

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	<ul style="list-style-type: none"> • Business Model • Our Strategy • Group Key Performance Indicators • Business in Focus • Highlights
B The interests of the Company's employees	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • Business Model • Stakeholder Engagement • Highlights • Sustainability Report
E The desirability of the Company maintaining a reputation for high standards of business conduct	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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](#)

[Link to Stakeholders](#)

