. This year, we achieved a 5% reduction in Scope 1 and 2 emissions per 100,000 orders as we began to realise the benefit of our activities to decarbonise our last mile fleet.

Last mile fleet: In October 2024, we introduced EVs at two London spokes, which completed their first full year of operation in FY25. As we purchase 100% renewable electricity at both sites, this has significantly reduced Scope 1 and 2 emissions for this portion of our fleet. We also improved the fuel efficiency of our ICE vehicles in FY25, through further optimisation of our OSP routing algorithms.

Our EV roll-out has enabled us to assess seasonal variations in vehicle performance, maintenance needs and operation economics across different temperatures and geographies. We are now using this information to plan a wider roll-out to more UK locations where sufficient power is available for the charging infrastructure. Long-term progress on our EV roll-out will depend on two key external challenges: advancements in EV range and grid connectivity; we continue to collaborate with external partners to overcome these hurdles.

HGV fleet: This year, we installed solar panels on the roof of 30% of our double-decker HGV fleet, reducing the quantity of diesel used for maintaining on-board refrigeration.

Buildings: Our buildings and robotics technology are primarily powered by electricity purchased from local grids. 98% of the electricity we purchased in FY25 was renewable; for the other 2%, purchasing was controlled by landlords. In November 2025, we began an AI-powered trial at our head office to identify opportunities to reduce our electricity use further.

Scope 3

Purchased Goods & Services and Capital Goods make up 31% of our Scope 3 emissions. Emissions from these two categories fell by 10% this year due to lower procurement spend across the business. Coupled with an increase in Group revenue, this was a key driver behind the 17% fall in Scope 3 emissions intensity this year.

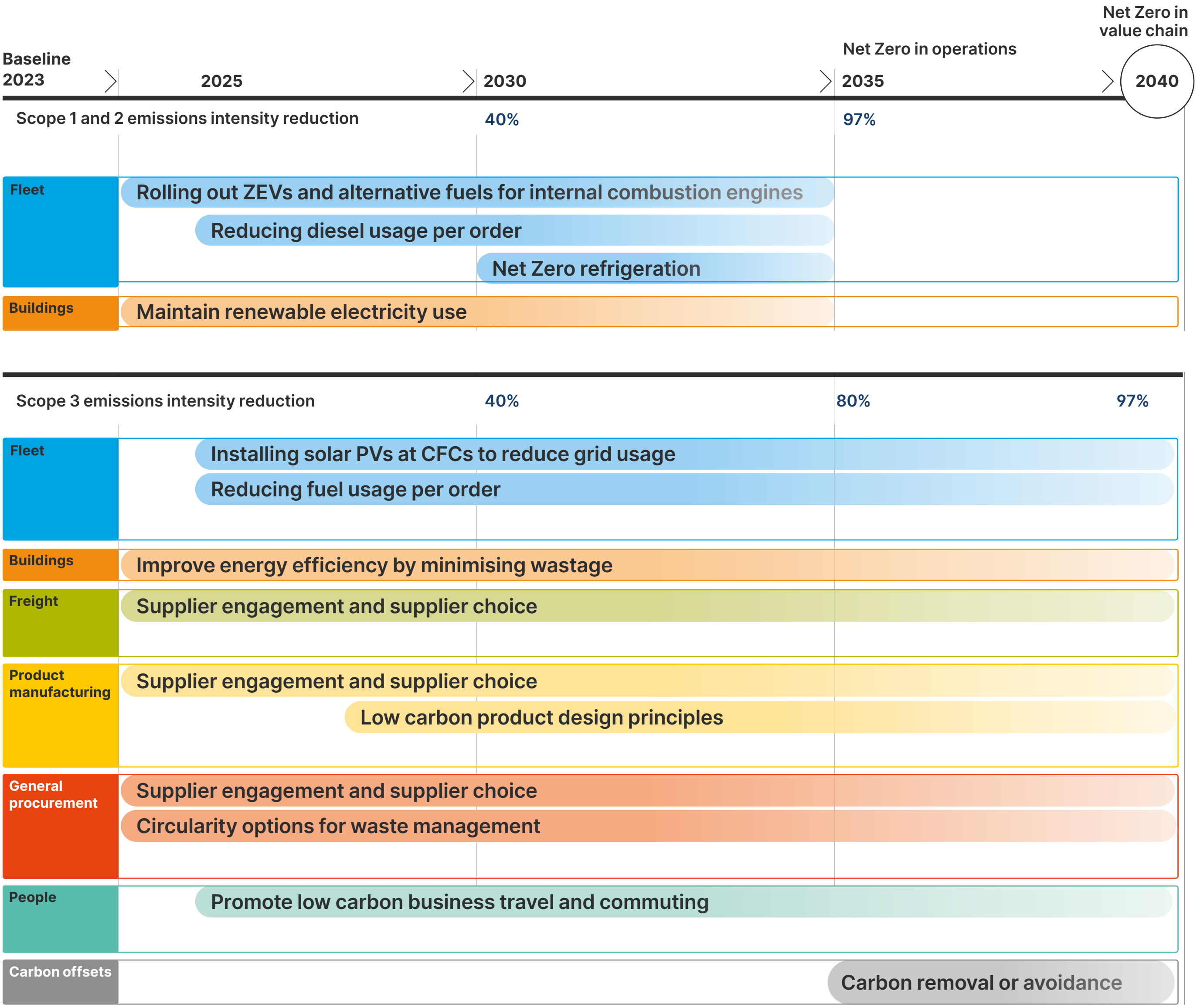
Product manufacturing: We have continued to establish the product carbon footprint ("PCF") of key products, enabling us to identify carbon hot-spots in our product design. This year, we assessed the PCF of our plastic and metal totes, and Mk2 grid. We also commissioned an independent critical review of our 600 Series bot PCF, which verified that our assessment is aligned to ISO 14067. Through analysis of real world operations, we have established that 600 Series bots use approximately 60% less energy per year than our earlier models, helping to reduce energy use and Scope 2 and 3 GHG emissions for us and our partners.

General procurement: We have developed a Supplier Responsible Sourcing & Sustainability Plan, requiring key suppliers to formalise their commitment to help us meet our Scope 3 GHG emission reduction targets. We have reinforced this by introducing scorecards into our quarterly business reviews with key suppliers, to track progress towards our shared climate goals.

Business travel and employee commuting: We offer our employees free shuttles from local stations to encourage use of public transport. We have also updated our travel policies to minimise air travel. Emissions across these categories fell by 10% in FY25.

Roadmap to Net Zero by 2040

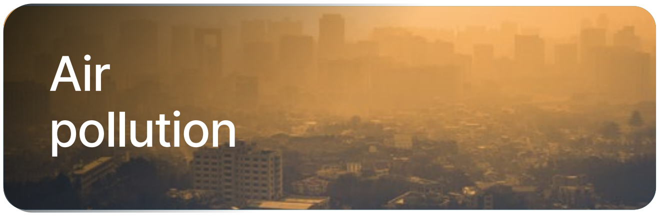
Our Net Zero Roadmap is built around an intensity-based reduction approach with interim milestones for 2030; this enables us to focus on systematically lowering our emissions intensity, while continuing to support the expected growth of our business.



Our GHG emissions inventory (SECR reporting)[1,2,3]

		Unit	2030 target	**FY25**	FY24	Change
Scope 1 –	**Direct emissions**	tCO_2e		**108,631△**	103,957#	+4%
	of which UK			**108,551**	102,962	+5%
Scope 2 –	**Indirect emissions**					
	Location-based			**19,130△**	21,750#	-12%
	of which UK	tCO_2e		**18,623**	21,011	-11%
	Market-based			**712△**	895#	-20%
	of which UK			**107**	97	+11%
Total Scope 1 and Scope 2 emissions (Location-based)		tCO_2e		**127,761**	125,707	+2%
	of which UK			**127,174**	123,973	+3%
Total Scope 1 and Scope 2 emissions (Market-based)		tCO_2e		**109,343**	104,852	+4%
	of which UK			**108,658**	103,059	+5%
Energy consumption associated with Scope 1 and 2 emissions		MWh		**551,350**	529,008	+4%
	of which UK			**548,826**	522,057	+5%
Scope 1 and Scope 2 emissions intensity measure						
	Location-based	tCO_2e/ 100,000 orders		**397△**	429#	-8%
	Market-based		209	**339△**	358#	-5%
Energy intensity[4]		MWh/ 100,000 orders		**1,712**	1,805	-5%
Total renewable energy used		MWh		**104,549△**	102,070	+2%
% renewable energy used		%		**19△**	19	0%
Carbon offsets/credits retired		tCO_2e		**-**	-	-
Scope 3 GHG emissions by Category[5]						
3.1 Purchase Goods & Services				**21,984**	23,831[6]	-7%
3.2 Capital Goods				**20,937**	24,041[6]	-12%
3.3 Fuel and Energy-Related Activities				**32,436**	30,996	+5%
3.4 Upstream Transport				**12,240**	4,341	+182%
3.5 Waste in Operations				**697**	322	+116%
3.6 Business Travel		tCO_2e		**6,891**	10,372	-34%
3.7 Employee Commuting				**29,053**	29,500	-2%
3.13 Downstream Leased Assets				**14,353**	19,463	-26%
3.15 Investments				**87**	4,027	-98%
Total Scope 3 GHG emissions				**138,678△**	146,893	-6%
Scope 3 emissions intensity measure[7]		tCO_2e/ £m revenue	98	**100△**	121	-17%

1. Metrics marked with a △ are subject to independent limited assurance by ERM CVS in accordance with ISAE 3000 (Revised) and ISAE 3410 for Greenhouse Gas emissions. See pages 278-279 for the assurance report.
2. Metrics marked with a # were subject to independent limited assurance by ERM CVS in accordance with ISAE 3000 (Revised) and ISAE 3410 for Greenhouse Gas emissions. See page 245 of the 2024 Annual Report and Accounts for the assurance report.
3. Our GHG emissions have been calculated in line with the GHG Protocol. See our Basis of Reporting on pages 275-277 for further details.
4. Qualitative information on our energy efficiency actions is available on page 58.
5. Category 8 (Upstream Leased Assets), 9 (Downstream Transportation and Distribution), 10 (Processing of Sold Products), 11 (Use of Sold Products), 12 (End of Life Treatment of Sold Products) and 14 (Franchises) are not relevant to Ocado Group as we do not have activities that relate to these categories.
6. FY24 and FY23 figures for Scope 3 categories 1 and 2 have been restated. See page 275 for further details.
7. Following the deconsolidation of ORL, we have restated our Scope 3 emissions intensity target to remove ORL revenue from our baseline.



Air pollution

All of our ICE fleet vehicles meet the Euro 6 standard, and all vehicles purchased since January 2021 meet the Euro 6d standard. This helps to minimise harmful nitrous oxide and particulate matter tailpipe emissions. We expect our emissions to significantly reduce over the coming decade as we progress with fleet electrification. Solar panels added to the roof of our HGVs have also reduced air pollution from our freight fleet, as vehicles need to spend less time idling to keep the refrigeration functioning while stationary.

Water

Our operations primarily use water for cleaning purposes, such as for cleaning vans and totes. In 2025, we used 307 million litres of water from municipal supplies. Whilst our water usage is relatively low and has no material impact on water availability in our locations, we have also installed rainwater harvesting systems, water-efficient facilities, water reclamation systems and sustainable infrastructure such as permeable pavements and car parking at many locations.

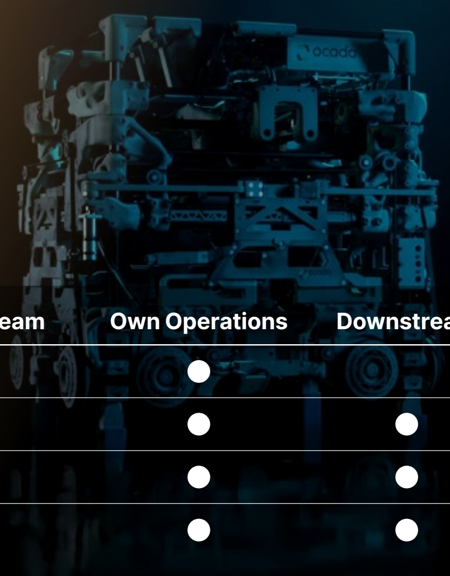
We have used the Aqueduct Water Risk Atlas to assess the water stress across all of our locations and those of our partners where we have installed our technology. We identified two of our development centres as being located in areas with an extremely high risk of water stress by 2030, and one partner site in the USA. Two partner sites were also identified as having an extremely high riverine flood risk. We continue to monitor the resilience of these sites to climate risk and implement mitigations as appropriate. For further information on our assessment of physical climate risks and the mitigations we have implemented, see page 78.

Biodiversity

Our properties are typically close to large cities. We have performed an assessment to identify which properties are in or near legally protected areas included on the International Union for Conservation of Nature ("IUCN") Green List of Protected and Conserved Areas, as well as near key biodiverse areas (sites contributing significantly to the global persistence of biodiversity as defined by the IUCN). This identified seven UK sites that are within 1km of IUCN-listed biodiverse areas. (Lea Valley, Thames Estuary and Marshes, Nene Washes) None of our sites were found to be located within legally protected areas.

This year, we performed an assessment to identify our nature-related risks, impacts and interdependencies, using the LEAP (locate, evaluate, assess, prepare) approach set out by Taskforce on Nature-related Financial Disclosures ("TNFD"). We are reviewing the results of the assessment internally and will use it to shape our approach to nature-based issues in future periods.

Circularity



Material topics	Upstream	Own Operations	Downstream
4 Resource use and efficiency		●	
5 Waste management (excl. food)		●	●
6 Food waste		●	●
7 Microplastics and plastic waste		●	●

Metrics and targets	2030 target	FY25	FY24	% Change
Total waste (tonnes) - operational		35,828	25,204	+42%
Total waste (tonnes) - demolition		1,074	-	N/A
% of operational waste sent to landfill	**0%**	0.14%	0.04%	-
% of end-of-life MHE recycled	**95%**	100%	99%	+1%
% of shoppers' plastic bags recycled		67%	61%	+10%
Tonnes of ORL food waste per tonne of food sold[1]	**0.29%**	0.49%[2]	0.49%	-

1. The indicated food waste target has been set by, and relates to, ORL.
2. The FY25 food waste percentage stated is for April to September 2025. This date range aligns to ORL's first half year, post-deconsolidation.
3. See page 276 for further information on our calculation methodologies.

We are committed to protecting the environment by minimising waste and applying circular economy principles across our operations.

Our first priority is limiting the volume of waste that we generate. Our technology development centres continue to work on cutting edge designs to reduce the resources needed to manufacture our Material Handling Equipment ("MHE") and when they reach end of life, we prioritise re-use of parts wherever practicable. Our OSP uses deep learning models to predict grocery demand and minimise food waste in our retail partners' operations.

When waste is generated, we aim to maximise the proportion that we send for recycling and to avoid landfill. In FY25, we sent 92% of logistics waste for recycling or anaerobic digestion and exceeded our 2030 target to recycle 95% of end-of-life MHE.

This year, we decommissioned our Hatfield CFC. This resulted in approximately 7,650 tonnes of additional operational waste, which has driven a rise in total operational waste in FY25. The decommissioning also resulted in 1,074 tonnes of demolition waste, which we have recorded separately from operational waste.

Resource use and efficiency

We aim for innovative design which minimises the resources needed to build and run our products. This helps us to reduce our environmental impact and to drive cost efficiencies.

Our Re:Imagined product range has been designed to use less materials and be more efficient than previous models. The total weight of the 600 Series bot is three times lighter than the previous 500 Series bot, saving raw materials and increasing energy efficiency by approximately 60%. The bots were developed in house using design methods such as topology optimisation and manufacturing tools including 3D printers. Unique in the robotics industry, 3D printing empowers engineers to create intricate parts that have high stiffness, low weight and a high degree of recyclability for the polymer used to print the parts.

The algorithms that our robots use to pick and pack goods are optimised to fill totes as compactly as possible. This year, we have worked to refine this process further, in collaboration with retail partners. We improved the sequencing of our picking, allowing large items to fit into fuller bags, and also trialled multi-temperature delivery totes, which enable more compact packing of refrigerated and frozen items.

Together, these changes drove a 10% fall in totes for orders of the same size during our pilot scheme. More compact packing of plastic bags and totes reduces the number of bags and totes that we need in our operations, cutting the plastic in our value chain.

Waste management (excluding food waste)

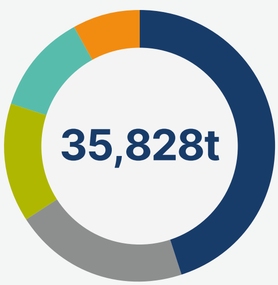
We send waste for recycling wherever possible, to minimise the use of virgin materials upstream from our operations and the potential for waste pollution in communities and the natural environment.

75% of our operational waste in FY25 came from our UK logistics operations. The non-food waste handled by Ocado Logistics is predominantly cardboard, food and secondary and tertiary plastic packaging. This year, we sent 99.9% of our cardboard and plastic waste for recycling. Zero waste was sent to landfill via our Ocado Logistics waste treatment providers.

The remaining 25% of our operational waste in FY25 came from our Technology Solutions operations. This includes metals, electronics and other parts from end-of-life MHE. Where parts are hazardous, such as batteries, we have identified specialist waste partners that offer appropriate circular solutions. In FY25, we dismantled and reused or recycled 100% of end-of-life MHE, exceeding our global target to recycle 95% of end-of-life MHE by 2030.

Five of our Development Centres are certified to the ISO 14001 environmental management standard. This process has helped us to evolve our systems for collecting accurate and timely data. The certification also requires annual surveillance audits, which provides us with an independent assessment of our waste management practices.

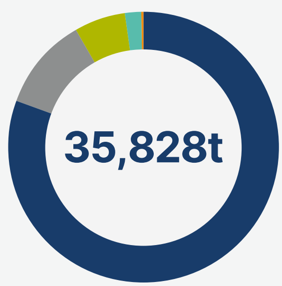
Total operational waste by type



Key:

Cardboard & paper	45%
MHE - metal, batteries and electronics	21%
Plastics	14%
Food	12%
Other	8%

Total operational waste by destination



Key:

Recycled	80%
Anaerobic digestion	11%
Incineration	6%
Further treatment	2%
Landfill	0.14%

Battery recycling

We have signed agreements to recycle end-of-life lithium-ion ("Li-ion") batteries from our robots in multiple jurisdictions including the UK and the USA. Under these agreements, we use battery storage boxes certified by the UN to minimise the risks associated with transporting hazardous goods.

By providing industrial-scale Li-ion battery recycling and ensuring safe storage and transportation, we are helping to mitigate the environmental hazards associated with battery disposal.

Embedding circularity into 400s bot recycling

Our 400 Series bots first moved into production in 2014, and remain in operation today. As 400 Series bots reach the end of their lives and are replaced by our newer and more resource-efficient models, we aim to dispose of them in line with our commitment to circular practices.

After wiping and destroying any intellectual property contained within the bot, we salvage any spare parts that can be reused in our operational bot fleet. This helps to reduce the energy consumed by our own product manufacturing suppliers.

Our disassembly team then works to separate the different metals and materials which make up the bot to allow us to recycle the various components of the bot responsibly.

In FY25, we completed a major project to recycle 400 Series bots held in storage in the UK. This resulted in 833 bots being recycled during the year, diverting waste from landfill and returning resources to supply chains for reuse in other manufacturing processes.

Food waste management

Food waste is a significant challenge in grocery retail. The difficulty of forecasting demand and the complexity of global supply chains can leave retailers with too much or too little stock. Too much stock can lead to reduced profitability and increased food waste; too little stock can lead to lower sales. OSP mitigates these risks through smart inventory management and enhanced forecasting.

Smart inventory management

On OSP, picking a delivery slot is the first step in making an order. This is crucial to optimising order accuracy, as it allows us to link results from our webshop to the CFC where the order will be picked. Our systems can make real-time decisions on the products to show customers because it knows what product lines are available, what orders are due to be coming in from suppliers, how long products will stay fresh and what can be ordered in time to make the delivery. This keeps our food waste low.

OSP also actively incorporates stock clearance strategies. The system identifies products nearing expiry and initiates dynamic pricing adjustments or targeted promotions via retailers' digital platforms. These actions improve product sell-through rates and reduce food waste levels.

Enhanced forecasting

The forecasting models in OSP have been trained on years of grocery data and continue to learn over time, understanding patterns in shopper behaviour. Data from our webshop is integrated with data from our supply chain, resulting in the strongest possible forecasts. Based on predicted demand in these forecasts, OSP automates replenishment decisions. This eliminates manual stock adjustments and minimises over-ordering.

Handling food waste

Ocado Logistics actively manages food waste on ORL's behalf. Wherever possible, unsold food is redistributed from our CFCs through our network of community food partners, including Company Shop and the Felix Project charity, which distributes to London charities, schools and the vulnerable in society.

Inedible unsold food is classified as waste and sent to anaerobic digestion, which creates electricity that powers our Dordon CFC. No food waste is sent to landfill.

From April to September 2025, food waste was 0.49% of food handled (FY24: 0.49%), a fall of 17% against ORL's 2022 baseline.

We continue to collaborate closely with ORL on initiatives to reduce food waste, with a focus on timely and accurate data collection, real-time scanning of returns and avoiding packaging contamination. These efforts have been complemented by site waste assessments conducted by a third-party consultancy, which have helped us to further optimise our practices. As we continue to improve the granularity of waste and surplus data, this will also allow us to identify more ways to redistribute and recover unsold food.

Microplastics and plastic waste

We aim to mitigate the impacts of plastics on the environment by managing plastic responsibly and ensuring our plastic waste is responsibly recycled by approved third parties.

Plastics are important to Ocado's operations. They are used in our robotics technology and fulfilment delivery chain, and account for 14% of the waste generated at our CFCs. This plastic waste is largely secondary and tertiary packaging used to keep grocery items in perfect condition as they are transported. This packaging is removed at CFCs prior to goods being loaded into grids for picking and distributing to consumers.

Our sites include packaging handling facilities, where all secondary and tertiary plastic packaging that is removed is sent for sorting and separation from cardboard and other materials. 99.9% of all plastic packaging that we handle is recycled.

Plastics in technology and fulfilment

We use a mix of metal and durable plastic totes to store goods in our CFCs and transport them to customers. These crates are designed to be long-lasting and reusable and are recycled at end of life, forming a core part of our sustainable logistics strategy. Beyond delivery, plastics are essential to our technology solutions. Components of our MHE are made with high-performance plastics, ensuring durability and efficiency in our operations.

Closed-loop recycling of our shoppers' carrier bags

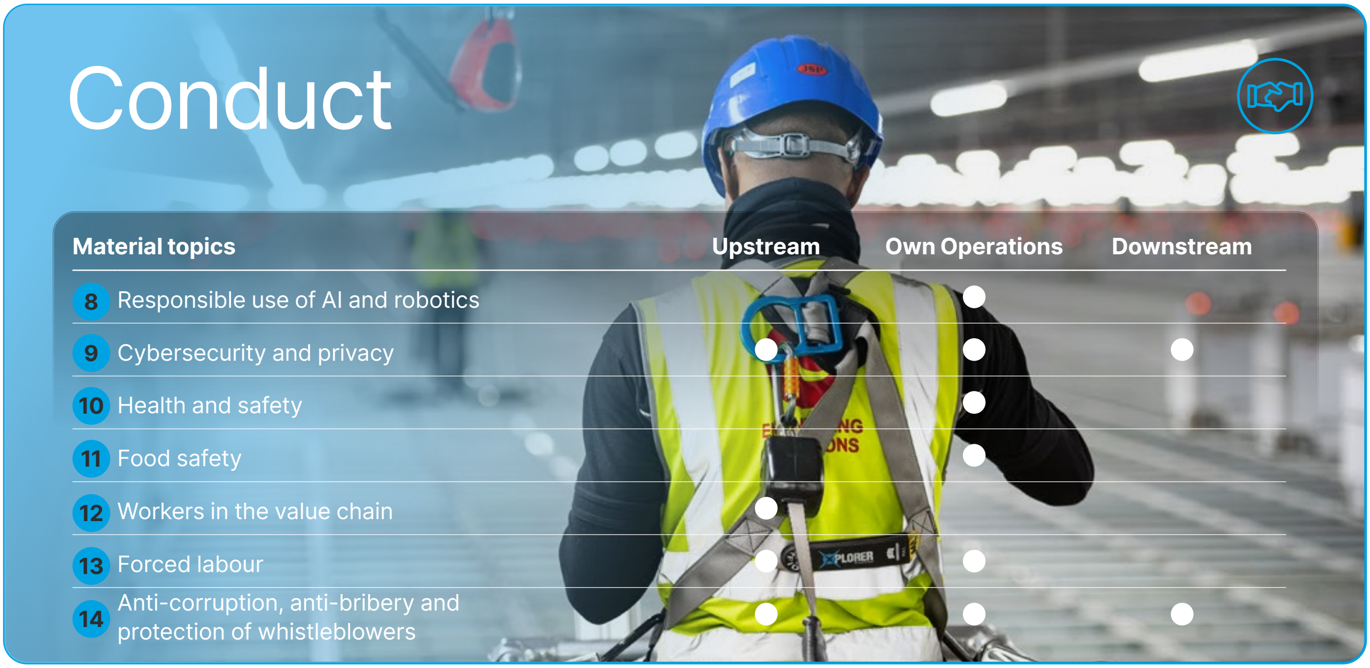
In the UK, we use single-use carrier bags to help us efficiently deliver groceries to our customers, preventing damage caused by spillages, and to keep groceries safe and hygienic as we transport them from our high-tech warehouses and deliver them to the homes of our customers.

To minimise the impact of these carrier bags on the environment, we have operated a voluntary take-back recycling scheme since 2015. In FY25, our delivery drivers collected 67% of the plastic bags back from our customers at the doorstep (FY24: 61%). We then returned them to the original manufacturer to make into new bags – closing the loop on this aspect of plastic use.

Our plastic bags supplied to customers are made of 60% recycled material and our freezer bags are made of 40% recycled content. Their grey colouring avoids water-intensive bleaching processes and uses vegan-friendly ink. We continue to work with our supplier on increasing the recycled content of the plastic bags and have recently reduced their thickness, resulting in a 10% decrease in plastic use per bag.

OSP can support various alternatives to single-use plastic carrier bags. With several partners outside of the UK, we facilitate paper and bagless delivery according to their preferences.

Conduct



Material topics	Upstream	Own Operations	Downstream
8 Responsible use of AI and robotics		●	
9 Cybersecurity and privacy	●	●	●
10 Health and safety		●	
11 Food safety		●	
12 Workers in the value chain	●		
13 Forced labour	●	●	
14 Anti-corruption, anti-bribery and protection of whistleblowers	●	●	●

Metrics and targets	2030 target	FY25	FY24	% Change
Completion Rate of Ocado Code training[1]	**>95%**	68%	ND[2]	N/A
% of suppliers who have signed Supplier Code of Conduct		73%	55%	+33%
Spend with suppliers who hold at least a bronze medal on EcoVadis	**80%**	20%	11%[3]	+82%
% of high-risk suppliers who have completed a social audit and remediated any critical non-conformances	**100%**	58%	5%	+1,060%

1. Salaried employees only.
2. Comparative not disclosed.
3. Comparative restated. For more information, see page 275.
4. See pages 276-277 for further information on our calculation methodologies.

At Ocado, we are committed to acting safely, with integrity, and respecting human rights.

We are committed to rigorous governance of data privacy, cybersecurity and the responsible use of AI and robotics. We protect the safety of our workers through our health and safety policies, and we strive to ensure good business conduct is present both internally and throughout our supply chains.

Code of Conduct

Our Code of Conduct outlines the ethical principles which guide our actions. It encapsulates our mission, values and policies for employees, and emphasises the importance of complying with our minimum standards and expectations. This year, we made updates to reflect our AI commitments and our new sustainability goals. The latest version of the Code is available at https://www.ocadogroup.com/investors/corporate-governance/policies-and-disclosures.

Salaried employees complete training on the Code of Conduct every year either as part of their induction or as refresher training. In July 2025, we continued the roll-out of our gamified format designed to boost engagement with this training.

Our hourly paid workers in our logistics business are informed on relevant topics in our Code of Conduct through site-based communication campaigns. Our annual communications calendar ensures that core compliance topics are regularly communicated to all salaried and hourly paid employees.

Responsible use of AI & robotics

Our responsible AI and robotics commitments

Fairness: Using high-quality, representative data sets to mitigate bias in our systems.

Transparency and explicability: Ensuring systems are well documented to demonstrate reliability and track back issues, as well as provide an easily understandable explanation of our systems for users.

Governance: Ensuring appropriate accountability structures are in place before internal or third-party systems are deployed. Regularly monitoring systems to check performance.

Robustness and safety: Integrating privacy and security into design, assessing safety considerations and building in appropriate safeguards.

Impact: Ensuring interactions with people are conducted with respect and empathy. Considering the impact of automation on affected staff, communicating in an upfront way and providing opportunities for re-skilling where possible.

As pioneers in grocery and automation technology, we embrace advances that boost efficiency. We have embedded AI across our operations, including in our demand forecasting models, our robotic Material Handling Equipment ("MHE") and our last mile routing software. Driving efficiencies across these areas helps us to reduce our environmental impact and to improve the economics of our products.

We recognise how important it is to have clear ethical guidelines on the use of these technologies. Our responsible AI and robotics commitments shape our approach. They apply to all AI and robotics systems that we develop, procure or deploy. This year, we updated our Code of Conduct training to include a module on responsible use of AI.

Our cross-functional AI Strategy & Governance Group is responsible for assessing our risk appetite and making decisions on how we use AI at Ocado and ensuring all employees are appropriately trained in its use.

All AI use cases are registered in a central database and are evaluated against our commitments, our established compliance and risk frameworks, and their potential risk under relevant legislation such as the EU AI Act (the "Act"). Where use cases are flagged as high risk, they are escalated for detailed review by the AI Strategy & Governance Group.

In line with the Act, we are committed to ensuring that none of our AI systems fall into the category of "Prohibited AI Practices". Based on our interpretation of the Act, we have not identified any prohibited use cases.

The AI Strategy & Governance Group reports to the Risk Committee at least twice per year. The Audit Committee monitors the effectiveness of the Risk Committee in governing AI use and reports key findings to the Board.

The field of AI use and robotics is rapidly evolving. We acknowledge that further work will be required to ensure ongoing compliance with emerging guidance. As part of our commitment to meeting the Act's high standards, we will continue to review and refine our processes.

Cybersecurity and privacy

Cybersecurity remains a Group principal risk for Ocado (see page 92). Accordingly, the Risk Committee reviews the effectiveness of our risk management plan twice per year and delivers an update to the Audit Committee and the Board.

The Information Security Committee is responsible for providing strategic oversight of our Information Security Management System. To safeguard both our systems and the services that we provide to our clients, we have developed a layered defence model that is supported by a skilled and experienced team of information security professionals.

This includes:

- a 24/7 security operations centre to detect and respond to security incidents;
- a vendor assurance programme to manage third-party cyber risks;
- a comprehensive programme of regular security testing of our applications and infrastructure, including monthly scans and simulations;
- cybersecurity awareness training and regular communications campaigns;
- a "secure by design" approach, embedding security into our software development process;
- detailed incident management and recovery plans; and
- monitoring of regulatory developments to ensure compliance with and the applicability of regulations and external standards, such as PCI DSS.

As digital attacks continue to increase in sophistication, we continue to enhance our cybersecurity programme. We track emerging cyber risks, using a range of threat intelligence methods, including automated scanning, static and dynamic application security testing, and penetration testing. Our policies are reviewed and updated annually to counter any identified threats or relevant legislation.

This year, we enhanced our identity and access controls to aligned to new guidance from the National Cyber Security Centre ("NCSC").

The operating effectiveness of our security controls are subject to annual assurance from an independently provided Service Organisation Control ("SOC 2") report. This provides our clients with an independent assessment of our security controls. We did not experience any cyber incidents this year which were reportable to the NCSC.

Data privacy

We process data from a range of stakeholders, including personal data from our employees and from shoppers who place grocery orders through OSP. Protecting the data that we process is a core principle for our business and features as part of our principal risks (see page 92).

Our data privacy approach is set out in our Global Data Privacy Accountability Framework. This framework is modelled on the requirements of the EU General Data Protection Regulation ("GDPR"), which we use as a baseline for Data Protection Policy across all Ocado entities. The framework also incorporates specific requirements from local laws and complementary laws, such as the EU AI Act.

We continually monitor emerging risks and legislation, using a range of third-party sources. We then review our Global Data Privacy Accountability Framework each year and make updates where appropriate. This year, we strengthened our processes around AI to safeguard against risks of unauthorised access and potential bias within AI systems. We also updated the framework to reflect changes made to data privacy laws in Singapore.

To reinforce awareness of our data privacy policies, salaried employees complete training on data privacy every year, as part of their Ocado Code training (see page 66). We also assess the implementation of our framework across the business through annual data privacy compliance audits. Executive oversight of data privacy is led by our Personal Data Committee, which is chaired by the Group General Counsel and is accountable to the Audit Committee. During FY25, the Committee reviewed findings from our annual compliance audits, agreed updates to strategy to address emerging risks, and approved annual policy reviews and annual training programmes.

We did not identify any personal data incidents which were reportable to the ICO or other data protection authorities. In recognition of our performance on data privacy in FY25, our Data Protection Officer has been nominated for 'Outstanding DPO: Large Companies' at the Picasso Awards Europe.

Occupational health and safety

Ensuring the health, safety and wellbeing of our employees and partners is a core priority at Ocado. We manage a range of safety issues across our business including food safety, driver safety, product safety, technology engineering and the safety of our people across all different job functions – from office-based to our personal shoppers in our CFCs. We also promote best practices on our partners' sites and work collaboratively with them to achieve integrated safety management.

Policy and governance

The Board has oversight of health and safety and reviews key performance metrics at every meeting. The Global Health, Safety, Fire & Environment (HSFE) Committee, chaired quarterly by the Group General Counsel and Company Secretary, provides strategic governance and drives continuous improvement on health, safety, fire and wellbeing matters across the Group.

Our HSFE Policy is approved by our Board and applies to all workers, including contractors and temporary staff, and can be found on our website at https://www.ocadogroup.com/investors/corporate-governance/policies-and-disclosures.

We have safety management systems designed to align with ISO standards. Five of our Technology Development Centres are certified to ISO 45001 and we have begun certification for one of our CFCs.

Implementing safety initiatives and employee training

Senior leadership emphasises the importance of effective safety management and drives a culture of continuous improvement.

We are proud of our risk-mitigating automation technologies, which enhance employee safety and wellbeing for our own operations and those of our partners. Enhancing fire safety of our products remained a focus in FY25. We have designed an innovative new storage layout for our distribution centres and, in July 2025, we conducted a large-scale burn test, in partnership with our insurers, to evaluate its effectiveness at limiting the spread of fire. The test, which imitated a worst-case scenario, was successful and we are now starting to implement the new storage layout across our installations.

We also performed an internal audit of our fire prevention and mitigation strategies in September 2025, which has helped us to refine our approach to further mitigating our fire risk across our business.

Our HSFE professionals continue to work closely with our technology teams in the development phase of new products, helping to incorporate safer design into our 600 Series bots, automated battery handling systems and grid installation processes. Another example of this is AFL, which automates a process traditionally associated with musculoskeletal injury.

Salaried employees complete HSFE training annually as part of their Ocado Code training, and hourly paid workers complete in-person HSFE training as part of their induction programme. In 2025, we rolled out an additional multi-module fire safety training programme for all engineers working in our operations. By November, 89% of them had completed the full curriculum.

Monitoring performance and continuous improvement

We implement proactive risk management strategies to identify, assess and mitigate a wide range of hazards.

We conduct HSFE inspections across all our sites at least annually to validate assumptions, challenge practices and ensure consistent application of best practices, supporting compliance to our Group standards and continuous improvement. We also continued the stress-testing of emergency plans across our CFCs, and have now completed this exercise at all global CFCs.

Our insurer conducts annual fire safety audits at all of our CFCs; additional risk assessments across our UK portfolio are also conducted by an external, independent UKAS-accredited organisation. In 2025, these assessments did not identify any "very high risk" findings – those which require immediate attention to prevent loss of life.

Food safety

We recognise our obligation to take steps to keep food under our control safe, ensure it meets legal requirements and satisfies consumer expectations at the point of delivery.

Our documented Quality Management System is aligned with the BRCGS Global Standard Food Safety and contains various key controls, including:

- Temperature control: ensuring products are stored and transported at appropriate temperatures to maintain safety and quality.
- Stock management: reducing risk by managing inventory effectively.
- Traceability: enabling swift identification and removal of unsafe food from the market.

We employ a risk-based approach to managing food safety and quality assurance, rooted in the Hazard Analysis & Critical Control Point ("HACCP") framework. This approach is implemented through an end-to-end food safety risk assessment of the Ocado Logistics operation and by applying food safety policies and practices to manage those risks. The effectiveness of the management policies and practices is evaluated through a structured schedule of food safety risk-based audits.

We encourage our employees to challenge and report any failures or deviations from safety policies whilst adhering to Company procedures and actively participating in maintaining a positive food safety culture.

It is also our responsibility to ensure our logistics operations safeguard against substandard products reaching customers. To assist with this, our fleet of temperature-controlled vehicles is equipped with monitoring systems that record temperature data at predetermined intervals, ensuring compliance with standards. Weekly temperature checks are also completed across all Ocado Logistics sites to verify operational integrity.

Forced labour and workers in the value chain

By integrating responsible sourcing into our procurement process, we continue to strengthen our efforts to protect workers in our value chains, with a particular focus on reducing the risk of human rights abuses, modern slavery and child labour.

Governance

The Board has oversight of the processes, procedures and the governance framework in place for responsible sourcing. It is responsible for reviewing and approving our Modern Slavery Act Statement and Human Rights Policy. Both documents can be found online at https://www.ocadogroup.com/investors/corporate-governance/policies-and-disclosures.

The Sustainability Committee holds executive responsibility for this topic and meets quarterly. This committee is chaired by our Chief Financial Officer.

We also monitor our ability to meet stakeholder expectations on modern slavery and human rights using third-party benchmarks. In 2025, we improved our CCLA Modern Slavery UK Benchmark score and placed at the top end of Tier 2: Evolving Good Practice.

Supplier Code of Conduct

Our Supplier Code of Conduct establishes a framework that outlines the standards and principles all of our suppliers are expected to uphold in their business operations and interactions when working with or on behalf of Ocado. It can be found on our website at https://www.ocadogroup.com/investors/corporate-governance/policies-and-disclosures.

The Code reflects our commitment to respecting human rights and aligns with internationally recognised standards, including the Universal Declaration of Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. This year, we updated the Code to include new stipulations on responsible use of AI and on the mining of critical minerals.

We expect suppliers to sign a commitment to operate in line with our Supplier Code of Conduct during onboarding or contract renewal.

Enhancing human rights standards in our supply chains

Throughout our operations, we seek to mitigate the infringement of human rights and commit to addressing any adverse impacts we identify in line with the UN Guiding Principles on Business and Human Rights ("UNGP"). In line with the UNGP and Organisation for Economic Co-operation and Development ("OECD") guidelines for responsible business conduct, we take a risk-based approach and prioritise greater due diligence on new and existing business-critical suppliers operating in inherently high-risk regions and industries for human rights abuses.

Onboarding processes for new suppliers

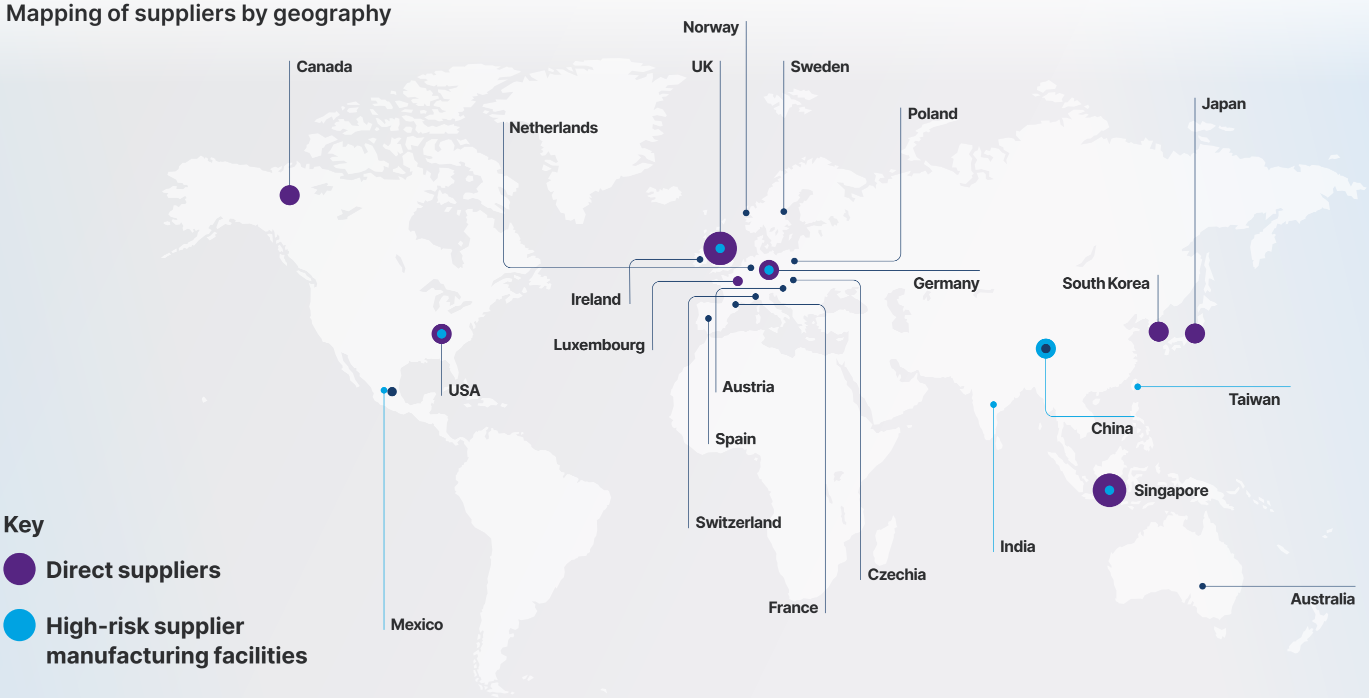
In line with our Procurement Policy, all new suppliers are required to complete a standard Supplier Compliance Statement. This process ensures that financial, ethical and regulatory compliance standards are rigorously upheld during supplier selection.

Suppliers that are in scope for enhanced due diligence are also required to complete a pre-qualification questionnaire, in which they answer detailed questions and upload evidence of policies for each of the areas outlined in our Supplier Code of Conduct. This allows us to perform additional screening for compliance with modern slavery and human rights legislation before we begin a relationship with the supplier.

Assessments of high-risk suppliers

We require all suppliers identified as high risk to carry out annual social audits and commit to regular meetings that facilitate the closure of any critical non-compliances or breaches of zero-tolerance issues.

Mapping of suppliers by geography



Audits must be performed by an approved independent third-party organisation and be unannounced or semi-announced within a four-week window. We accept 4-Pillar SMETA, Amfori BSCI, SA8000 and Responsible Business Alliance audits.

In FY25, we categorised 43 manufacturing facilities in our supply chains as high risk, representing more than 25,000 workers at sites in multiple jurisdictions (see page 70). Subsequently, these sites have undergone third-party social assessments, leading to the identification of critical non-conformances at 7 facilities. These issues included extremely high working hours, lack of rest days, absence of worker representation, unpaid overtime premiums and wage deductions, and potential indicators of forced labour.

We are working with suppliers on remediation plans, which include corrective actions such as reimbursements and changes to working practices. We are no longer engaging with one supplier as we assessed that they were not committed to closing out critical non-compliances identified during an audit.

Monitoring progress and continuous improvement

In 2024, our responsible sourcing due diligence programme was focused on direct suppliers in our technology product manufacturing supply chain. This year, we expanded its scope to cover suppliers of Goods Not For Resale with a spend above £1m, which includes key suppliers of IT products and services, and of our Logistics division. This has allowed us to track the % of our suppliers who hold a bronze Ecovadis scorecard across a much wider proportion of our spend.

We require all in-scope suppliers to complete an EcoVadis desktop assessment annually. We then conduct quarterly meetings where appropriate to discuss the results and areas of improvement in a collaborative manner. In 2025, we prioritised engaging directly with those suppliers that received low scores in the areas of labour, human rights and sustainable procurement to encourage future improvements across these three areas.

We also continue to monitor legislation to identify emerging requirements and best practice. This year we began preparations to implement specific due diligence requirements contained in the EU Battery Regulation 2023/1542 and Forced Labour Regulation (EU) 2024/3015, which are due to come into force in 2027.

During FY25, we had no confirmed reports of forced labour or human trafficking within our operations.

Training and education

During the year, we conducted training for our Procurement specialist teams on key responsible sourcing processes and topics including:

- **Responsible Sourcing Screening process:** Teams were trained on their roles and responsibilities within the process to further embed it into business as usual. This will be an annual training to align teams on any changes made to process, while ensuring new starters are aware.
- **EcoVadis Training:** The Procurement team was trained on the EcoVadis framework, allowing team members to analyse and understand the results of desktop assessments performed by our suppliers.

Anti-corruption, anti-bribery and protection of whistleblowers

We take a zero-tolerance stance to bribery and corruption as detailed in our Code of Conduct and our publicly accessible Anti-Bribery Statement.

Our Anti-Bribery Policy establishes clear guidelines for our employees on the reporting of gifts and hospitality, provides key principles for interactions with third parties and operates in conjunction with our Procurement Policy to maintain ethical standards throughout our value chain. Our anti-bribery standards and compliance obligations are embedded within our standard purchasing terms and conditions, and are reinforced by our supplier qualifying procedures and checks, which include requirements for completion of a supplier compliance statement and a sanctions compliance form. All salaried employees complete learnings on anti-corruption and anti-bribery annually as part of the Ocado Code training.

We continually monitor emerging legislation and update our compliance framework where appropriate. This year, we have refreshed our fraud programme in response to the "failure to prevent fraud" legislation, which came into force in the UK in September 2025.

"Speak Up", our whistleblowing programme, allows employees and third parties to confidentially report concerns via phone or online channels 24/7, and is managed by an independent third party. Remedial action is taken as relevant when a report is substantiated.

The Board receives reports twice a year on the use of the Speak Up service, how issues were managed and any mitigating actions taken. The Risk Committee receives similar reports quarterly.

Community

Material topics	Upstream	Own Operations	Downstream
15 Corporate culture		●	
16 Employee attraction and retention		●	
17 Equal opportunities		●	
18 Working conditions		●	
19 Community relations			●

Metrics and targets	2030 target	FY25	FY24	% Change
% females – senior leadership[1]	**40%**	33%	30%	+10%
% ethnic minority – senior leadership[1]	**10%**	5%	6%	-17%
Engagement Scores				
eNPS - Technology Solutions	**19**	11[2]	12	-8%
Engagement Score - Ocado Logistics[3]	**–**	62%	N/A	N/A

1. Senior leadership is defined as the direct reports of our Chief Executive Officer and their direct reports.
2. As at 30 November 2025. This figure is separate from the quarterly average included within our AIP (see page 145) and assured by ERM CVS.
3. In November 2025, Ocado Logistics began using a new methodology more suited to a dispersed, hourly-paid workforce. The new score is an average of positive reponses to three separate questions gauging employee sentiment. This does not provide a score directly comparable with eNPS.
4. The number of persons of each gender who were: employees; directors; or senior managers is shown on page 105.
5. See pages 276-277 for further information on our calculation methodologies.

Our people are critical to our success. They provide the innovation behind our cutting-edge products and deliver excellent service to our partners every day.

As an employer working at the forefront of the technological revolution, we are committed to growing skills for the future. Our training schemes offer all our employees the chance to develop and progress, setting up our business to respond to challenges. We are also committed to having a positive impact in our local communities in building skills for the future through our programmes such as “Code for Life”.

Our Board recognises the importance of cultivating an open, innovative and inclusive culture, where employees feel valued and choose to stay and grow their career. Our strategy is overseen by the People Committee, which meets quarterly to address talent leadership, engagement, inclusion and employee wellbeing, which includes mental health.

In 2025, we were proud to achieve Tier 2 status in the CCLA Corporate Mental Health Benchmark, placing us in the top quartile of companies assessed. Ocado Group was shortlisted in 2025 by the British Diversity Awards for both Company of the Year and Outstanding Women’s Network of the Year. We were also shortlisted by the Institute of Engineering and Technology for the Women’s Wellbeing at Work award.

People Management Principles

Deliver Results
Foster high-performing teams, set clear and ambitious goals, and uphold accountability, establishing clear expectations against roles and values.

Champion Talent
Attract and develop diverse talent, ensuring every employee can reach their full potential in an environment that enables their best work.

Actively Care
Role model and champion our values, promote inclusivity, and prioritise employee wellbeing and a safe place where people can thrive.

Our People Management Principles, shown above, are a set of behaviours and minimum expectations, closely linked to our values, that all managers within Technology Solutions are expected to exhibit.

Employee attraction and retention

Recruiting and retaining top talent is critical to our success in a competitive market. We create an attractive work environment through career development, competitive rewards, and proactive equity, inclusion and wellbeing initiatives.

We want our people to share in Ocado's success. Twice a year, we grant free shares equivalent to 0.5% of salary to those who have completed at least six months of service. In the UK, we offer a Sharesave Scheme and Buy As You Earn plan for our employees. International employees benefit from an Employee Stock Purchase Plan. This ensures that colleagues can be part of our growth.

In FY25, our Technology Solutions turnover rate was 22% (FY24: 17%). Compulsory turnover contributed 11% (FY24: 7%) to this rate. Our Ocado Logistics turnover rate was 74% (FY24: 84%) with compulsory turnover contributing 28% (FY24: 35%) to this rate.

Higher turnover rates are a common challenge across the logistics industry. We are focused on maximising retention through listening and responding to employee feedback and optimising our onboarding processes. This year, we reinforced our guidance and coaching for new starters in their first weeks in role, including by launching the new Support Routes programme. Early data shows a clear correlation between Support Routes and improved employee confidence and retention.

Employee engagement

We gather feedback from our employees through numerous avenues. This allows us to gather strong insights on employee wellbeing, enabling us to take a data-driven approach to building our culture.

In Technology Solutions, our employee listening tool, Peakon, helps us to monitor wellbeing and inclusion through regular surveys. It measures an employee Net Promoter Score ("eNPS"), which is linked to executive remuneration (see page 145). This score was largely stable in FY25 but remains below benchmark, which remains a priority to improve in 2026. In Ocado Logistics, we launched a new employee listening tool this year, Voice+, which provides greater visibility into trends specific to our logistics operation. We have also initiated a cultural audit to gain a deeper understanding of our organisational culture and identify key areas for growth and improvement.

As well as collating organisation-wide feedback, listening tools also provide anonymous feedback on team wellbeing to line managers, allowing them to shape their approach to address comments on issues such as flexible working, career progression and workplace mental health. In addition to digital tools, our Listening Champions provide an avenue for employees to give feedback up the leadership chain. Local action groups also exist for site management teams to address specific issues, and the Ocado Council, a network of elected employee representatives feeds back on challenges and successes to senior management, and cascades information to colleagues. The Ocado Council is chaired by our Designated Non-Executive Director, Andrew Harrison.

Training and development

This year, we continued the roll-out of our Career Pathways programme to more business divisions. This programme provides clear guidance on the skills required to reach each level of the business and is supported by workshops that empower colleagues to take ownership of their career progression. Salaried employees also receive a personal budget on Learnably, a learning resource marketplace, to support their development.

All salaried employees can access professional qualifications funded through the apprenticeships levy. 342 colleagues were enrolled on apprenticeships this year, totalling £1.3 million in investment. In 2025, we revised our eligibility criteria for the apprenticeship scheme, which has driven higher uptake.
We also reviewed and refreshed internal management development pathway for Ocado Logistics employees, equipping our people with the critical skills they need to lead teams effectively.

Our Emerging Talent programme supports graduates, interns and apprentices, cultivating diverse talent in engineering, finance, business and technology. Degree apprenticeships in Digital and Technology Solutions, Data Science and Engineering are also available. In line with Employer Pays Principles, we ensure no fees or deposits are charged for training opportunities, reinforcing our commitment to equitable career growth.

Employee wellbeing

We collaborate with our employees to create lifestyle policies that reflect our values, and we support and promote flexible working options. These include our Menopause & Fertility, and Parents & Carers policies.

Our Wellbeing Champion Network of 100+ trained champions across Technology Solutions and Logistics provides employees with peer-to-peer support avenues in a safe, confidential and non-biased manner. This network was a finalist at the UnderOne Diversity & Inclusion Awards for Wellbeing Champion 2025.

Our managers also receive aggregated and anonymous feedback from their teams on employee wellbeing, helping them to track and respond to concerns.

Our core benefits for our employees include life and sickness protection, retirement advice and a mental health support service. Parental, carer and neonatal leave, and time off for fertility treatment and menopause, are available to all employees globally.

Employees in 85% of our locations have access to an online Benefits platform, which allows them to select additional benefits that matter most to them. Discounts+ provides discounts to employees in 65% of our locations on everything from bills to household necessities and lifestyle products. All UK employees receive a discount on Ocado.com.

Equal opportunities

Our Equal Opportunities Policy outlines Ocado's approach to preventing discrimination, harassment and victimisation in our workplace. The People Committee oversees this policy, and meets quarterly to review our equal opportunities strategy and to monitor progress towards our 2030 Community targets.

Our strategies are informed by our Ocado communities, employee-led groups based on shared characteristics. They serve as a platform for our people to connect, voice their opinions, influence and create change. These include groups centred on disability, ethnicity, gender, faith, LGBTQ+ inclusion, neurodiversity, and wellbeing. Twice a year, all community chairs meet with the Chair of the People Committee to share insights directly with the Board.

We partner with an external provider called Moving Ahead and KPMG to run two global equity mentoring programmes, open to all. Anyone who enrols is matched with an external mentor with at least 10 years' professional experience. The Mission Gender Equity programme focuses on building and strengthening pipelines for women in leadership, while the Mission Include and KPMG CCAP programmes support diverse leadership representation. 70 employees are currently enrolled across the two programmes. We also partner with Career Accelerator on mentorship schemes where Ocado employees support students and young professionals.

This year, we have expanded our inclusion-focused learning programmes, launching an Allyship XP site with materials on how to contribute to a more inclusive workplace. This complements our training modules on equal opportunities, which address unconscious bias and inclusive behaviours. In FY25, 53% of our Technology Solutions employees completed our foundation equal opportunities module and 50% of managers completed the follow-up module dedicated to them.

We have also reviewed our promotion processes across the organisation. Next year, we aim to formalise new standardised processes on access to growth opportunities, which will focus on fairness and transparency. Our ongoing efforts across all of our equal opportunities initiatives are supported by our People Insights Report, which reflects our commitment to greater transparency and provides a clear overview of the data that has been self-reported by employees and the initiatives we have launched to drive inclusion and engagement.

We hold accreditation with the National Equality Standard, a rigorous framework supported by the Home Office, the CBI and the Equality & Human Rights Commission.

We continue to report on our UK gender pay gap. In 2025, our median hourly pay gap was 2.2% in favour of women.

Our full gender pay gap report can be found at https://www.ocadogroup.com/investors/corporate-governance/policies-and-disclosures.

Working conditions

Living wage

90% of our Ocado Logistics employees are hourly paid workers, largely in delivery driver or personal shopper roles in our UK distribution centres.

All Ocado employees receive at least the National Living Wage regardless of age. In 2025, 78% of our hourly paid workers were paid at least the Real Living Wage. We regularly conduct meetings and dialogue with our employee councils and representatives from the Union of Shop, Distributive and Allied Workers ("USDAW") to ensure that our pay rates are locally competitive and established in good faith with our employees. Remuneration and incentive plans are reviewed annually in consultation with these groups.

We collect feedback on our employees' reward and benefit preferences through our employee listening tools and our Listening and Action groups. Our Benefits+ platform also enables us to track benefit uptake and usage. Together, this allows us to orient our benefits strategy towards our employees' priorities.

Freedom of association

We ensure that all employees can freely associate or engage in collective bargaining without fear of retaliation as stated in our Code of Conduct.

We believe this is critical for fostering an equitable and supportive workplace. Not doing so could result in operational disruptions, regulatory breaches and lower employee engagement.

In FY25, approximately 6,660 Ocado employees were trade union members, principally with USDAW in the UK.

Community relations

At Ocado, we enable our people to make a difference in their communities, through volunteering, fundraising and direct donations.

Promoting STEM education

As a technology innovator, provider and employer, we believe that we can play a valuable role in supporting Science, Technology, Engineering and Maths ("STEM") development worldwide.

This includes Code for Life, a free platform designed to teach the foundations of Python, an important programming language. The initiative was established in 2014, and is run by a community of Ocado employees and external volunteers. In FY25 alone, over 8 million coding levels were attempted in over 160 countries. This year, we launched a new Code for Life programme specifically for KS3 and KS4 students (age 11-16), helping secondary school children to develop their coding skills.

We have also donated AV1 robots (pictured opposite) to five schools as part of a partnership with No Isolation Limited. AV1 robots allow children who are absent from school due to mental or physical health issues to livestream lessons and to speak to class when they have questions. In the last two years, the AV1 robots that we have donated have enabled children to access an additional 445 hours of school attendance that otherwise would have been missed.

Matched funding

This year, our employees again went above and beyond to fundraise for charities close to their hearts, running everything from half-marathons to bake sales. To further support their efforts, we provide one-to-one matching donations of up to £500 per employee. Charities supported through this scheme in FY25 include Cancer Research, British Heart Foundation, Alzheimer's Society, SSAFA the Armed Forces Charity, and more.

Alleviating food poverty

In FY25, our Ocado Logistics staff supported Ocado Retail to successfully redistribute £9.4m in surplus stock across our trusted network of charity partners throughout the UK, including The Felix Project and Community Shop.

Task Force on Climate-related Financial Disclosures ("TCFD") 2025

Compliance Statement

Our climate-related disclosures are fully consistent with the recommendations of the TCFD, and in compliance with UK Listing Rule 6.6.6R(8) and the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 of the Companies Act 2006.

Upcoming Reporting Frameworks

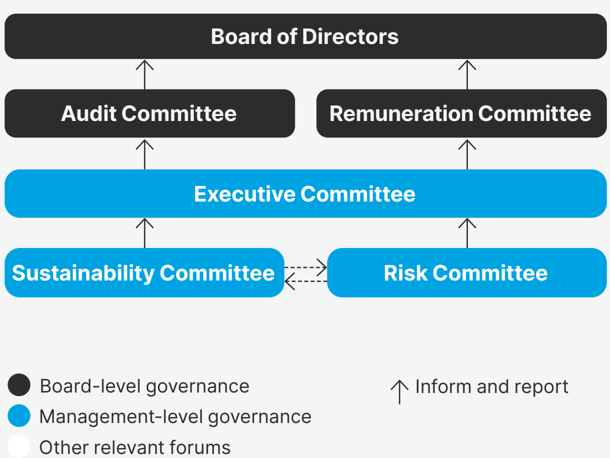
We are monitoring developments on UK Sustainability Reporting Standards S1 and S2, and are preparing to align to any additional requirements. We are also currently assessing our readiness for future disclosures aligned to the recommendations of the Taskforce on Nature-related Financial Disclosures ("TNFD").

1. Governance

A **Describe the board's oversight of climate-related risks and opportunities**

B **Describe management's role in assessing and managing climate-related risks and opportunities**

Governance of climate-related risks and opportunities



Board

The Board sets and approves our sustainability strategy. This includes commitments to reduce our impact on the environment, to maintain resilience to the impacts of climate change and to achieve Net Zero in our direct operations by 2035 and our value chain by 2040. Additional information on our environmental commitments can be found in our online HSFE Statement of Intent, signed by our CEO.

This year, the Board received updates on our climate strategy and Net Zero Roadmap in February 2025 and September 2025 from our VP of Global Sustainability & HSFE. In FY25, the Board:

- Approved interim 2030 GHG emissions intensity targets.
- Reviewed KPIs assessing our progress against our Net Zero Roadmap.
- Discussed updates on topics such as fleet electrification, routing optimisations, energy consumption and product design.

Our Net Zero ambitions are also considered as part of our five-year planning process, which includes the capital requirements of key action points related to our Net Zero Programme. Our latest five-year plan process was reviewed and approved by the Board in February 2026 as part of its role in guiding strategy and overseeing major capital expenditures.

Audit Committee

The Audit Committee meets at least quarterly and is accountable for the effectiveness of our risk management and internal control systems. This includes oversight of climate-related risks and opportunities in line with our Enterprise Risk Management approach (see page 82). Twice a year, the Audit Committee discusses the Risk Committee's enterprise risk report, which includes our climate and environment principal risk.

Remuneration Committee

The Remuneration Committee oversees remuneration and workforce policies. As described on page 140, targets linked to our Net Zero Roadmap are included in the Annual Incentive Plan ("AIP") in our Directors' Remuneration Policy. All ESG metrics linked to our AIP in FY25 were subject to limited assurance by ERM CVS. The unqualified assurance opinion is available on pages 278-279.

Executive Committee

The Executive Committee is responsible for the day-to-day management of the business, including the oversight of operational management and the implementation of strategic objectives set by the Board. The Committee monitors how climate-related matters are considered in strategic decisions across the business.

Sustainability Committee

The Sustainability Committee meets four times a year and is responsible for assessing and managing sustainability issues, including climate-related issues. The Committee is chaired by our Chief Financial Officer who, along with our VP of Global Sustainability & HSFE, maintains executive oversight of our Net Zero and climate risk management activities and reporting. Members include our Group General Counsel, Chief People Officer, the CEO of Ocado Technology and the Managing Director of Ocado Logistics. The broad membership of the committee provides the necessary expertise to monitor climate-related issues from across the business. Updates on the Committee's decisions and actions are provided to the Board, the Audit Committee and the Executive Committee.

Climate-related topics discussed by the Sustainability Committee during the year included: progress on our Net Zero Roadmap, associated targets and initiatives; a review of emerging sustainability reporting frameworks; an assessment of our climate scenario analysis; an analysis of the carbon footprint of key products; and an update on climate risks. The Committee monitors key sustainability metrics at every meeting.

Risk Committee

The Risk Committee reviews and challenges the risk management process at Ocado Group, including the identification, prioritisation and management of principal risks. This includes our climate and environment principal risk. The Risk Committee has delegated oversight of climate-related risks to the Sustainability Committee to better leverage subject matter expertise. The Risk Committee meets quarterly and reports to the Audit Committee.

2. Strategy

A **Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term**

B **Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning**

C **Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario**

Our key climate-related risks and opportunities

We set out the climate-related issues which could materially impact Ocado Group over the short, medium and long-term on pages 78-80. See page 82 for a description of processes used to identify and assess climate-related issues and page 81 for a description of the scenarios used.

We consider our climate-related issues by geography, in terms of either i) UK – affecting our Logistics business; or ii) Global – affecting our Technology Solutions business. Time horizons used in the assessment are set out on page 78.

We have not identified any issues for which there is a significant risk of a material adjustment in the carrying amounts of assets and liabilities in the next reporting period. We have not identified any material impacts from climate-related risks on our financial performance, financial position or cash flows in the current reporting period.

For additional information on how we have considered the impact of climate-related matters on our Financial Statements, see page 194.

Risk assessment period

	Short-term	Medium-term	Long-term
Time horizon	0 – 1 year	1 – 5 years	5 – 25 years
	This aligns with our annual budget planning cycle.	This aligns with our five-year plan and offers insight into upcoming risks and opportunities.	This considers the impact of climate on our business over the lifetime of our CFCs and other significant assets.

Risk/Opportunity description	Impact with financial quantification	Management strategy
1. Extreme weather Physical risk (acute) — UK, Medium		
There is a risk of increased severity of extreme weather events such as heatwaves, hurricanes and floods disrupting our own operations and supply chains, and those of our partners and clients.	Our assessment found that flood risk at two of our UK locations is our only material inherent physical climate risk. Under a <2°C scenario, the impacts are not expected to change materially compared to today's level, whereas under a >4°C scenario, the average impacts are expected to increase by 10% in the long term. We estimate that the annualised repair, insurance and disruption-related costs (whether within supply chains or the operations of CFCs) if this flood risk is not managed in the medium to long term over all scenarios would be £9m – £11m.	**Business continuity arrangements:** • Prior to establishing a site, surveys are completed to identify potential weather-related risks. Appropriate mitigation plans are established for the site, e.g. our UK CFCs in Erith and Bristol have flood risk mitigations in place. • Our business continuity management programme is already embedded in the UK and at our international development centres. Plans are in place to develop business continuity capability arrangements for international client sites. **Insurance:** • Our insurance arrangements cover flood risk for both physical assets and supply chain disruption liabilities.
2. Energy usage Physical risk (chronic), policy and legal — UK, Global, Medium		
A rise in mean average global temperatures could lead to an increase in the energy required to cool our CFCs, which in turn could lead to an increase in operational costs. **We are committed to only using renewable electricity. As our demand for electricity grows and overall demand for renewable electricity increases, there is a risk that supply may not keep pace, leading to rising costs. There is also a risk that increased carbon prices cause the price of non-renewable energy to rise.**	We anticipate that our energy consumption and energy prices will increase under both the Orderly Transition and Hot House World scenarios. We estimate that associated electricity costs would rise by £8m – £13m in the medium term, increasing to £17m in the long term.	**Energy supply diversification and efficiency:** • We are beginning to diversify our supply of energy including the use of anaerobic digestion and solar PVs at our CFCs. • We are implementing initiatives to reduce energy usage through efficiency measures. **Energy price monitoring:** • We have an Electricity Procurement Risk Management Policy, which has been approved by the Audit Committee. • We take expert advice on energy price hedging and other control measures.

Key: Geography UK UK, Global Global — Timeframe Short, Medium, Long

Risk/Opportunity description	Impact with financial quantification	Management strategy
3. Internal combustion engine ("ICE") vehicles ban Policy and legal		
The UK Government is regulating Electric Vehicle ("EV") quotas for sales of commercial vans from 2025 and banning sales of diesel vans by 2035. Some cities are also introducing zero-emission zones. There is a risk that the technology required to transition our fleet to Zero-Emission Vehicles ("ZEVs") is not available or is not economically viable for us to be able to meet the regulatory deadlines to move away from fossil fuel-powered ICEs. **Some of our OSP Partners who use our software to manage their fleet strategies face similar regulatory challenges. Failing to support them risks reduced competitiveness and limited growth.** **Opportunity:** By enhancing our market-leading routing solution and prioritising ZEV enablement, we can position ourselves as a key partner in sustainable last mile delivery. This would enable our partners to transition more of their operations to ZEVs, supporting their Net Zero transition and enhancing competitiveness for both Ocado and our partners.	The limitations of currently available EVs, such as their shorter range, may result in EVs being unable to complete certain routes. However, based on analysis of the number of routes EVs will be able to perform in the short to long-term, we do not expect that impacts related to the UK's ZEV mandate or zero emission zones will be material. The differences in EV range will also require changes to OSP routing strategies in geographies (e.g. rural areas) where route lengths exceed vehicle range per shift.Development costs of EV routing software are not expected to be material in the current technology development budget. Not transitioning our fleet and/or enabling our partners to do so creates a risk of reduced competitiveness where consumer sentiment demands it. If unmitigated, this could limit revenue. We have not yet quantified this reputational risk, due to significant measurement uncertainty. Conversely, successful transition to ZEVs could increase our competitiveness and offerings to customers, increasing revenue growth opportunities.	**Fleet transition plan:** • ORL own the capital expenditure associated with EV roll-out. It currently has positive EBITDA on routes that are short enough to complete on a single charge. • We are working with ORL to identify priority sites for electrification on the basis of site characteristics, route lengths and available EV technology. • EVs began to be rolled out at our sites in 2024, starting with London operations. The findings of this initial roll-out are now being used to plan the rest of the fleet transition. **Vehicle manufacturer engagement:** • Alongside ORL, we are engaging in pilot studies with multiple vehicle manufacturers on alternative technologies, including battery EVs and hydrogen-fuelled vehicles. **Ocado routing technology:** • We are updating our routing software for all partners to efficiently incorporate EV charging and optimise routing strategies.

Key: Geography UK **UK** **Global** Timeframe **Short** **Medium** **Long**

Risk/Opportunity description	Impact with financial quantification	Management strategy
4. Net Zero Challenge Reputational, policy and legal		
Failure to deliver on our public Net Zero commitments could result in reputational damage amongst partners, investors and employees. It could ultimately lead to regulatory scrutiny from greenwashing allegations. **Opportunity:** There is a potential for increased partnerships as sustainable ecommerce solutions become more desirable for customers, which could lead to increased revenues.	Any impact on stakeholder relationships could have financial impacts on revenues and cost of capital. Greenwashing could result in financial penalties, legal challenges or fraud investigations. This impact is expected to be present under both the Orderly Transition and Hot House World scenarios, albeit the magnitude of each impact may vary. We have not quantified the potential legal and reputational cost of not delivering on our Net Zero commitments.	**Energy supply diversification and efficiency:** • Our Net Zero roadmap was established during FY23 and progress is reviewed at least twice a year by the Board (see page 59 for our roadmap). • Our dedicated Sustainability team assists business owners to identify, prioritise and recommend actions that can help us reach our Net Zero goals as part of their planning and budgeting.
5. Low carbon products Market, policy and legal		
There is a risk that incoming carbon taxation policies on materials, such as the EU's Carbon Border Adjustment Mechanism ("CBAM"), could result in increased prices or reduced availability of raw materials. **There is also a risk our solution becomes less attractive to our existing and prospective partners if our products do not keep pace with our competitors on carbon footprint.** **Opportunity:** There is an opportunity to integrate low carbon components into our products and supply chains (both upstream and downstream) to enhance efficiency and circularity, and increase competitive advantage.	Increased costs of carbon-intensive materials could result in an increase in capital expenditure for construction of Ocado CFCs, which may deter potential partners from our solutions. Designing products that require less carbon-intensive material or reduce operational energy use could provide a competitive advantage, increasing the demand for our products, and thereby increasing revenue and profitability. Carbon pricing impact is expected to be larger in the Orderly Transition scenario. The extent to which any financial impact will be felt is dependent on the extent to which we include cost increases within the cost of our products or pass on costs to clients.	The impact of increased material costs is considered in the business case for any new CFC constructions. **Raw material costs:** We minimise costs through our supply chain management, procurement policies and procedures, which incorporate responsible sourcing and supplier partnering to reduce the use of carbon-intensive raw materials in our products (see page 58-59). **CBAM:** • We map critical suppliers to material types to better respond to emerging regulations that impact certain materials such as aluminium and steel. **Re:Imagined technology development:** • Development teams continue to identify redesign opportunities for Re:Imagined technology that require less carbon-intensive material.

Key: Geography UK Global Timeframe Short Medium Long

Scenarios used to inform the organisation's strategy and financial planning

We use climate-related scenario analysis to identify risks and opportunities, as well as to assess our resilience to climate change. We review our analysis annually.

We are currently in the process of refreshing our scenario analysis to deepen our understanding of how climate may impact Ocado, taking into account the latest developments in climate modelling and macroeconomic indicators. We have compared the preliminary findings of our latest model (expected to be completed in FY26) with our existing climate scenarios to determine whether any updates are needed. This comparison has not identified any additional risks or opportunities at this stage and the scenarios used for FY25 remain appropriate.

Our scenario analysis considered an Orderly Transition scenario and a Hot House World scenario for our transition risks. Our physical climate risks were tested using more severe scenarios of the IPCC's 6th Coupled Model Intercomparison Project (CMIP-6). These models were selected to ensure we were informed by a breadth of physical and transition risks, and that our strategy is informed by models that consider a variety of scenarios. Additional information on these scenarios is included in the box below.

Transition risk climate scenarios

- These scenarios are aligned to climate scenarios defined by the Network for Greening the Financial System ("NGFS") https://www.ngfs.net/ngfs-scenarios-portal/, the International Energy Agency ("IEA") Carbon Price Models and the Intergovernmental Panel on Climate Change Working Group I ("IPCC WGI") Interactive Atlas.
- Proprietary Ocado operational data is overlaid to reflect the business strategy and trends.
- Our scenario analysis is performed over a 30-year timeframe, to 2050, aligning to the Paris Agreement and the UK's commitment in the Climate Change Act 2008 (2050 Target Amendment) Order 2019.

Orderly Transition

Description

- Climate policies are introduced early and gradually become more stringent.
- Surface temperature is expected to stay below a 2°C increase.

Key scenario drivers

- Carbon pricing is introduced in the 2020s and gradually increases by 2030.
- Significant levels of investment into energy efficiency, green electricity and storage, and carbon capture and storage are sustained from 2030 to 2050.
- Transition risks are expected to grow in proportion with climate action.
- Physical impacts are less severe (although not negligible) in comparison with the Hot House World scenario.

Hot House World

Description

- Some climate policies are implemented, but global efforts are insufficient in halting significant global warming.
- Surface temperature is predicted to increase within a range of 3°C to 5°C.

Key scenario drivers

- Carbon pricing is introduced in the 2020s but negligible changes are made to pricing through to 2050.
- While investment into energy efficiency, green electricity and storage is still substantial, investment into fossil fuel extraction and brown electricity generation is greater than in the Orderly Transition scenario.
- Transition risks are initially relatively low as limited action is taken.
- Physical risks are severe, with irreversible impacts.

Physical risk scenario analysis

The physical risk data sources used for our assessment were anchored to the Intergovernmental Panel of Climate Change ("IPCC"). This analysis utilised the following climate scenarios based on IPCC's 6th Coupled Model Intercomparison Project (CMIP-6):

- <2°C SSP 1 – RCP 2.6   2-3°C SSP 2 – RCP 4.5   >4°C SSP 5 – RCP 8.5

We consider our business to be resilient to the physical and transition risks we have identified under each scenario. This assessment is supported by the mitigating actions described on pages 78-80 and our Net Zero roadmap on page 59.

3. Risk Management

A Describe the organisation's processes for identifying and assessing climate-related risks

B Describe the organisation's processes for managing climate-related risks

C Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management

The process for identifying, assessing and managing climate-related risks is performed at an Ocado Group level and is fully integrated into the Enterprise Risk Management ("ERM") approach that we use for our principal risks, as described on pages 84-87. No significant changes have been made to our climate risk processes this year.

Identifying and assessing climate-related risks

In line with our ERM approach, we perform exercises to identify and assess climate-related risks twice per year. We identify emerging risks from a "longlist" of potential climate-related drivers, which is compiled through monitoring of legislation and media, and discussion with subject matter experts from across the business. Risks are assessed and prioritised according to the likelihood, impact and timeframe over which the risks might materialise.

Our physical risk assessment looked at eight different physical hazards from our longlist, which covered both acute shocks and chronic stresses. We financially quantified the four most material hazards: flood, wind, wildfire and heat. This selection was made based on the likelihood and impact of each event occurring at 25 key sites (across the UK and globally). Hazards were quantified using scenario analysis, as described on page 78.

Our transition risk assessment used data from NGFS and IEA scenarios and analysis of emerging legislation to financially quantify our risks where possible. Where financial quantification was not possible due to measurement uncertainty or lack of data, our subject matter experts assessed risks by scoring the likelihood and impact of the risk on our business.

Ongoing management of climate-related risks

Identified risks are assigned to senior owners, in line with our ERM approach. Risk management decisions are taken by the management groups previously outlined on pages 76-77, with oversight provided by the Sustainability Committee. Strategic climate risk mitigation decisions are taken by the Sustainability Committee and are regularly reviewed to ensure they remain relevant and on track. This includes quarterly monitoring of the metrics used to track climate-related risks and opportunities, which are outlined on page 83.

The Risk Committee reviews the management of all principal and key risks at least once a year. This is part of our risk review process and includes decisions to mitigate, transfer, accept or control risks. Our climate-related risks and opportunities were reviewed again in 2025, with no material changes being identified. Our climate and environment risk is assessed and prioritised against other principal risks as part of this review. Prioritisation is based on assessments of impact and likelihood.

4. Metrics and Targets

A Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process

B Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions, and the related risks

C Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets

The following section summarises the metrics we use to manage climate-related risks and to realise the climate-related opportunities described on pages 78-80. These metrics are associated with a specific risk and opportunity, and ensure that any progress made towards mitigating a risk or capitalising on an opportunity is captured. We have made disclosures against relevant industry-based topics defined in the Industry-based Guidance on Implementing IFRS S2 within our Sustainability Databook, available at https://www.ocadogroup.com/investors/corporate-governance/policies-and-disclosures.

Net Zero targets

As part of our sustainability framework and approach to managing climate-related risks and opportunities, we have set targets to reach Net Zero in our direct operations by 2035 and across our value chain by 2040. We have also set interim 2030 targets to help us to monitor progress towards this overarching goal. Further details on our targets, roadmap and progress can be found on pages 58-59. Our SECR disclosure, which sets out numerous climate-related metrics, is given on page 60.

Risk/Opportunity	Metric	Progress	Explanation
Extreme weather	Material disruptions due to extreme weather events	FY24: 0 **FY25: 0**	No material disruptions due to extreme weather events were noted this year.
Energy usage	CFC electricity intensity (kWh/100 eaches)	FY24: 6.8 **FY25: 6.2**	An "each" is a single stock item that can be picked. Reduced electricity consumption from the Hatfield CFC closure, combined with improved electricity efficiency and a rise in overall fulfilled orders and eaches in FY25, has resulted in a lower intensity.
ICE ban	Van fleet utilising zero emissions technology (%)	FY24: 5% **FY25: 5%**	This year, we focused on performing a real-world assessment of ZEV performance across geographies and temperatures to enable us to pinpoint appropriate target locations for future roll-out. No additional ZEVs were added to the fleet in FY25.
Net Zero challenge	Scope 1, 2 (market), and 3 GHG emissions (tCO_2e)	FY24: 251,745 **FY25: 248,021**	Our Scope 1 and 2 (market-based) GHG emissions have increased by 4% this year. This was primarily due to a rise in van fleet fuel consumption because of increased order numbers. Our Scope 3 emissions have fallen by 6%, primarily due to falls in procurement spend. For a breakdown of our Scope 3 emissions by category, see page 60.
	% reduction in emissions per van drop[1]	New metrics (all FY25) **ORL: 5.0%**△ **Kroger: 21.2%**△ **Aeon: 0.9%**△	This metric measures reductions in emissions per van drop between November 2024 and November 2025. We continue to optimise the routing algorithms within the Ocado Smart Platform system to reduce the miles driven per van drop. Reductions are attributable to these optimisations.
Low carbon products	% of spend with suppliers that have emission reduction targets	FY24: 24% **FY25: 35%**	FY24 was the first year that we measured this metric. This year, we have engaged with an increased proportion of suppliers on their climate strategies, which has driven a rise in identified spend with suppliers that have emission reduction targets.
	Cost of carbon taxation on raw materials	FY24: £0 **FY25: £0**	We have not yet needed to pay carbon taxes on any of our imports or exports under EU CBAM or similar legislation.

1. Metrics marked with a △ are subject to independent limited assurance by ERM CVS in accordance with ISAE 3000 (Revised). See page 278-279 for the assurance report. All three metrics related to % reductions in emissions per van drop were also included in the AIP linked to executive remuneration (see page 145).
2. Further information on our calculation methodologies is set out in our Basis of Reporting on pages 276-277.

Internal carbon price

Ocado acknowledges the impact that existing and proposed carbon taxation and trade tariffs can have on the world and our business. This impact is evident in our Net Zero Challenge, low carbon products and energy usage risks. Although we have not yet set an internal carbon price, we continue to monitor the impact of carbon regulations (such as CBAM) on our business and will continue to assess whether an internal carbon price is required.

Risk Management

How we manage our risks

Ocado Group's Enterprise Risk Management ("ERM") approach is designed to enhance our resilience and improve confidence in the delivery of our business strategy and objectives.

This is underpinned by an ERM process and internal control framework that help us to identify, evaluate and manage our threats and opportunities.

Risk management principles and culture

During the year, we continued the evolution of our risk management approach to improve governance and operations, and enhance our stakeholder value.

Risk Management

Our Evolving Risk Management Framework

This year, we have enhanced our framework to ensure closer alignment with recognised best practice and the revised UK Corporate Governance Code. The updated ERM Framework now follows a clear, five-stage process:

1. **Identify Risks:** Identify threats and uncertainties that could prevent us from delivering our strategic and operational objectives.
2. **Assess Risks:** Assess the likelihood and impact of potential risk events, informed by reasonable worst-case scenarios and taking account of the Group's defined risk appetite.
3. **Manage Risks:** Determine and implement appropriate controls and mitigation strategies, ensuring risks are managed within appetite and that clear ownership and accountability are maintained.
4. **Monitor & Report Risks:** Monitor changes in risk exposure and the effectiveness of mitigations, providing management and the Board with timely, accurate reporting and escalation where required.
5. **Risk Culture & Continuous Improvement:** Embed a culture where every colleague understands their role in managing risk, supported by ongoing training, communication and feedback. This ensures that lessons learned are used to refine and strengthen our processes over time.

This enhancement makes explicit the importance of risk culture and continuous improvement as central components of how we manage risk.

Risk management governance

Risk management delivery is governed by a structured set of governance forums:

- **The Board** is responsible for the review and approval of the risk management framework and the Group's strategic and emerging risks. Our risk management is aligned to our strategy, and each principal risk and uncertainty is considered in the context of how it relates to the achievement of the Group's strategic objectives. Annually, the Board conducts a robust assessment of principal and emerging risks, and reviews the associated risk appetite.
- **The Audit Committee**, delegated by the Board, is responsible for the review of the effectiveness of risk management, the system of internal control, the monitoring of the quality of the Financial Statements and consideration of any findings reported by the auditor.
- **The Risk Committee** reviews principal and emerging risks, and monitors the effectiveness of risk management across the Group. It is chaired by the Group General Counsel. Attendees include other members of senior management and the Chair of the Audit Committee, and it is run by the Risk team. The Committee reviews a full risk report twice a year and this is, in turn, discussed by the Audit Committee and the Board.
- **This is underpinned by specialist risk committees** and second-line teams covering risk areas such as Information Security, Safety, Sustainability and Data Privacy. In addition, the Treasury Committee manages Ocado Group's cash and deposits, investments, hedging of foreign exchange, commodity prices and interest rates, so as to ensure liquidity and minimise financial risk.

Internal Audit supports the Audit Committee and Risk Committee in reviewing the effectiveness of the risk management framework and the management of individual risks driven by a risk-based audit plan.

We have an ERM Policy which covers the management of risks, encompassing sustainability matters. This has the purpose of protecting and enhancing enterprise value. The Company has a number of other policies that cover specific sustainability topics.

You can find further detail on these policies on page 98

Strengthening our framework

The key features of the Group's risk management and internal control systems that underpin the accuracy and reliability of financial reporting include:

- a four lines of assurance model and an organisational structure with clearly defined lines of accountability and delegation of authority;
- the Group's Code of Conduct and a framework of policies and procedures, which cover key areas, financial planning and reporting;
- a capital expenditure approval policy and governance, which controls Ocado's capital expenditure;
- a Risk Committee, a Risk team and a Financial Controls team, which help monitor Ocado's risks and controls;
- an Information Security Committee and an Information Security team, which monitors Ocado's information security risks and mitigations;
- a Personal Data Committee and Data Protection team, which supports data privacy governance; and
- an Internal Audit function, which provides independent assurance on key risks, controls and programmes.

We reported in 2024 that a cross-functional team had been established to prepare for the upcoming changes to the UK Corporate Governance Code. Since then, the team has made strong progress in developing the structures and visibility needed to meet the new expectations under Provision 29. Regular updates have been provided to the Risk and Audit Committees, which have overseen the continued strengthening of governance frameworks and alignment of committee responsibilities to ensure material controls are appropriately reviewed.

Further information on our approach and timeline to compliance is set out in the Audit Committee Report on pages 127-129.

Outcome: The Risk Committee supported the Board through its Risk and Internal Control Effectiveness Review. This involved a detailed assessment of the Group's principal and key risks and the effectiveness of related internal controls, providing assurance over the robustness of the Group's risk management framework. The Committee also reviewed and approved updates to the ERM Policy, reinforcing a mindset of continual improvement, and approved enhancements to risk assessment methodologies to support clearer, decision-useful risk evaluation.

The Board delegates responsibility for reviewing the effectiveness of the Group's systems of risk management and internal control to the Audit Committee, which includes financial, operational and compliance controls and risk management systems.

In making an assessment on effectiveness, the Audit Committee relies on a number of sources of assurance from the Group, including the following:

- **Internal Audit:** The Group's primary source of internal assurance is through delivery of the Internal Audit Plan, which is structured to align with the Group's strategic priorities and principal risks, and is developed by Internal Audit with input from management and the Audit Committee. The plan is reviewed periodically throughout the year to confirm it remains relevant for new and emerging risks and circumstances, both internal and external, and to adjust for the growing complexity of the Group. The findings and actions from Internal Audit reviews are agreed with the relevant business area, communicated to the Audit Committee and tracked through to completion or risk acceptance.
- **Management updates and undertakes risk deep dives:** The Audit Committee Chair gains additional insight on the management of risk in Ocado, by attending the Group's regular Risk Committee meetings. During the year, the Risk Committee continued its programme of thematic reviews and deep dives to strengthen oversight of the Group's risk environment. The Committee considered a broad range of topics linked to Ocado's principal risks, including detailed sessions on cybersecurity and data resilience, the responsible adoption of Artificial Intelligence ("AI"), operational resilience and business continuity, and fire safety governance. It also reviewed updates on regulatory change, financial reporting and controls, compliance, whistleblowing and fraud, and the evolving geopolitical and macroeconomic environment, including the potential impact of global trade and tariff developments. Through these discussions, the Committee gained deeper insight into risk appetite, emerging risks and the effectiveness of mitigation strategies, helping ensure the Group remains well-positioned to respond to a dynamic and increasingly complex risk landscape.
- **Monitoring:** A broad range of activities operate across the business to monitor key risk areas, such as fire, health and safety, and privacy. OSP is subject to independent attestation of its IT security controls under the SOC2 assurance standard. The results of these assurance activities are reported to the Audit Committee and the Board.
- **Operational oversight:** Various governance committees and operational forums provide oversight and challenge on key risk areas within individual business areas including fire, health and safety, DE&I, sustainability, cyber, fraud, whistleblowing, compliance, technology, AI, data governance and other areas of regulation or risk. The output from these committees is part of the periodic updates provided to the Audit Committee.

Details of the considerations given by the Audit Committee this year to internal control and risk management effectiveness are set out on pages 127-129

Outcome: During the year, the Risk Committee used its programme of thematic deep dives to strengthen oversight and drive clearer outcomes in areas of heightened uncertainty and change. In particular, a deep dive on organisational resilience supported a more coordinated and maturing approach across the Group, including clearer ownership, extended dedicated capability and greater focus on preparedness for disruption. This work continues to progress as resilience arrangements are further embedded across the business. Deep dives on supply chain and tariff exposure reinforced management focus on external volatility and the need for ongoing cross-functional coordination, with dedicated working groups maintaining oversight of evolving trade and geopolitical risks. Collectively, these deep dives enhanced the Committee's ability to challenge management on risk appetite, mitigation effectiveness and areas requiring sustained attention.

Principal and emerging risks

Principal risks are considered in the context of how they relate to the achievement of the Group's strategic objectives. Emerging risks are less defined than our Group principal risks and typically do not pose an immediate threat. They are future focused, with greater uncertainty and are more difficult to quantify; however, they could threaten the future delivery of our strategy. Set out on the pages below are details of the principal risks and uncertainties for the Group, and the key mitigating activities used to address them.

This includes an assessment of the residual (or post-mitigation) risk movement during the year for each principal risk and uncertainty.

Details of consideration given to finance risks by the Company are set out on pages 95-97

Details of consideration given to climate-related risks by the Company are set out on pages 76-83

We identify new and emerging risks and trends by analysing inputs from both the external environment and internal sources. We collaborate with the relevant teams across the business to understand the potential impacts of the identified emerging risks.

Emerging risks are presented to the Risk Committee for further scrutiny. Based on its recommendations, we determine whether reported risks should be monitored or actively managed, with relevant matters reported to the Audit Committee and Board as appropriate. This process enables us to assess when an emerging risk should transition into an active risk and be incorporated into the risk management framework.

The 2024 Annual Report highlighted tariffs and AI as emerging risks for the Group. During the year, we continued to monitor these areas, alongside broader developments in the geopolitical, regulatory and macroeconomic environment.

For 2025, we continue to monitor the accelerating pace of regulatory, ethical and customer expectations relating to the use of AI. The Group maintains a vigilant approach to the identification and management of AI-related risks, including through the ongoing monitoring of its dedicated AI risk register and supporting governance arrangements, particularly in relation to Generative AI. Where the Group has identified known exposures and developed sufficient insight to support informed decision-making, the threat implications of AI have been reflected within the relevant principal risks.

The Group also continues to monitor the potential impacts of increasing fragmentation in global trade, regulation and geopolitical alignment, which could increase complexity, cost and uncertainty across our operations and partner ecosystem. The implications of these developments for supply chains, partner economics and capital deployment are considered as part of the Group's principal risk assessment where relevant.

Setting risk appetite

Risk appetite is the level of risk that we are willing to accept in pursuit of our strategy, before any action is determined to be necessary in order to reduce that risk. The assessment takes into account significant sustainability matters, climate-related risks, our regulatory environment, culture and the geographies in which we operate.

We monitor our risk levels against appetite at the Board and Risk Committee using a five-point scale ranging from "open" (meaning that we are willing to take justified risks to achieve the highest return and accept the possibility of failure) to "averse" (meaning that avoidance of risk is a core objective, and we will always select the lowest risk option). For example, a lower appetite is adopted in relation to regulatory, safety and compliance risk matters, and higher appetite in relation to innovation topics.

Ocado Retail

Ocado Retail Limited ("ORL") is a 50:50 joint venture between Ocado Group and Marks & Spencer Group plc ("M&S"). During FY25, the controlling interest in ORL transferred to M&S. ORL manages its risks independently in line with its governance arrangements. Ocado Group does not have operational responsibility for ORL's risk management; however, matters of strategic and financial relevance are considered where they may impact the Group and are reflected within Ocado Group's principal risks where appropriate.

In particular, these include the following:

- ability to maintain a competitive retail proposition that continues to appeal to a broad customer base in a highly competitive and evolving market; and
- reliance on its joint venture partners, including Ocado Group and M&S, for critical aspects of its operations, technology, supply chain and strategic decision-making.

Other joint ventures and associates

The Board has oversight of risk management and internal control for wholly owned subsidiaries. For joint ventures and investments, risk management and internal control are managed via their own boards and management teams.

Risk at a glance

Principal risk title	Risk category	Movement	Link to strategy	Sustainability framework
Market proposition	Strategic	–		
Partner success	Strategic	–		
Product innovation protection & performance	Strategic	–		
Supply chain	Operational	–		
Talent & capability	Operational	↑		
Cybersecurity & data	Technology	–		
Fire & safety	Operational	–		
Regulatory & compliance	Compliance	–		
Climate & environment	Strategic	↑		
Geopolitical & macroeconomics	Strategic	–		
Liquidity & cash management	Financial	–		

Risk movement key:

↓ Decreasing

– No change

↑ Increasing

Link to strategy key:

1. Identify Risks
2. Assess Risks
3. Manage Risks
4. Monitor & Report Risks
5. Risk Culture & Continous Improvement

Sustainability framework key:

Conduct

Climate

Circularity

Community

Our Sustainability Report: pages 54-75

Changes to our principal risks during the year

During the year, the Group undertook a comprehensive review of its principal and emerging risks to confirm they remain appropriate, relevant and aligned to the Group's strategy and operating environment. As a result of this review, the principal risks were refreshed to improve clarity and ensure they continue to reflect the Group's most significant areas of exposure. This included the addition of a new key risk within Market Proposition to more explicitly capture the risk that developed products may not deliver expected functionality and/or prove uneconomic relative to their original business case. As part of the annual assessment, the severity of certain principal risks was also reassessed to reflect developments in the external and organisational environment. Two principal risks increased in assessed severity during the year: Climate & environment, and Talent & capability.

- The increase in the Climate & environment risk reflects a reassessment of the Group's exposure to microplastic pollution, taking account of increased regulatory scrutiny, evolving stakeholder expectations and growing media focus on plastic use, including anticipated regulatory developments in the UK.
- The increase in the Talent & capability risk reflects the impacts of ongoing transformation on colleagues across the Group. As the organisation transitions to a new operating model, there is increased focus on skills availability, resource capacity and supporting colleagues through change.

In light of a number of high-profile cyber attacks on retailers during the year, the Group reviewed its Cybersecurity and data risks. The assessed severity of this risk remained stable, reflecting the fact that the Group's risk assessments already assumed a heightened and evolving cyber threat environment.

Our principal risks

Principal risks are managed on a matrix basis across the Executive Committee, reflecting the cross-functional nature of the Group's operations. Clear internal executive ownership and defined risk leads support the management of risks, with oversight provided through regular executive and committee review, including focused deep dives, escalation where required, and bi-annual risk reviews assessing key controls against risk appetite and considering emerging risks.

Market proposition

Our OSP and OIA product offer, features, implementation schedule, pricing, or terms may not be sufficiently attractive to potential partners, or may not be commercially attractive at a level that delivers adequate and sustainable returns for us, including where products prove uneconomic relative to their original business case, increasing the risk that capitalised development costs cannot be fully recovered.

Key risks	Core mitigation	In-year developments	Link to strategic Objectives
• Commercial viability both for us and our partners • Our pricing is not competitive • The functionality of our products is not sufficiently attractive • We fail to market our products professionally • Competitive environment • Products prove uneconomic relative to their original business case	• We have embedded strong pricing and commercial governance, supported by detailed financial analysis, validated cost assumptions and senior approvals. • We assess all partner and product propositions through disciplined investment, return and affordability analysis. • We maintain executive oversight of the global sales pipeline to prioritise strategic, scalable opportunities. • We align Solutions, Technology and Automation roadmaps to ensure propositions remain competitive and relevant. • We use structured budgeting, partner-level forecasting and multi-year financial planning to support sustainable growth and informed decision-making.	• We strengthened governance and operating forums to improve oversight, escalation and decision-making following leadership changes. • We actively managed partner network changes and ongoing commercial discussions to protect proposition credibility and long-term value. • We expanded the sales pipeline with larger, strategic opportunities, supported by increased executive engagement. • We enhanced competitive, cost and market benchmarking across automation propositions to inform pricing, investment prioritisation and future product development. • We strengthened commercial capability to support future growth, including senior sales recruitment	**Movement** **Sustainability framework**

Partner success

We invest in robots and MHE alongside our partners in the CFCs that we develop for them and we rely on the growth of our partners' online businesses to generate appropriate economic returns from this investment. If our partners do not achieve sustainable returns from their investment then they may not expand their utilisation of the capacity that we have jointly invested in, in which case, we may fail to generate our planned returns. It is also possible that if our partners are unable to generate acceptable returns themselves, they may close existing CFC facilities.

Key risks

- Partners may be unable to generate sufficient demand to fill the capacity of the CFCs in which they have invested
- Partners may be unable to operate their online grocery businesses efficiently enough to generate the planned returns, including the ability to generate density in last mile operations
- The strategies that our partners adopt may compromise their ability to generate viable ecommerce businesses

Core mitigation

- We have dedicated Partner Success teams embedded across all partner relationships, sharing operational best practice and training to enhance performance.
- We hold monthly financial and operational reviews by partner and CFC, supported by performance dashboards to identify and address emerging risks.
- We carry out regular monitoring of CFC utilisation and benchmarking against agreed KPIs, with action plans jointly developed with partners.
- We operate structured governance through quarterly Partner Success reviews.
- We provide oversight through the Executive Committee to monitor performance and delivery risk.

In-year developments

- We strengthened governance through recent executive level changes and the formation of the Executive Committee, which provides strategic guidance and oversight.
- We rolled out dashboards across all live partners, enhancing visibility of utilisation and profitability.
- We held Quarterly Growth Reviews embedded to monitor performance against growth targets and inform joint improvement actions.
- We enhanced reporting to the Risk Committee and Board on partner utilisation and CFC performance.

Link to strategic objectives

Movement

Sustainability framework

Product innovation, protection & performance

Our innovation and development processes, and use of AI may not meet partner needs or we may fail to provide protected, reliable and commercially viable products. This could undermine our ability to attract and retain partners.

Key risks

- Product strategy and roadmap misalignment with partner needs
- Insufficiently sustainable design
- Insufficient product quality and performance
- Disruptive technologies are not adopted and invested in early enough, e.g. AI
- Intellectual property ("IP") infringement and lack of protection

Core mitigation

- We maintain governance over our technology and AI roadmap through biannual planning and senior committee oversight, aligning priorities and investment decisions to client needs and return on investment ("ROI").
- We apply defined product-development and software-delivery lifecycles, supported by common tooling and standards, to enable reliable design, testing, deployment and continuous improvement.
- We strengthen innovation through research and market monitoring, including participation in funded programmes and evaluation of emerging technologies such as AI and robotics.
- We operate an IP framework, to safeguard innovations.

In-year developments

- We advanced deployment of next-generation hardware, including international roll-out of OGRP arms, 600 Series bot reliability enhancements and progress on auto-freezer installations.
- We improved software reliability and delivery quality through engineering reviews, performance trending and incident analysis.
- We continued innovation programmes across hardware automation, and made enhancements to routing to deliver greater efficiency and to short lead-time orders to capture more shopping missions.
- We strengthened protection of intellectual property through updated training, reinforcing responsibilities for safeguarding confidential information and proprietary technology.
- We continued strengthening of AI governance and oversight.

Link to strategic objectives

Movement

Sustainability framework

Supply chain

Disruption in our extended and complex supply chain may adversely affect product availability and responsible sourcing. This could result in increased costs and fines, delays to contractual commitments and loss of revenue.

Key risks

- Contract performance
- Regulation and responsible sourcing
- Critical components supplier fails
- Supplier decides Ocado business is not attractive
- High volume of product engineering changes

Core mitigation

- We have an embedded and mature Sales & Operations Planning process that aligns demand, supply and financial plans, supported by executive oversight.
- We operate structured Supplier Relationship Management for critical suppliers.We monitor supplier performance through standardised KPIs covering delivery, quality and cost, with corrective actions in place.
- We undertake comprehensive supplier due diligence covering information security, financial resilience, business continuity and compliance.
- We embed responsible sourcing frameworks across the supply chain, supported by codes of conduct, audits and monitoring.

In-year developments

- We enhanced supplier segmentation and category strategies to better reflect scale, complexity and dependency.
- We completed scenario planning for supplier failure and natural disaster events, with response plans developed.
- We expanded responsible sourcing coverage to additional supplier categories, including Green House Gas emissions and CBAM requirements.
- We increased the use of integrated planning data, reducing manual processes and improving visibility.
- We progressed mitigations for sole-source dependencies through contingency and alternative sourcing plans.

Link to strategic objectives

Movement

Sustainability framework

Talent & capability

Failure to retain, develop and engage critical talent during periods of significant change, which could jeopardise operational stability and growth ambitions is a risk for the Group. Ensuring employees understand and align with the Company's changing strategic priorities is vital to successful organisational transformation. Additionally, fostering diversity – particularly diversity of thought and cultural diversity – is important for driving innovation and achieving the next phase of strategic execution for the Group. Without a strong emphasis on executing plans effectively and cultivating a high-performance culture, the organisation risks falling short of its objectives.

Key risks

- Retention and rewards
- Attraction
- Training and development
- Diversity and inclusion
- Succession planning
- Culture and wellbeing (employee engagement and relations)
- Organisational structure and change

Core mitigation

- We have defined and embedded diversity, equity and inclusion policies, supported by metrics reviewed quarterly.
- We maintain formal succession and knowledge retention plans for Board, Executive Committee, senior leadership and other critical roles.
- We monitor employee engagement, values and sentiment through regular surveys, including eNPS, with action frameworks in place.
- We operate transparent communication channels and aligned goal-setting across commercial and technical teams.
- We use a talent and performance framework to develop, deploy and retain critical skills.
- We provide governance through the Risk Committee and People Committee.

In-year developments

- We expanded DE&I programme coverage, data capture and learning completion, while adapting delivery to regional regulatory environments.
- We launched new learning and development initiatives, including AI literacy foundations and expanded career pathways.
- We strengthened reward governance, salary range adoption and global mobility guidance to improve consistency and cost control.
- We progressed executive succession planning, with increased senior-level engagement and development actions.
- We stabilised employee engagement following earlier change activity and aligned priority cultural improvements through the People Committee and Board.
- We improved attraction for critical roles.

Link to strategic objectives

Movement

Sustainability framework

Cybersecurity & data

Disruption or loss of critical assets and sensitive information as a result of a cyber attack, insider threat, data breach or the misuse of AI (both malicious and accidental) within our Group network or our supply chain could result in business disruption, reputational damage and regulatory impacts for both Ocado and our partners.

Key risks	Core mitigation	In-year developments	Link to strategic objectives
• System security compromised by a deliberate act • Theft/loss of confidential and/or personal data • Confidential information about a client's business exposed to unauthorised parties • Loss of service availability	• We maintain Board-level governance over cybersecurity & data risks through an agreed security strategy, regular reporting and independent assurance. • We protect access to systems, networks and data through layered controls, including authentication, role-based access and regular reviews. • We manage system and application changes through defined change-management processes to maintain integrity and reduce operational and security risk. • We protect critical systems and data through monitoring, secure build standards, encryption, recovery capabilities and tested incident-response arrangements.	• We strengthened cybersecurity controls to address evolving threats, enhancing preventative and detective capabilities to protect sensitive systems. • We increased awareness of phishing and social-engineering through updated guidance and refresher communications. • We exercised incident-response arrangements and maintained strong governance through senior oversight and risk review. • We maintained continuous testing of cybersecurity control effectiveness, with processes to identify issues promptly and ensure timely remediation. • We continued to embed data privacy awareness through training.	**Movement** — **Sustainability framework**

Fire & safety

Fire, or injury to a worker or customer, caused by product design or operating failures could result in business disruption, loss of assets and reputational loss.

Key risks	Core mitigation	In-year developments	Link to strategic objectives
• Fire safety • Product safety • Food safety • People safety (construction, operation and logistics)	• We maintain a Fire Prevention and Health & Safety framework supported by global HSFE policies and standards for life safety and resilience. • We provide quarterly enterprise-wide Fire & Safety reporting to the Global HSFE Committee, ensuring senior visibility and governance alignment. • We monitor high-impact safety and continuity risks through structured reporting and escalation, with insight via the Group Safety Risk Register. • We maintain business continuity arrangements for fire and safety scenarios, supported by impact assessments, scenario planning and crisis protocols. • We maintain food safety compliance.	• We strengthened senior oversight of fire-safety risk through a Risk Committee deep dive and Internal Audit review, reinforcing governance focus and visibility. • We enhanced Fire & Safety governance by integrating HSE and fire reporting into a single HSFE framework, improving oversight and clarifying accountability. • We progressed fire-safety improvements through enhanced tracking of remediation across Technology Solutions and Ocado Logistics, supporting future monitoring. • We advanced business continuity and operational resilience by consolidating workflows within Ocado Logistics, formalising crisis-management structures and delivering scenario exercises.	**Movement** — **Sustainability framework**

Regulatory & compliance

Failure to comply with local and international regulations could lead to loss of trust, penalties and reputational damage, and undermine our ability to operate.

Key risks

- Statutory compliance across jurisdictions of operation
- Regulatory compliance
- New geographies
- Emerging regulations
- Governance

Core mitigation

- We maintain governance oversight through the Risk Committee and the Regulatory Expert Group, providing oversight of regulatory risks and mitigations.
- We operate a compliance framework supported by policies, training, guidance and awareness, including Ocado Code training.
- We conduct periodic risk assessments on core compliance topics to ensure that we close gaps arising from organisational change and evolving standards.
- We operate a Board Governance Framework which ensures strong governance at Board and Committee level.
- We evaluate Logistics compliance across licensing, driver eligibility and age-restricted products.

In-year developments

- We strengthened the policy framework through updates to core compliance policies, including Delegation of Authority, Code of Conduct, Conflicts of Interest and Share Dealing.
- We enhanced the fraud compliance framework by updating policies, controls and documentation, informed by refreshed fraud risk assessment and regulatory guidance.
- We launched updated Ocado Code training, introducing new content and preparing for the FY26 roll-out to reinforce expected behaviours.
- We advanced preparations for new regulatory frameworks, including the EU AI Act and UK Corporate Governance Code 2024.

Link to strategic objectives

Movement

Sustainability framework

Climate & environment

Transition and physical risks from changes in the climate and environment could disrupt our operations, supply chains and the demand for our products, increase costs and threaten our reputation.

Key risks

- Extreme weather
- Energy usage
- ICE vehicle ban
- Net Zero Challenge
- Low carbon products
- Waste management
- Microplastic pollution
- Vehicle air pollution
- Biodiversity

For further information please see our TCFD Report, pages 76-83

Core mitigation

- We maintain strong leadership oversight of climate and environmental-related risks and opportunities through the Board and the Audit and Sustainability Committees.
- We review climate-related risks on an annual basis, and update these as appropriate.
- We implement site-level resilience measures to reduce disruption from extreme weather and climate-related events.
- We manage energy and carbon exposure through Procurement Policy, energy diversification and ongoing efficiency initiatives.
- We support decarbonisation and circularity through fleet transition planning, waste reduction, recycling initiatives and sustainability-led product design.

In-year developments

- We piloted AI energy efficiency tools at selected UK offices, with evaluation underway to inform potential roll-out to operational sites.
- We progressed TNFD LEAP analysis to better understand nature-related dependencies, helping us to pinpoint areas of biodiversity risk to support future mitigation planning.
- We refined the quarterly dashboards presented to the Sustainability Committee, providing more decision-useful metrics to inform strategy.
- We monitored the plastic bag ban set to come into place in Wales in April 2026, and worked with ORL to devise a mitigation strategy.

Link to Strategic objectives

Movement

Sustainability framework

Liquidity & cash management

Insufficient liquidity (cash balances plus undrawn facilities) to deliver our business goals and/or settle our liabilities.

Key risks	Core mitigation	In-year developments	Link to strategic objectives
• Inability to access debt or equity capital markets to refinance maturing debt as it approaches maturity • Inability to extend or access our RCF including due to failure to comply with its financial covenants • Deterioration in financial performance (including reduced profitability and cash flow generation) which may hinder the ability to refinance existing debt • Inadequate cash management forecasting processes leading to unexpected liquidity shortfalls potentially compromising our ability to meet our financial commitments	• We initiate refinancing activity well ahead of maturity dates, providing flexibility to access market opportunities and reducing liquidity risk. • We monitor capital markets regularly, supported by advisors and Board oversight to inform refinancing strategy and timing. • We engage with rating agencies and relationship banks to support confidence, credit quality and access to funding. • We maintain a diversified debt portfolio across traditional and alternative instruments to enhance flexibility and optimise funding costs. • We prepare rolling five-year cash flow forecasts as part of our five-year plan, incorporating downside scenarios and covenant monitoring to assess liquidity resilience and facility access.	• We maintained strong oversight of liquidity through well-established treasury controls. • We prioritised forward-looking refinancing activity, addressing upcoming maturities early to support financial stability and long-term resilience. • We collaborated with banking partners to secure greater flexibility within existing facilities, reflecting strong relationships. • We progressed the next phase of our refinancing strategy to reshape the maturity profile and reduce concentrations of near-term debt. • We broadened engagement with potential investors to preserve access to diverse financing options.	**Movement** **Sustainability framework**

Geopolitical & macroeconomics

With a global footprint encompassing operations, clients and supply chains, we are exposed to macroeconomic and geopolitical events (such as tariffs, trade restrictions and sanctions) that could adversely affect our business. These factors could jeopardise the safety and security of our people, premises and assets, impact our operational costs or continuity, delay partner growth and hinder the delivery of new capacity. Macroeconomic factors may impact consumer behaviour or the growth of our partners or could affect the Group's ability to secure financing.

Key risks	Core mitigation	In-year developments	Link to strategic Objectives
• War and conflict • Civil unrest • Economic downturn • Sanctions & tariffs • Health crisis	• Risk Committee oversight. • We maintain resilience across Logistics, Technology Operations and Technology Solutions through established business continuity and regular scenario exercises. • We monitor global tariff and trade developments, assessing implications for sourcing, supply chains and delivery programmes to mitigate disruption. • We apply disciplined treasury and market risk management, including hedging, foreign exchange planning and counterparty monitoring. • We regularly review our five-year strategic and financial plans to assess geopolitical and macroeconomic impacts on long-term priorities.	• We strengthened operational resilience across Engineering Operations by rolling out updated resilience plans and delivering regional exercises programmes. • We enhanced resilience capability within Technology Solutions through updated training, reviews of business impact assessments and continuity plans. • We reinforced financial resilience through disciplined treasury and market-risk management activities across Group operations and ongoing counterparty monitoring. • We broadened our approach to tariff-related risk through a dedicated Working Group, expanding supply options to mitigate impacts.	**Movement** **Sustainability framework**

Going Concern and Viability Statements

Context for going concern and viability statements

The Directors have assessed the Group's prospects both as a going concern, covering a period to the end of May 2027, and its viability over a period of three years. Understanding our business model, our strategy and our principal risks is a key element in the assessment of the Group's prospects, as well as the formal consideration of viability. The Group's strategy is detailed on page 10 and our risk management framework is described on pages 84-94.

The Group's planning cycle is the primary annual strategic and financial planning activity through which the Board assesses the prospects of the Group, covering the five successive financial years from FY26 to FY30.

The planning process involves modelling under a series of assumptions surrounding both internal and external parameters, with key assumptions including: delivery of committed CFCs and signing new clients; increased capacity and volume growth with existing clients; cost base of the business (logistics, technology and corporate functions) including inflation and the availability and cost of labour; and technology development capital initiatives.

The robust planning process is led by the CEO, the CFO and other members of the Executive Committee. The Board undertook a detailed review of the plan, which reflected the FY26 Budget and approved the plan in December 2025.

The Group's trading performance is reviewed by the senior management team and the Board in the context of the objectives and targets of the forecast, within which the Group's strategy remains embedded.

Liquidity and financing position

The Group has cash and cash equivalents of £740m and net debt of £1,048m as at the end of the period, compared to cash and cash equivalents of £733m and net debt of £1,200m at the end of FY24. The Group also has access to additional liquidity through its £300m revolving credit facility ("RCF") until August 2027, subject to meeting a net leverage covenant.

The net leverage covenant applies to the Restricted Group – the consolidated group excluding Ocado Retail, Jones Food and the results of the Group's captive insurance entity. It is assumed that the RCF is extended to cover the full viability assessment period and that the required repayment and/or refinancing of upcoming debt maturities is successfully completed.

Current borrowing facilities mature in FY26, FY29 and FY30 with repayment due, and completed, in December 2025 (£56m of the £600m convertible bond), and due in January 2027 (£350m convertible bond), August 2029 (£250m convertible bond and £450m senior unsecured notes ("SUNs")) and August 2030 (£400m SUNs). As a number of these maturities either fall within the viability assessment period or within the 12 months following, a key assumption in this exercise is that, where required, replacement funding would be obtainable to refinance existing facilities before they become current and with coupon rates reflecting expected credit rating. This includes an assumption that the debt maturing in 2029 would be refinanced within the viability assessment period.

Assessment of longer-term viability

In accordance with the UK Corporate Governance Code, the Directors have considered the appropriate time horizon to adopt when assessing the longer-term viability of the Group. In prior years, we have adopted a three-year time horizon for the viability period.

There are a number of factors considered when assessing the appropriate time horizon – the five-year duration of the Group's annual strategic planning process and how dependent the output is on assumptions over that time period; the open-ended duration of our Solutions contracts; the Group's financing profile which extends out to 2030; and the pace of strategic and technological development for the Group.

Considering all of these factors together, the Directors have concluded that a three-year time horizon remains appropriate for the viability review providing a balance between providing a sufficiently long-term view and maintaining a reasonable degree of forecast accuracy.

Financial modelling

The going concern and viability assessments use as their base the five-year plan including the FY26 Budget approved by the Board, and reflect the FY25 outturn financial performance.

The Group has modelled three cases in its assessment of going concern and viability. These are:

- the base case;
- a downside stress test; and
- a severe downside stress test.

The table below shows how the downside and severe downside scenarios have reflected the crystallisation of one or more of the Group's principal risks.

	Group principal risks and impact	Downside	Severe downside
1	**Market proposition – OSP & OIA** and **Product innovation, protection and performance – OSP and OIA:** inability to attract new clients	Limiting growth in international OSP Partners with a corresponding impact on upfront fees.	Removing growth in international OSP Partners with a corresponding impact on upfront fees.
2	**Partner Success – OSP:** inability to support partners' expansion plans **Product innovation, protection and performance – OSP and OIA:** inability to support existing client requirements	Limiting growth in modules from existing international OSP Partners with a corresponding impact on fees.	Delaying the delivery of committed CFCs and removing growth in modules from existing international OSP Partners with a corresponding impact on fees.
3	**Supply Chain, Talent & Capability, Climate & Environment,** and **Geopolitical & Macroeconomics** – increasing costs of solution delivery	Increase in direct operating costs compared to the base case scenario (i.e. reduced efficiencies obtained).	Further increase in direct operating costs compared to the base case scenario to maintain at FY25 exit level across the assessment period (i.e. no additional efficiencies obtained).
4	**Liquidity and Cash Management** – increase in coupon rates for refinancing and reduced success in cost reduction	Increase in coupon rates for refinancing existing debt by 1ppt. Cost reduction programme reduced by 10%.	Increase in coupon rates for refinancing existing debt by 2ppt. Cost reduction programme reduced by 20%.

The principal risks of **Cybersecurity & Data, Fire & Safety** and **Regulatory & Compliance** have not specifically been referenced in the downside and severe downside modelling. These risks are considered insurable and the primary impact is likely to be reputational. As such, any significant impact from these risks is covered by the reduction in growth of new partners in the downside and severe downside scenarios.

The scenarios modelled do not make allowance for other mitigating actions available to the Board that could be taken in response to the crystallisation of one or more of the significant risks. These mitigating actions include:

- accessing additional liquidity through the capital markets;
- reducing or temporarily slowing down our investment in technology;
- disposing of all or part of our 50% holding in Ocado Retail; and
- disposing of some or all of our strategic ventures investments.

Base case

The Group has a cash position of £740m as at the end of FY25 and, under the base case, is forecast to retain positive cash headroom of at least £150m throughout the assessment period, together with access to additional RCF liquidity should it be required.

Growth is forecast to continue in the UK through utilisation and expansion of existing capacity and internationally with the delivery of committed CFCs and incremental module drawdowns from existing partners at live CFCs, the signing of new CFCs (with either existing or new OSP Partners) and the expansion in the Group's ASRS business.

Capital expenditure assumes that delivery of the roll-out of the CFC programme will continue, as well as supporting the continued investment in our technology and OSP.

Based on the operational cash flows assumed in the plan, our expectation is that no further fundraise would be required within the viability period in order to support ongoing capital expenditure requirements, although it is assumed that existing debt due to mature in or shortly after the viability assessment period is either paid from available cash or able to be refinanced at appropriate market rates.

The Directors have therefore concluded that going concern and viability would be maintained under the base cases scenario.

Downside scenario

Under the downside scenario, the negative impact on fees as a result of the reduction in new and existing partner growth, and the increase in direct operating costs, is partially offset by a reduction in capital expenditure resulting in a decline in the Group's cash position over the viability period when compared to the base case of c.£60m. Despite the decline in the cash position, the Group would continue to meet the net leverage ratio covenant to enable it to draw down on the RCF throughout the assessment period and bridge any funding gaps in the absence of any other mitigating actions being taken.

Severe downside scenario

Under the severe downside scenario, given the more severe impacts of the Group's principal risks being modelled, including the removal of any new OSP Partners being signed and incremental modules going live at existing CFCs, there is a more significant decrease in the cash position of the Group compared to the base case of c.£100m. Despite the decline in the cash position, the Group would continue to meet the net leverage ratio covenant to enable it to draw down on the RCF throughout the assessment period and bridge any funding gaps in the absence of any other mitigating actions being taken.

Confirmation of viability

The assessment of the Group's viability considers severe but plausible scenarios aligned to the principal risks and uncertainties set out on pages 84-94 where the realisation of these risks is considered remote, considering the effectiveness of the Group's risk management and control systems and current risk appetite.

The degree of severity applied in these scenarios was based on management's experience and knowledge of the industry to determine plausible movements in assumptions.

The Directors also considered other mitigating actions available to the Group and and assumed that these mitigating actions can be applied on a timely basis.

Based on the analysis, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the viability assessment period.

Going Concern Statement

Accounting standards require that Directors satisfy themselves that it is reasonable for them to conclude whether it is appropriate to prepare the Financial Statements on a going concern basis.

In assessing going concern, the Directors take into account the financial position of the Group, its cash flows, liquidity position and borrowing facilities, which are set out in the Finance Review on pages 22-47. In addition, the Directors consider the Group's business activities, together with factors that are likely to affect its future development and position, as set out in the Strategic Report on pages 1-98, and the Group's principal risks and the likely effectiveness of any mitigating actions and controls available to the Directors as set out on pages 84-94.

After reviewing the Group's liquidity and financial positions, the Directors considered it appropriate to adopt the going concern basis of accounting, with no material uncertainty identified, in the preparation of the Company's and Group's Financial Statements. The adoption of the going concern basis is not reliant on access to the RCF.

Non-Financial and Sustainability Information Statement

The following summarises where you can find further information on each of the key areas of disclosure required by Sections 414CA and 414CB of the Companies Act 2006.

Reporting requirement	Relevant Ocado policies and procedures	Additional information
Business model		Our Business Model: pages 2-3
Principal risks and impact of business activity	**Enterprise Risk Management Policy** **Information Security Management Policy**	How We Manage Our Risks: pages 84-94 Audit Committee Report: pages 121-132
Non-financial KPIs		Key Performance Indicators: see page 11 Business in Focus: Ocado Technology Solutions: pages 12-16 Business in Focus: Ocado Logistics: pages 17-18 Business in Focus: Ocado Retail: pages 19-21 Sustainability Report: pages 54-75
Our employees	**Code of Conduct** **Whistleblowing Policy** **Equal Opportunities Policy** **Work from Anywhere Policy** **Board Diversity Policy** **Health and Wellbeing Strategy** **Health, Safety, Fire and Environment Policy** **Performance Management Policy**	Sustainability Report: pages 54-75 People Committee Report: pages 117-120 Directors' Remuneration Report: pages 133-158
Respect for human rights	**Human Rights Policy** **Modern Slavery Act Statement** **Equal Opportunities Policy**	Sustainability Report: pages 54-75
Social matters	**Code of Conduct** **Data Protection Policy**	Sustainability Report: pages 54-75
Anti-bribery and anti-corruption	**Anti-Bribery Policy** **Anti-Money Laundering Policy** **Conflicts of Interest Policy** **Code of Conduct** **Supplier Code of Conduct** **Share Dealing Policy and Procedure** **Fraud Prevention Policy** **Whistleblowing Policy** **Anti-Tax Evasion Policy** **Procurement Policy** **Sanctions and Export Controls Policy**	Sustainability Report: pages 54-75
Environmental matters, including climate-related disclosures	**Sustainability framework**	Sustainability Report: pages 54-75 TCFD Report: pages 76-83

Strategic Report approval

The Company's Strategic Report is set out on pages 1-98.

The Strategic Report is approved by the Board and signed on its behalf by

Mollie Stoker
Group General Counsel and Company Secretary
26 February 2026

Governance