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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[Ⓐ] £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[Ⓐ] 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 modules³ (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-leading⁵ 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[Ⓐ]

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

 page 12

Ocado Solutions

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

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

- 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.

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

[page 17](#)

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

[page 19](#)

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

Tim Steiner
Chief Executive Officer

"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).

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 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.

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

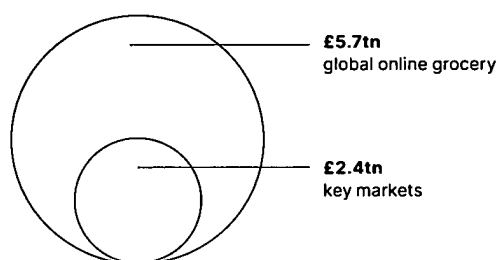
1

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.

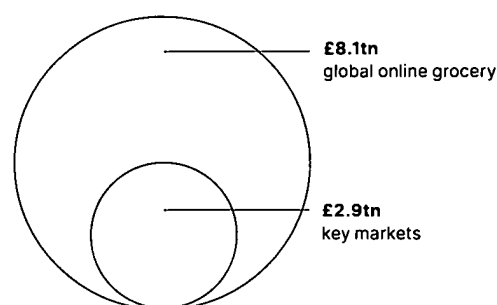
2017

Ocado Grocery – Emerging market



2025

Ocado Grocery – Stabilised growth



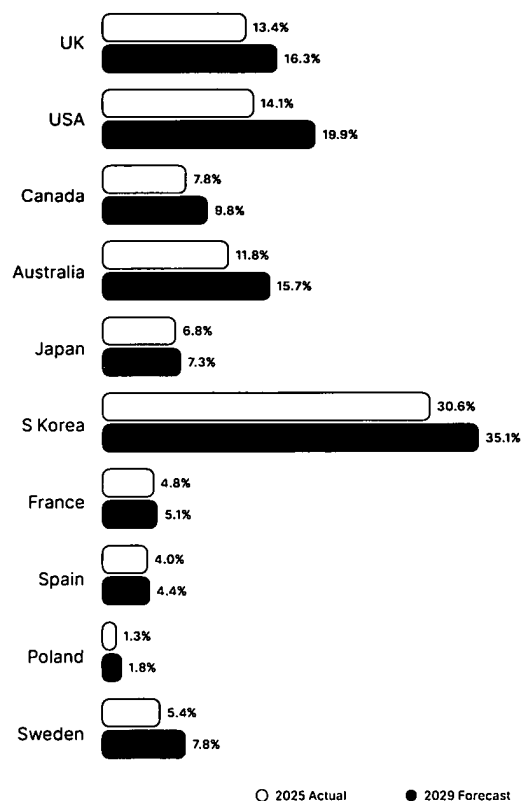
Source: Global Data. Key markets defined as countries with population greater than 5 million and GDP per capita greater than £25k. Opportunity defined based on Ocado's internal assumption.

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

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

**Manual pick
in stores**

**Manual pick
in dark stores**

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)

FY25	1,361.5
FY24	1,214.5
FY23	1,088.0

Why we use this measure

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

Adjusted EBITDA[Ⓐ] (£m)

FY25	178.0
FY24	111.7
FY23	(45.5)

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)

FY25	(213.1)
FY24	(199.0)

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 CO₂e/ 100,000 orders (Scope 1 and 2 – market-based)

FY25	339
FY24	358
FY23	348
FY22	379
FY21	401

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 (%)

FY25	33%
FY24	30%
FY23	32%
FY22	36%
FY21	27%

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

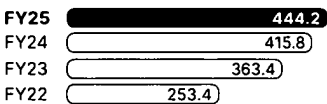
Technology solutions

71 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.

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.

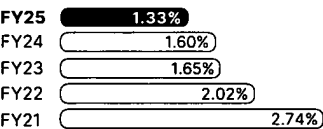
Technology Solutions KPIs

Recurring capacity fees (£m)



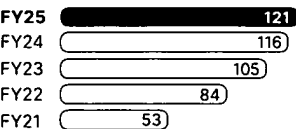
Why we use this measure
Measures OSP recurring revenue growth of Technology Solutions

Direct operating costs (% of live sales capacity)



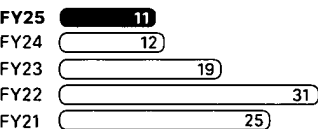
Why we use this measure
Measures the average rate position at the period end for Group site level operational costs, including engineering, cloud, insurance & property tax costs. FY21, 22, 23 and 24 based on the exit rate.

Average number of live modules



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")



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 DP8¹ 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

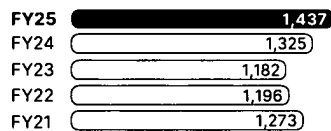
- Continue to grow with our current OSP Partners, helping them to scale efficiently with Ocado's technology and expand their operations.
- Expand our commercial footprint with new partners, both in new and existing markets.
- Progress widespread deployment of our latest technologies, following a scaled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

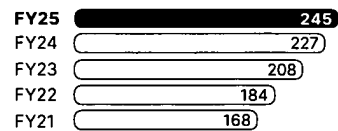
Ocado Logistics KPIs

Total eaches picked (million)



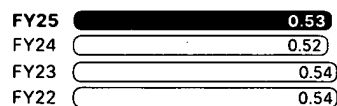
Why we use this measure
Measures total units of volume fulfilled for UK clients, the key driver of cost recharges revenue. FY25 and FY24 show eaches picked, whereas previous years show eaches shipped.

Labour productivity (average OSP CFC UPH)



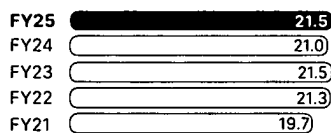
Why we use this measure
Measures CFC operations efficiency in average units picked per labour hour in our UK OSP CFCs (note: excludes Dordon).

Cost per each (£)



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")



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

Employee Engagement Index



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 channel¹. The strength of the performance was driven by order growth of 13.1%, with an increase in customers² 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.

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.

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.

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

Stephen Daintith Chief Financial Officer

Group adjusted revenue[®] (£m)

FY25	1,361.5
FY24	1,214.5
FY23	1,088.0

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

Group adjusted EBITDA[®] (£m)

FY25	178.0
FY24	111.7
FY23	45.5

Underlying cash flow[®] (£m)

FY25	(213.1)
FY24	(199.0)

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 relation to 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%
<i>Contribution %</i>	<i>72.1%</i>	<i>70.0%</i>	<i>2.1ppts</i>
Technology costs	(90.7)	(92.9)	2.4%
Support costs ¹	(173.6)	(173.9)	0.2%
Adjusted EBITDA^①	140.3	80.6	£59.7m
<i>Adjusted EBITDA %^①</i>	<i>25.0%</i>	<i>16.2%</i>	<i>8.8ppts</i>

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%).

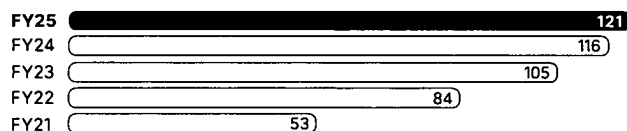
£561.2m

Revenue (FY24: £496.5m)

£140.3m

Adjusted EBITDA^① (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^②	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^② 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^② (FY24: £31.1m)

Total eaches picked (million)

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

OSP CFC UPH

FY25	245
FY24	227
FY23	208
FY22	184
FY21	168

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.

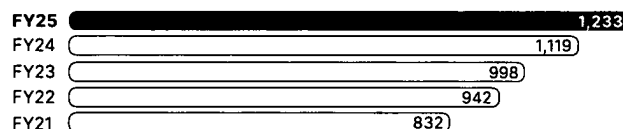
£3,098.8m

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 voucher 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^④: cash inflow of £37.0m** (FY24: £83.1m cash inflow) principally relates to cash-settled adjusting items^④ 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:

£m	FY25 pro-forma [Ⓐ]		FY24 pro-forma [Ⓐ]	
	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.



Our key stakeholders



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 | D The impact of operations on community and environment |
| B The interests of our employees | E Maintaining a reputation for high standards of business conduct |
| C The need to foster business relationships with key stakeholders | 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



Link to Stakeholders



Sustainability Report

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>.

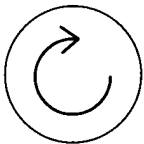
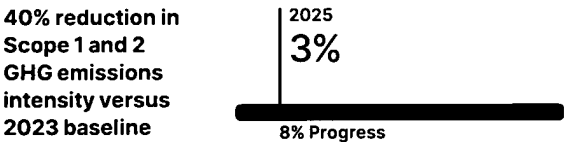


Climate

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

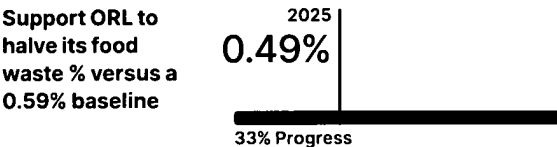


Circularity

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



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

95% completion of Ocado Code training annually*

2025
68%

72% Progress

80% spend with suppliers with EcoVadis bronze medal or higher

2025
20%

25% Progress

100% of high-risk suppliers complete social audit and critical non-conformances remediated

2025
58%

58% Progress



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

Increase Technology Solutions eNPS to +2 above benchmark**

2025
11

No Progress

40% female representation in our senior leadership

2025
33%

83% Progress

10% ethnic diversity in our senior leadership

2025
5%

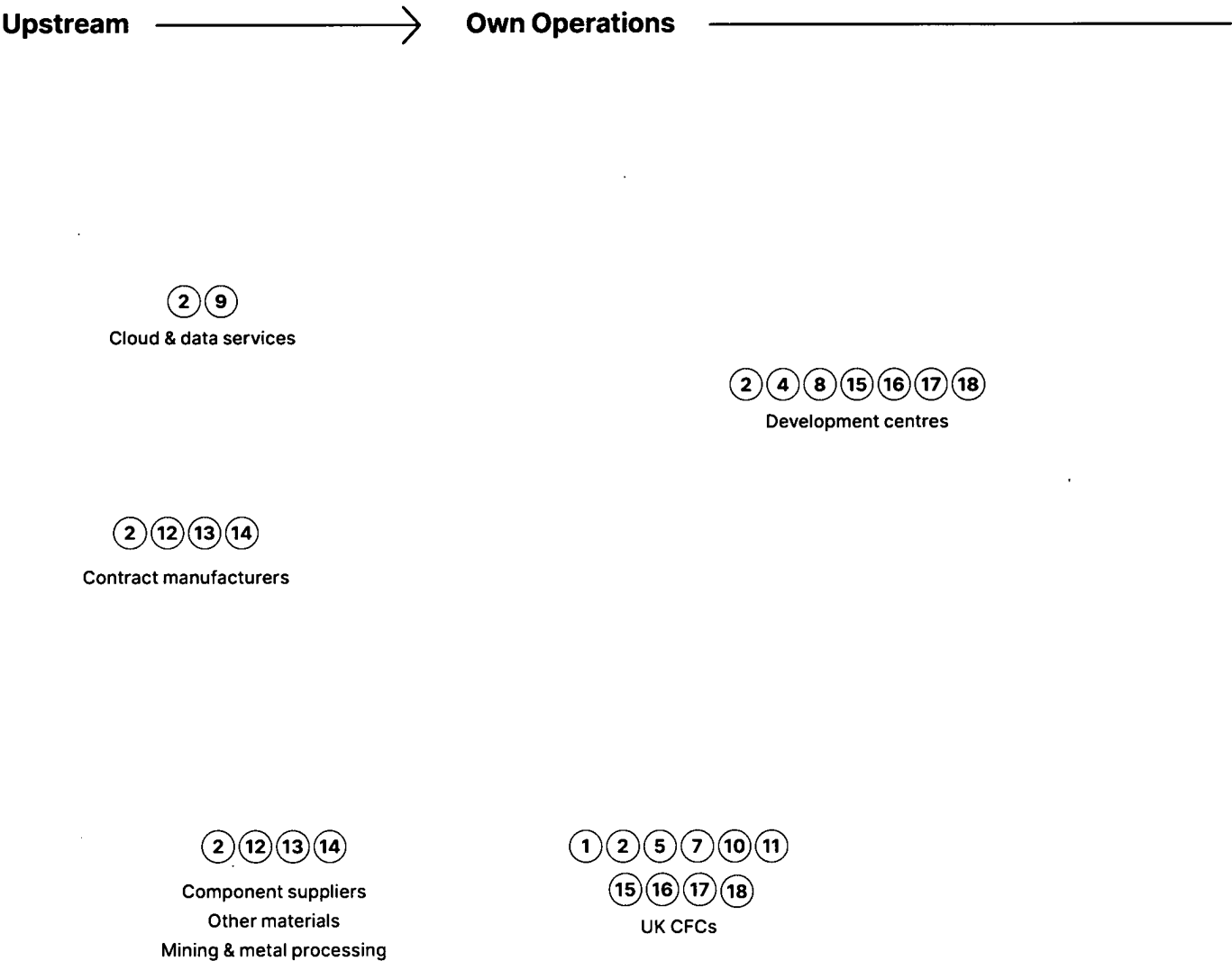
50% Progress

* Salaried employees only

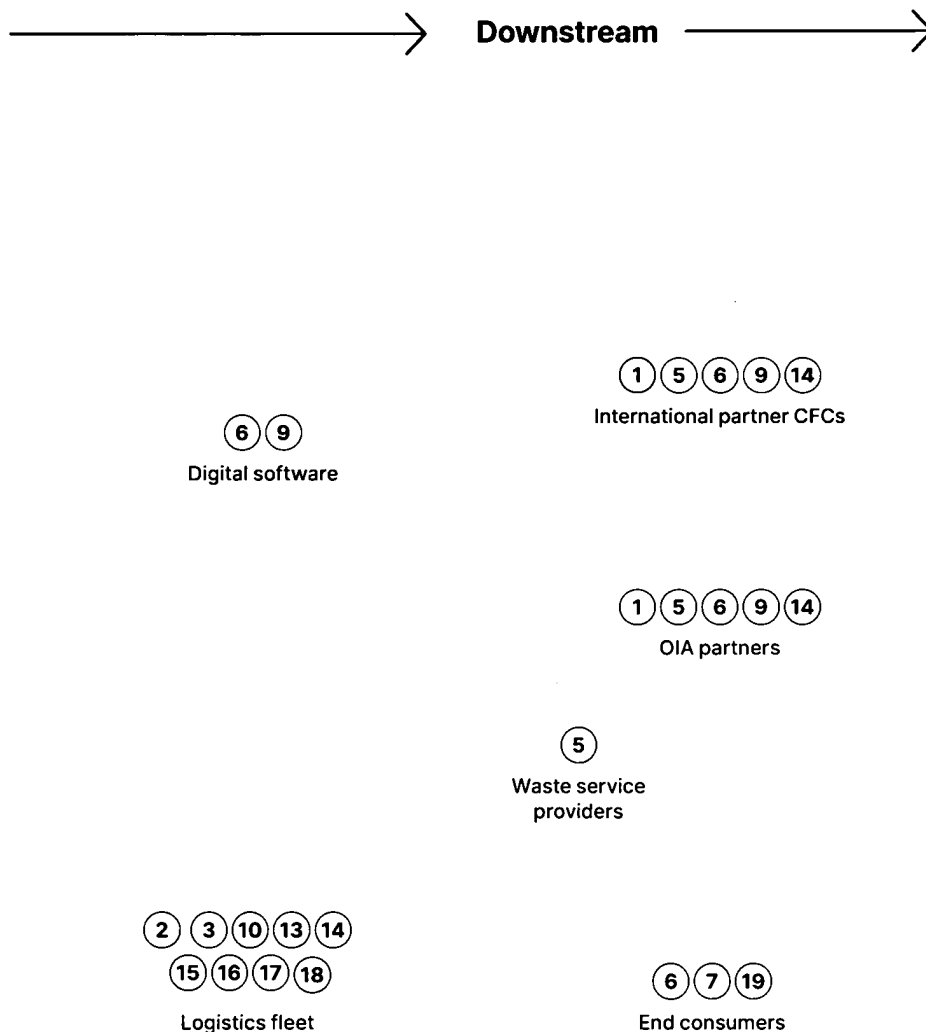
** At 30 November 2025, the benchmark score was 17

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

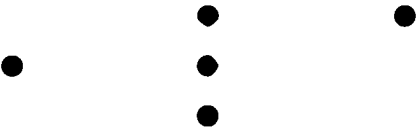
Climate



Material topics

- 1 Climate change adaption
- 2 Climate change mitigation
- 3 Air pollution

Upstream Own Operations Downstream



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.

Baseline 2023	2025	2030	Net Zero in operations 2035	Net Zero in value chain 2040
Scope 1 and 2 emissions intensity reduction		40%	97%	
Fleet	Rolling out ZEVs and alternative fuels for internal combustion engines			
	Reducing diesel usage per order			
	Net Zero refrigeration			
Buildings	Maintain renewable electricity use			
Scope 3 emissions intensity reduction		40%	80%	97%
Fleet	Installing solar PVs at CFCs to reduce grid usage			
	Reducing fuel usage per order			
Buildings	Improve energy efficiency by minimising wastage			
Freight	Supplier engagement and supplier choice			
Product manufacturing	Supplier engagement and supplier choice			
	Low carbon product design principles			
General procurement	Supplier engagement and supplier choice			
	Circularity options for waste management			
People	Promote low carbon business travel and commuting			
Carbon offsets	Carbon removal or avoidance			

Our GHG emissions inventory (SECR reporting)^{1,2,3}

	Unit	2030 target	FY25	FY24	Change
Scope 1 – Direct emissions			108,631^Δ	103,957 [#]	+4%
of which UK	tCO ₂ e		108,551	102,962	+5%
Scope 2 – Indirect emissions					
Location-based			19,130^Δ	21,750 [#]	-12%
of which UK	tCO ₂ e		18,623	21,011	-11%
Market-based			712^Δ	895 [#]	-20%
of which UK			107	97	+11%
Total Scope 1 and Scope 2 emissions (Location-based)	tCO ₂ e		127,761	125,707	+2%
of which UK			127,174	123,973	+3%
Total Scope 1 and Scope 2 emissions (Market-based)	tCO ₂ e		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 ₂ e/ 100,000 orders		397^Δ	429 [#]	-8%
Market-based		209	339^Δ	358 [#]	-5%
Energy intensity⁴	MWh/ 100,000 orders		1,712	1,805	-5%
Total renewable energy used	MWh		104,549^Δ	102,070	+2%
% renewable energy used	%		19^Δ	19	0%
Carbon offsets/credits retired	tCO ₂ e		-	-	-
Scope 3 GHG emissions by Category⁵					
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 ₂ e		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^Δ	146,893	-6%
Scope 3 emissions intensity measure⁷	tCO ₂ e/ £m revenue	98	100^Δ	121	-17%

1. Metrics marked with a Δ 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.

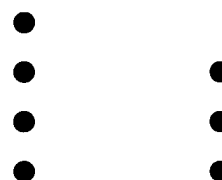
Circularity



Material topics

- 4 Resource use and efficiency
- 5 Waste management (excl. food)
- 6 Food waste
- 7 Microplastics and plastic waste

Upstream Own Operations Downstream



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%	-

- The indicated food waste target has been set by, and relates to, ORL.
- The FY25 food waste percentage stated is for April to September 2025. This date range aligns to ORL's first half year, post-deconsolidation.
- 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)

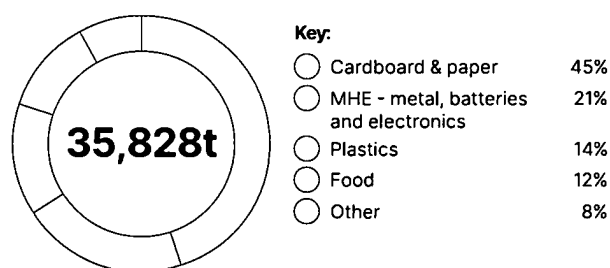
We send waste for recycling wherever possible, to minimise the use of virgin materials upstream from our operations and the potential for waste pollution in communities and the natural environment.

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.

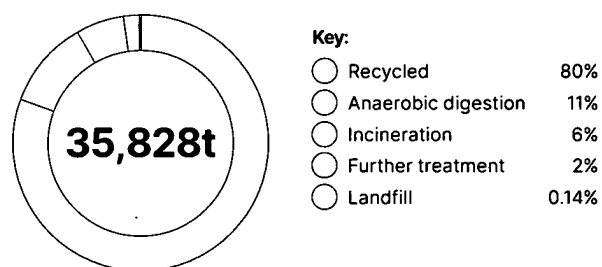
The remaining 25% of our operational waste in FY25 came from our Technology Solutions operations. This includes metals, electronics and other parts from end-of-life MHE. Where parts are hazardous, such as batteries, we have identified specialist waste partners that offer appropriate circular solutions. 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



Total operational waste by destination



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

- 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

Upstream Own Operations Downstream

		●	
●	●	●	●
	●		
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●	●		
●	●	●	●

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.

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.

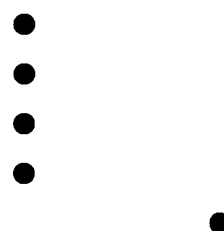
Community



Material topics

- 15 Corporate culture
- 16 Employee attraction and retention
- 17 Equal opportunities
- 18 Working conditions
- 19 Community relations

Upstream Own Operations Downstream



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

- Senior leadership is defined as the direct reports of our Chief Executive Officer and their direct reports.
- 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.
- 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 responses to three separate questions gauging employee sentiment. This does not provide a score directly comparable with eNPS.
- The number of persons of each gender who were: employees; directors; or senior managers is shown on page 105.
- 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 enrolls 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

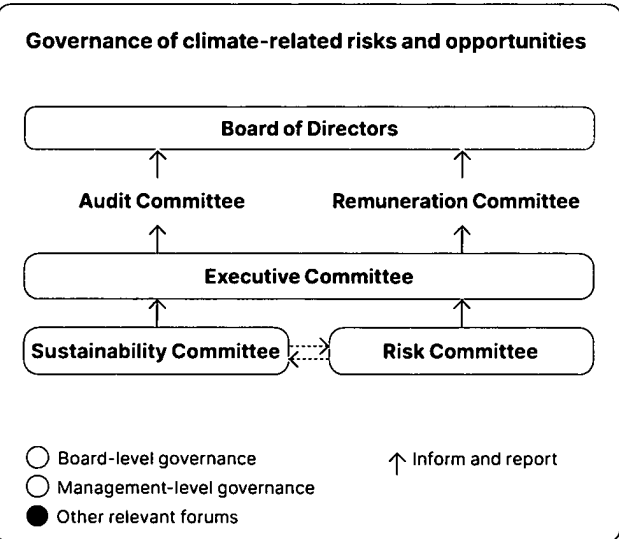
Our climate-related disclosures are fully consistent with the recommendations of the TCFD, and in compliance with UK Listing Rule 6.6.6R(8) and the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 of the Companies Act 2006.

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



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 Time horizon	Medium-term	Long-term
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) 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 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  Global

Timeframe  Short  Medium  Long

Risk/Opportunity description	Impact with financial quantification	Management strategy
3. Internal combustion engine ("ICE") vehicles ban Policy and legal UK 1		
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 Global

Timeframe Short Medium Long

Risk/Opportunity description	Impact with financial quantification	Management strategy
4. Net Zero Challenge Reputational, policy and legal UK  		
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 UK   		
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   GlobalTimeframe  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 ₂ e)	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% ^Δ Kroger: 21.2% ^Δ Aeon: 0.9% ^Δ	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 ^Δ 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

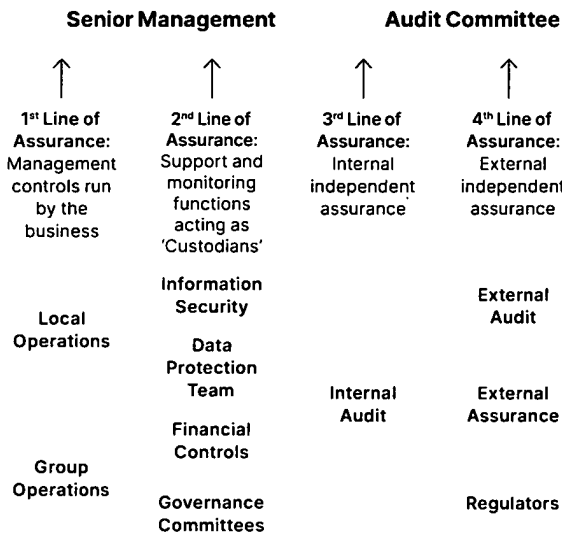
Ocado Group's Enterprise Risk Management ("ERM") approach is designed to enhance our resilience and improve confidence in the delivery of our business strategy and objectives.

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:



Link to strategy key:

- ① 1. Identify Risks
- ② 2. Assess Risks
- ③ 3. Manage Risks
- ④ 4. Monitor & Report Risks
- ⑤ 5. Risk Culture & Continuous 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	Core mitigation	In-year developments	Link to strategic objectives
- 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	- 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.	- 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.	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	Core mitigation	In-year developments	Link to strategic objectives
- 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	- 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.	- 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.	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	Core mitigation	In-year developments	Link to strategic objectives
- Contract performance - Regulation and responsible sourcing - Critical components supplier fails - Supplier decides Ocado business is not attractive - High volume of product engineering changes	- 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.	- 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	Core mitigation	In-year developments	Link to strategic objectives
- Retention and rewards - Attraction - Training and development - Diversity and inclusion - Succession planning - Culture and wellbeing (employee engagement and relations) - Organisational structure and change	- 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.	- 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	Core mitigation	In-year developments	Link to strategic objectives
- Statutory compliance across jurisdictions of operation - Regulatory compliance - New geographies - Emerging regulations - Governance	- 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.	- 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.	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	Core mitigation	In-year developments	Link to Strategic objectives
- Extreme weather - Energy usage - ICE vehicle ban - Net Zero Challenge - Low carbon products - Waste management - Microplastic pollution - Vehicle air pollution - Biodiversity	- 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.	- 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.	Movement ⬆️ Sustainability framework 🔗 🔄 📄 📊

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

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 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

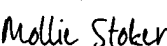
Strategic Report approval

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

Signed by:

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Governance

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Chair's Governance Statement

Adam Warby
Chair

"This year, the Board refined its strategic objectives and agreed on a number of key goals for FY26."

This year has been one of significant activity for the Company as we progressed from setting our strategy to its execution, and I am highly encouraged by the tangible progress made.

Overview

Throughout the year, the Board has ensured that the Company remained focused on its strategic and financial priorities.

It has been pleasing to see the sustained commitment from management to help our partners drive efficiency, improve our cash flow trajectory and ensure the reach of our technology continues to expand successfully beyond the grocery sector. While we remain vigilant and adaptable in addressing our challenges, we must not allow ourselves to become complacent and there is still significant work ahead. The full transition to Ocado Smart Platform is a great example of our continued focus on enhancing our customer offering. You can read more about our key milestones and progress over the year in Tim's CEO Review on pages 4-7.

Year in review

The Board has focused its discussions on several critical topics throughout the year, including the approval of our five-year plan, the Company's overarching strategic priorities, a number of key financial strategic decisions, successful partner deployments and sustained investment in technology, as well as discussions around Artificial Intelligence ("AI"). We also remained abreast of the reset discussions with Kroger and I am pleased that we continue to work closely together going forward. Our dedicated strategy meeting this year centred on the strategies for both Ocado Smart Platform ("OSP") and Ocado Intelligent Automation ("OIA"), alongside exploring other strategic growth options. As a direct result of this meeting, the Board refined its strategic objectives and agreed on a number of key goals for FY26. We now have a robust framework in place to connect and monitor our long-term priorities to measurable short-term outcomes.

I was pleased to welcome valuable external perspectives into the boardroom from some of our investors, who informed the Board on the macro and technology environment, as well as analyst and investors perceptions of the Company. Additionally, a customer perspective was provided, offering insights on key trends in grocery retailer supply chain, automation and ecommerce. You can find a more detailed account of the Board's focus this year on pages 106-107.

Board and Senior Management

Executive succession remained a primary focus for the People Committee this year, resulting in several important changes to our Executive Committee to ensure it remains fit for the next phase of growth.

As a Board, we bid farewell to Emma Lloyd as Non-Executive Director in November 2025, and thank her for her considerable contribution. To ensure continuity during this period of change for the Company, the Board approved the extension of Andrew Harrison's tenure as Senior Independent Director and Designated Non-Executive Director for Workforce Engagement for an additional 12 months, to 1 March 2027. We were also delighted to welcome Cathy Graham to the Board with effect from 1 February 2026. Cathy brings considerable expertise in leading large organisations and highly relevant experience in high-growth technology companies. I am also pleased to confirm that Mollie Stoker joined us as Group General Counsel & Company Secretary from 1 September 2025, following the retirement of Neill Abrams after 25 years in role.

Promoting good governance

This year, we undertook an internally facilitated evaluation of the Board's effectiveness, building upon the findings of the external review conducted last year. My aim was to ensure that we did not lose sight of the actions identified in the external review; consequently, we have built on those actions and, as a Board, agreed on a number of key actions for the forthcoming year. I will be working closely with Mollie Stoker over the year to progress these actions. You can read more about the process and actions for FY26 on page 116.

This year marks our final year of reporting against the 2018 UK Corporate Governance Code (the Code), with which we are fully compliant. See page 169 for more details about how we comply with the Code. We have proactively reviewed our governance practices against the UK Corporate Governance Code 2024 (the 2024 Code) to ensure we comply from FY26 and are aligned in promoting the highest standards of governance.

The Audit Committee, in particular, has placed significant focus on strengthening the current control environment under Provision 29 to enable a dry run of our effectiveness of material controls well ahead of the Board declaration, which for us is for the year ending 28 November 2027. You can read more about our preparedness on pages 127-129.

Looking ahead

We remain committed to our shareholders and stakeholders to achieve our core priorities, as set out in Tim's CEO Review. It is an exciting time for the Company, following the end of exclusivity in the majority of our partner markets, for us to restart commercial activity in some of the world's largest grocery ecommerce markets. The realignment of our structure will be core to our sustainable, profitable growth and it is going to be a period of intense activity and change for the Company that we all must stand behind.

Finally, on behalf of the Board, I would like to extend my sincere thanks to all of our shareholders for your continued support, and to our employees across the business for their incredible hard work, commitment and dedication to Ocado.

Adam Warby

Chair

26 February 2026

Board of Directors



Adam Warby Chair

Appointed: 1 November 2024 as Non-Executive Director and 1 December 2024 as Non-Executive Chair

Tenure: 1 year

Skills and competencies:

Adam was a founding Executive member of Avanade Corporation, a global IT consulting and Digital services JV between Microsoft and Accenture company, and served as its CEO for 11 years. He was instrumental in accelerating the company's growth to over \$3bn in global sales, including five acquisitions across Europe and North America. He was Chair of Heidrick & Struggles Inc, the leading Global Executive Search and Talent development firm, but stepped down in December 2025 following its takeover. Adam joined Visma as a Non-Executive Director on 1 January 2026.

Between 2017 and 2023, he served as Chair of Junior Achievement Europe, a youth-focused non-profit providing programmes for entrepreneurship and work readiness, as part of expanding Avanade's Corporate Citizenship mission. Previously, he served as Chair of SoftwareOne Holding AG, the Swiss enterprise software and cloud advice firm. Prior to joining Avanade, Adam held a number of management roles at Microsoft Corporation and earlier at IBM. Adam holds a BSc in Mechanical Engineering from Imperial College London.

Adam's extensive experience gained in the technology sector and relevant chair experience at a range of international companies, as well as his expertise as a leader in global technology and consulting is a valuable asset to the Board and equips him to lead the Company forward.

External appointments:

- Chair, Visma

Key:

- Chair ○ Executive Director ○ Non-Executive Director
- Group General Counsel and Company Secretary

Tim Steiner Chief Executive Officer

Appointed: 13 April 2000

Tenure: 25 years

Skills and competencies:

Tim is the founding Chief Executive Officer of Ocado, which he established with two former colleagues from Goldman Sachs in 2000, and has been an Executive Director ever since.

He started his career as a bond trader at Goldman Sachs in London, New York and Hong Kong.

As CEO, Tim leads on the implementation of the Group's strategy and ensures the Executive Committee is aligned on the Group's strategy and vision. Tim's ability to drive strategic partnerships, navigate complex supply chain logistics and leverage cutting-edge technology demonstrates his effectiveness in steering Ocado's growth.

As a founder of Ocado, he plays an important role in leading Ocado's culture of openness, innovation and collaboration.

External appointments:

- Non-Executive Chairman, Ocado Retail Limited

Stephen Daintith Chief Financial Officer

Appointed: 22 March 2021

Tenure: 4 years

Skills and competencies:

Stephen joined as Chief Financial Officer from Rolls-Royce in 2021, where he was also CFO. He brings a deep understanding and experience of UK-listed and international business across a range of sectors.

He graduated from the University of Leeds with a BA in Economics and Accounting and qualified as a Chartered Accountant at Price Waterhouse (now PwC) in 1988. Stephen has held many executive roles including CFO of DMGT plc, COO and CFO of Dow Jones, and CFO of News International. He has extensive financial expertise, a strategic mindset and has led Ocado through significant financing decisions, including the recent refinancing, which not only met immediate liquidity needs, but have also positioned the Company for long-term growth. Stephen's contributions have been crucial in strengthening Ocado's financial position.

For more information about how the Board considered Stephen's external appointments, please see page 114.

External appointments:

- Non-Executive Director, Chair of Audit Committee, 3i Group plc

Key to Committee membership

- Ⓐ Audit Committee Ⓡ Remuneration Committee
- Ⓟ People Committee ○ Committee Chair



Andrew Harrison

Senior Independent Director and
Designated Non-Executive Director

Appointed: 1 March 2016

Tenure: 9 years

Skills and competencies:

Andrew graduated from the University of Leeds with a BA (Hons) in Management Studies in 1992 and is currently a partner at Freston Ventures, which invests in consumer brands that challenge the status quo. Andrew previously served as Chair of Carphone Warehouse Ltd and was formerly Group CEO of Carphone Warehouse Group PLC before its merger with Dixons Group plc, which he led. During his career, he has successfully grown numerous new businesses, has gained international retail experience, and developed and ran a global services business.

Andrew has an extensive background in leadership and governance, and brings a wealth of strategic knowledge and corporate governance expertise to the Board. His ability to provide oversight and offer valuable insights enables him to contribute to, and constructively challenge, a wide range of Board debates.

External appointments:

- Non-Executive Director, Dr. Martens plc
- Chair of Trustees, Mental Health Innovations
- Chair, Strike Ltd
- Partner, Freston Ventures Investments LLP
- Chair, Chik'n Ltd
- Director, Smiles and Smiles Holding Ltd



Jörn Rausing

Non-Executive Director; Independent

Appointed: 13 March 2003

Tenure: 22 years

Skills and competencies:

Jörn holds a degree in Business Administration from Lund University, Sweden and has over 30 years' experience in corporate development and international mergers and acquisitions.

Jörn's extensive background in business and investments equips him with strong skills in assessing investment opportunities, evaluating risk and providing a broader perspective on business strategy. This aligns well with Ocado's ambition in the competitive online grocery and technology sectors, and his significant knowledge of the history of the business is extremely valuable in providing context and continuity for new members.

External appointments:

- Board Member, Tetra Laval
- Board Member, Alfa Laval AB
- Board Member, DeLaval Holding AB



Julie Southern

Non-Executive Director; Independent

Appointed: 1 September 2018

Tenure: 7 years

Skills and competencies:

Julie holds a BA (Hons) in Economics from the University of Cambridge and is a qualified chartered accountant. Her previous executive roles included Group Finance Director at Porsche Cars, CFO and CCO at Virgin Atlantic, and Finance and Operations Director at H J Chapman, a WH Smith subsidiary. Her former non-executive roles include Chair of the Audit Committees at Rentokil Initial plc, DFS Furniture Company and Cineworld plc. She was also Non-Executive Director and Senior Independent Director at easyJet plc and Chair of the Nomination and Compensation Committee at Gategroup.

Julie's extensive experience in finance and strategic leadership across the technology, aviation and finance sectors bring financial acumen, risk assessment skills and a proven track record of guiding organisations through growth and transformation to the Board.

She provides valuable insights, significant board experience in public companies and financial expertise to effectively chair the Remuneration Committee and provide valuable experience to the Audit Committee.

External appointments:

- Non-Executive Chair, NXP Semiconductors N.V.
- Non-Executive Director, Shilton Midco 2 Limited
- Non-Executive Chair, RWS Holdings plc



Nadia Shouraboura
Non-Executive Director; Independent

Appointed: 1 September 2021

Tenure: 4 years

Skills and competencies:

Nadia is an industry leader in the field of machine learning and robotics, and holds a PhD in Mathematics from Princeton University. Her previous roles include Vice President, Technology, Worldwide Supply Chain and Fulfilment at Amazon, Non-Executive Director and Advisor of Cimpress plc, Ferguson, Formlabs, BlueYonder, Berkshire Grey, and CEO and founder of Hointer, a start-up retail technology company aiming to change the physical retail experience with smart solutions and analytics.

Nadia's extensive knowledge in technology, supply chain efficiency and innovation brings a profound understanding of ecommerce, automation, logistics and strategies focused on meeting customer needs to the Board. She provides focused insight and valuable know-how to Board discussions.

External appointments:

- Senior Advisor, New Mountain Capital LLC
- Non-Executive Director, Mobile TeleSystems PJSC
- Non-Executive Director, B&M European Value Retail S.A.

Changes to the Board

During the period and up to the date of signing of the Financial Statements, the following changes to the composition of the Board took place:

- Emma Lloyd retired from her position as Non-Executive Director with effect from 14 November 2025.



Julia M. Brown
Non-Executive Director; Independent

Appointed: 1 January 2023

Tenure: 3 years

Skills and competencies:

Julia has more than 30 years' experience in the fields of supply chain, procurement and operations. She has served as Chief Procurement Officer for several of the world's largest global companies including Clorox, Kraft, Mondelez, Mars-Wrigley and Carnival Corporation & plc. She has also worked in key leadership positions at Procter & Gamble, Diageo and Gillette. She has led significant operational and organisational transformation initiatives primarily in the consumer products and hospitality sectors. She has also led the creation of multi-billion dollar contracts and supplier relationships and global teams in every region of the world.

Julia has an extensive background in business transformation of global companies, operations, mergers and acquisitions, and sustainability. She is an expert in supply chain and brings a strong perspective to the board. She has served on the remuneration and governance committees for public and private boards and has a depth of experience in corporate governance. She currently serves as a trustee for the Perez Art Museum (Miami).

Julia's qualifications and experience make her an outstanding Non-Executive Director at Ocado, largely owing to her vast experience across her roles.

External appointments:

- Non-Executive Director, Perrigo Company PLC



Rachel Osborne
Non-Executive Director; Independent

Appointed: 1 September 2023

Tenure: 2 years

Skills and competencies:

Rachel has over 30 years' experience across B2C and B2B businesses, including extensive executive plc leadership. She is currently Non-Executive Director and Chair of the Audit Committee of Marston's plc and Non-Executive Director, Chair of the Audit & Risk Committee and Chair of the Customer Committee of Cash Access UK Limited. She was formerly Non-Executive Director of HM Courts & Tribunals Service and Dunelm plc. Rachel previously served as CEO of Ted Baker plc until 2023, and was Chief Financial Officer of multiple companies, including Ted Baker plc, Debenhams plc and Domino's Pizza Group plc. Prior to that she was a Finance Director at Vodafone and the Finance & Strategy Director at the John Lewis Division of the John Lewis Partnership. Rachel holds an MA in Veterinary Medicine from the University of Cambridge and is a qualified chartered accountant.

Rachel is a highly qualified Non-Executive Director and possesses in-depth comprehension of financial management, strategic planning, risk assessment, business transformation and customer-centric business approaches. Her background and extensive financial expertise allow her to chair the Audit Committee effectively and her background and insight into consumer experience, retail business and transformations are extremely valuable.

External appointments:

- Non-Executive Director, Chair of the Audit Committee, Marston's PLC
- Non-Executive Director, Chair of the Audit & Risk Committee, Chair of Customer Committee, Cash Access UK Ltd



Gavin Patterson

Non-Executive Director; Independent

Appointed: 1 June 2024

Tenure: 1 year

Skills and competencies:

Gavin was previously at Salesforce Inc., predominantly in the role of President and Chief Revenue Officer. Prior to joining Salesforce, he held multiple senior roles at BT Group plc, including Group Chief Executive Officer between 2013 and 2019. His prior positions include brand management and marketing roles at Procter & Gamble.

Gavin has served on various boards including those of listed, privately held and private equity-owned companies, as well as several charities and educational establishments.

He graduated from Cambridge University with an MEng, Chemical Engineering.

Gavin brings considerable expertise leading large multinational organisations and highly relevant experience of the global marketplace for platform services. His considerable experience at the helm of multinational B2B technology companies is a valuable asset to our Board and leadership team.

External appointments:

- Non-Executive Chairman, Elixirr International plc
- Non-Executive Director, Wix Inc Ltd



Cathy Graham

Non-Executive Director; Independent

Appointed: 1 February 2026

Tenure: 1 month

Skills and competencies:

Cathy has more than 30 years' experience as a CFO for high growth technology companies, most recently serving as CFO for UK cybersecurity firm, Darktrace Ltd. Prior to Darktrace, she was the CFO leading financial and operating activities at a number of US companies in sectors including education technology, financial technology, internet services and telecommunications manufacturing.

Cathy currently serves as a Non-Executive Director and Chair of the Audit Committee for ICEYE Oy, a Finnish microsatellite manufacturer and operator, and advises companies undergoing growth and transformation on behalf of investors and management.

Cathy holds a BA in Economics from the University of Maryland and an MBA from Loyola University.

Cathy's extensive financial and organisational leadership qualifications, along with her deep knowledge of financial functions and listed company communications and governance requirements, make her highly qualified to serve and make valuable contributions as a Non-Executive Director at Ocado.

External appointments:

- Non-Executive Director, Chair of the Audit Committee, ICEYE Oy

Mollie Stoker

Group General Counsel and Company Secretary

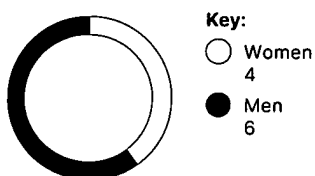
Appointed: 1 September 2025

Skills and competencies:

Mollie previously served as Deputy General Counsel at Ocado Group, before moving on to Britvic plc, where she was General Counsel and Company Secretary. She previously held senior and executive level legal and leadership roles at DWF Group plc and Suntory Beverage and Food. Mollie trained and qualified at Slaughter and May, and spent a number of years working in US law firms as a corporate lawyer focusing on M&A and capital markets. She holds an MA in Classics from the University of Cambridge and completed her legal training at the University of Law.

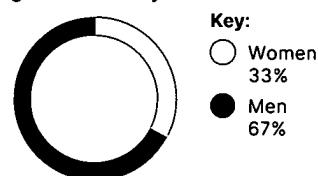
Mollie brings extensive legal, M&A and corporate governance experience from senior leadership roles in several large, international businesses. Her understanding of the regulatory landscape, combined with her prior experience at Ocado, is an asset to the Group.

Board gender diversity*



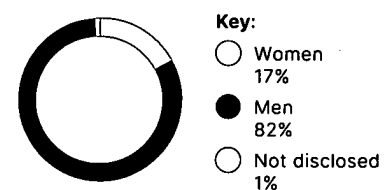
*Charts as at 30 November 2025

Senior management gender diversity*¹



¹ "Senior management" is defined as the first level of management directly reporting to the CEO and these managers' immediate direct reports excluding admin support roles. See page 277 for our full calculation methodology related to our senior leadership diversity metrics.

Total employees by gender



Key Board Focus Areas during the year

Board activities during the year

At each Board meeting, the Board received updates from across the business and information on other strategic matters to ensure appropriate structured discussions and informed decision-making. Board meetings across the year included the following matters:

- Performance and operational business updates, including reports from the CEO and CFO, and key matters relating to partners and products, alongside reports from Logistics and ORL.
- Key updates around Partners this year included the Kroger Letter of Credit and reset;
- Legal and governance matters;
- Sustainability, Risk and Internal Control updates;
- Reports from the Chairs of the Board Committees, including the key matters discussed at Committee meetings and matters to bring to the Board's attention for input or approval;
- Internal and external reports on matters of strategic importance, opportunities and risk, to provide additional insight into these areas; and
- Presentations from external presenters, including this year on the macro and technology environment and key trends in ecommerce and automation, to provide greater insight into the market the business operates in.

Key matters that the Board discussed this year included:

- Approval of the five-year plan, the Company's overarching strategic priorities, a number of key financial strategic priorities, a number of key financial strategic decisions, successful partner deployments and sustained investment in technology, as well as discussions around Artificial Intelligence ("AI");
- The Letter of Credit and reset discussions with Kroger and the work being done to continue to work closely together going forward; and
- The dedicated strategy meeting centred on the strategies for both OSP and OIA, alongside exploring other strategic growth options. As a direct result of this meeting, the Board refined its strategic objectives and agreed on a number of key goals for FY26. We now have a robust framework in place to connect and monitor our long-term priorities to measurable short-term outcomes.

Board meetings include attendees from senior management, who report and update on their area of expertise, and where required, external advisors, to enable a deeper understanding and provide an opportunity for the Board to question and challenge senior management. The Chair and Non-Executive Directors meet at the end of each scheduled Board meeting without the Executive Directors present to enable an opportunity to discuss the business and key matters without senior management present.

The following are the key topics the Board focused on during the year.

Strategy

At the end of 2025, the Board reviewed and approved the updated five-year plan, assessed progress against the plan, and reconfirmed the core objective for the Group to achieve cash flow breakeven by FY27. During the year, the Board undertook a review of the Group's strategic priorities to ensure that they remained appropriate to enable future growth and undertook in-depth discussions on the strategic levers to enable success. The Board agreed at the two-day strategy meeting the strategic priorities and established actions to achieve these and measure progress. These were then monitored with regular updates provided.

Finance

The Board approved a number of actions to strengthen the Group's financial position, to manage the debt position and ensure strong liquidity. In May, the Board approved a tender offer for the Group's 2025 convertible bonds and 2026 notes, and the issuance of £300m of notes due in 2030, followed in June by approval of a further repurchase of 2025 convertible bonds and the private placement of an additional £100m of notes due in 2030. In October, the Board approved a redemption of the remaining outstanding 2026 notes. In addition, the Board approved the drawing down of a Letter of Credit from Kroger.

Performance and operations

The Board received regular reports on OSP Partner operations and the implementation of CFC projects. The Board had a strong focus on monitoring OSP Partner success, with regular updates on discussions with partners and the initiatives in place to support our partners to increase volumes and

operational efficiencies. This included approving the realignment of some of our partner relationships, including opening up new opportunities from the end of exclusivity in some markets. The Board received regular updates on OIA's business, including progress with McKesson and the pipeline of prospects, and approved entering into an agreement with GAP. There were also regular updates on ORL, including the deconsolidation and the successful completion of the migration to OSP, and Ocado Logistics, including changes implemented to reduce delivery costs. The Board monitored progress on various technology projects, including progress of our Store Based Automation solution, and approved planned technology investment and research and development goals.

People and leadership

The Board considered its own composition and effectiveness to ensure the appropriate skills and experience to lead the Group were in place. The Board approved the appointment of Cathy Graham as Non-Executive Director from 1 February 2026 and the extension of Andrew Harrison's tenure to 1 March 2027, to provide continuity of experienced leadership, and accepted Emma Lloyd's resignation as Non-Executive Director. The Board approved the appointment of Mollie Stoker as Group General Counsel and Company Secretary, and accepted the resignation of Neill Abrams from the role.

The Board reviewed and discussed the outcomes of the internal Board effectiveness review and creation of the action plan for FY26, building on the actions from the external effectiveness review in FY24.

Risk management and internal controls

The Board completed the annual review of principal and emerging risks, and consideration of the risk appetite. The Board also reviewed the effectiveness of the Group's systems of internal control and risk management, including a detailed review of material controls, which highlighted a number of additional controls to consider. The Board monitored the work of senior management and the Audit Committee to ensure the Group internal controls align with the new Code requirements. You can read more about progress to compliance on pages 127-129.

Governance

The Board monitored progress against the Group sustainability strategy framework, implemented last year, and reviewed various sustainability-related matters. The Board reviewed and approved corporate statements including the Gender Pay Gap Report, the Modern Slavery Act Statement and the Basis of Reporting 2024.

Board meetings and attendance

During the year, the Board conducted meetings in person, providing video conference facilities if required by any Director, with some ad hoc meetings added to the Board schedule to discuss and make time-sensitive decisions, including approval of the refinancing and Kroger negotiations.

During the period, the Non-Executive Directors held a number of scheduled meetings without the Executive Directors present, as well as some informal sessions. In the event a Director was unable to attend a meeting, they received all papers for the meeting and had the opportunity to raise any points ahead of the meeting. In the year, there were some additional meetings diarised and some Directors were unable to join due to prior commitments and the short notice of these meetings.

Board meetings attended/possible meetings the Director could have attended

Director	
Adam Warby (Chair)	14/14
Tim Steiner	14/14
Stephen Daintith	13/14
Andrew Harrison	14/14
Jörn Rausing	14/14
Julie Southern	14/14
Nadia Shouraboura	13/14
Julia M. Brown	12/14
Rachel Osborne	14/14
Gavin Patterson	14/14
Past Directors	
Emma Lloyd*	13/14

* Emma Lloyd stepped down from the Board on 14 November 2025.

Setting and delivering the strategy

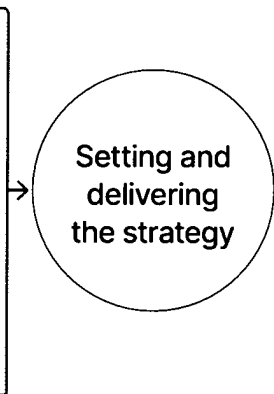
The principal role of the Board is to promote the long-term sustainable success of the Group, to generate and preserve value for investors and other stakeholders, and to contribute to the wider society. The Board defines the Group's purpose and strategy, in line with our values, and ensures that the business model and culture support the delivery of the Group's strategic priorities to generate sustainable growth.

The Board undertakes an in-depth annual review of the strategy to ensure it remains fit for purpose and that appropriate short and medium-term goals to progress our objectives are in place. The goals are then monitored throughout the year with an update on progress included at each Board meeting. At each meeting, the Board receives detailed updates on progress and plans towards the achievement of the strategy from each business unit, including any challenges and opportunities that arise.

The Executive Committee and senior management are responsible for the implementation of the strategic objectives, with decision-making further dispersed across the business. Therefore, it is essential that, across the Group, there is an understanding of our strategy and how individuals contribute to this. Goals for Technology Solutions and Ocado Logistics are set annually, and there are progress updates to employees throughout the year, with the goals reinforced through internal communications and a tracker employees can access. These goals are further reinforced through the setting of team and individual objectives in line with them, to ensure all employees can see how their role and work supports the Group goals.

Inputs into strategy

- 1. In line with our purpose**
Strategic objectives enable us to achieve our purpose
- 2. Supported by our values and culture**
Ensure our values and culture are aligned with our strategy
- 3. Reflects stakeholder views**
Set strategy in line with shareholder priorities
- 4. Necessary resources in place**
Ensure governance, risk and internal controls framework, finance and people are in place to enable delivery of the strategy



Setting and
delivering
the strategy

The views of our key stakeholders are important considerations in setting the strategy and in decision-making. In addition, strong, mutually beneficial relationships with our stakeholders support the delivery of our strategic objectives. Engaging with our stakeholders is important to understand their views and priorities as well as to inform and aid their understanding of our business and strategy. Information on engagement with our stakeholders is provided on pages 48-51.

The Board has ultimate responsibility for ensuring the necessary resources are in place, and effectively deployed, to be able to deliver the strategy. The governance framework, and processes and policies in place, are designed to ensure efficient internal reporting and effective management. For more information on the governance framework, see page 111. There are robust risk management and internal control systems in place which allow the Board to assess and manage risks to the business and ensure sound decision-making. For more information on risk management and internal controls, and how these are evolving under the Corporate Governance Code 2024, see pages 127-129.

Board strategy meeting

At the FY25 strategy meeting, the Board undertook an in-depth assessment of the Group strategy with discussions on all areas of the business and the external environment the business operates in. In-depth reports from across the business enabled informed discussions on the challenges and opportunities for the Group. The Board also held sessions with external advisors to provide an updated view of the market, key trends in the industry and customer, and investor perspectives. Together, this enabled a realistic assessment of growth pathways for the Group. The Board confirmed the strategic objectives with clear plans of action for each, including specific outcomes and performance measures, as well as setting ownership and accountability for the actions. Progress on the objectives is monitored at each Board meeting.

➔ You can see our refreshed strategic objectives on page 10.

Monitoring and supporting the culture

The Board recognises the importance of a corporate culture that aligns with our values and supports our strategy and purpose. Our governance framework is designed to facilitate innovation and autonomy through information-sharing and delegated authority. A focus on sharing strategic objectives across the Group, with team and individual goals feeding into these, allows employees to understand their role in supporting our strategy and support greater alignment and collaboration. In January 2025, the Technology Solutions goals were shared at an employee launch event, with further update events on progress throughout the year and a review of the results in January 2026 alongside the launch event for the FY26 goals. This year, work was undertaken to ensure Ocado Logistics has a defined organisational purpose for employees to understand their role in pursuing our strategic objectives. Our values are described through individual behaviours to ensure greater understanding and encourage a culture of behaviours that support these values. In Technology Solutions, monthly peer awards awarded to employees, nominated by their colleagues, who are seen to live our values and behaviours, provide recognition for acting in line with our values and also reinforce the behaviours as part of the desired culture.

Our diverse team brings a range of experience, expertise and perspectives that shape our values and culture, driving the Group's strategic objectives. A strong culture fosters success, attracts talent and enables our people to thrive. A positive, supportive environment where people feel valued and motivated is key to our success. The Board monitors the culture through various qualitative and quantitative measures that provide insight into the culture of the Group. The work that the People Committee has undertaken with regards to our employees across the Group is detailed on page 118.

It is important that as well as monitoring the culture, the Board also promotes the culture, and supports and encourages senior management to do so. The Directors strive through their own conduct to set the right tone from the top for senior management and the wider workforce. This is shown in the Board's commitment to high standards of corporate governance and ethical behaviour, open and transparent reporting, engagement with our people and entrepreneurial leadership.

The following are the primary sources the Board utilises to assess and promote the desired culture across the Group.

Employee engagement

A variety of communications and employee events reinforce our culture. Regular town halls for all Technology Solutions employees are held by the Executive Committee and other senior management, enabling employees to ask direct questions to senior management. Internal communication tools are utilised to keep employees informed of developments in the business.

The Board continues to consider the Designated Non-Executive Director for Workforce Engagement ("DNED") to be the most appropriate method of workforce engagement and Andrew Harrison, as DNED, provides valuable feedback from employees to the Board to assist in monitoring the culture. Through active engagement with a range of employee forums and the People team, the DNED is an important link between the Board and the wider workforce.

Policies and practices

The Board takes responsibility for all workforce policies and practices, and ensures these uphold our culture and values. Our Code of Conduct promotes high standards of ethics and responsible decision-making, supported by other policies including on fraud, bribery, tax evasion, competition and money laundering to ensure they are consistent with the Group's values.

The Board reviews and approves all significant policies that impact our workforce to ensure that our policies and practices continue to reflect our values and the desired behaviours to embed the culture. This year, updated policies on fraud and share dealing reinforced the need for ethical behaviour. Employees undertake mandatory training on key policies to ensure that they are properly understood and to help embed the principles as part of our culture. This year, mandatory training relating to the Code of Conduct was rolled out to all employees.

Board and Committee meetings

The Board receives reports throughout the year on health and safety matters, compliance, employee engagement, talent and retention, and whistleblowing, which provide insights into the culture. There are updates from each Committee meeting provided at each Board meeting. The Audit Committee receives compliance reports, including statistics on the use of compliance tools and compliance training, with good completion rates this year indicating a high level of engagement across the Group. The Audit Committee Chair provides update reports at Board meetings, including highlights from these reports and any issues raised requiring further discussion by the Board.

Employee feedback

The results and feedback from regular engagement surveys provide a good indicator of sentiment across the Group and provide insights into the culture. The Board reviews employee Net Promoter Scores ("eNPS") and is provided with relevant feedback from employees through the employee survey regarding the employee experience at Ocado to enable a broad assessment of the culture in line with our values and discuss areas for improvement. This year, new tools to gather and assess Ocado Logistics employee feedback were introduced to increase engagement and provide more effective oversight of the culture.

The Board is provided with updates from the People team on employee matters, including engagement, recruitment, retention, diversity and mental wellbeing.

The Non-Executive Directors attended separate sessions with some of the senior leadership to allow for more informal discussions around the business and the working environment, providing a valuable way for the Directors to meet with our future leaders.

Investing in and rewarding employees

The Remuneration Committee reviews and considers wider workforce remuneration to ensure it remains appropriate for a culture that supports and rewards employees. Our employee share schemes and bonus plans, including free shares for all eligible employees, are designed to create a positive environment where employees feel part of the success and performance of the Group. This year, an anniversary tenure anniversary tenure scheme was introduced to celebrate employee key career milestones and acknowledge employee contributions to our success.

The provision of services and tools to support employee wellbeing, and investment and support in community groups and events promotes an inclusive and welcoming culture for all and builds trust and collaboration across the organisation. To mark our 25th anniversary, this year, employees shared reflections on their careers at Ocado and their experiences with the Group to encourage a sense of unity and shared experience.

Speak Up

There are arrangements in place for employees to be able to confidentially raise matters of concern, which seek to foster an environment where individuals can be confident about speaking up about concerns without fear of retaliation. The Audit Committee receives reports on issues submitted through the system, and raised outside the system through management, including investigations undertaken and outcomes, including actions taken. Various metrics including the number of reports, investigation completion rates and outcomes are monitored, and the results this year confirm the system continues to function effectively.

The Board recognises that it is important to undertake effective oversight and continue to promote and embed the desired culture, as the business grows and evolves. During the upcoming year, the Board is focused on ensuring the mechanisms utilised to monitor and embed our culture are sufficient for the Board to be able to comply with the enhanced culture requirements in the 2024 UK Corporate Governance Code.

Corporate Governance

The Board considers strong governance essential to delivering our strategy and ensuring the Group's long-term success. A system based on accountability and responsibility, transparency and effective controls is necessary for the Board to be able to provide effective strategic leadership. The Corporate Governance Statement and compliance with the UK Corporate Governance Code during the year can be found on page 169.

Board of Directors

The Board is primarily responsible for setting the Group's strategy to deliver sustainable long-term value to our investors and other stakeholders, providing effective oversight and challenge to senior management regarding the implementation of the strategy and ensuring an effective risk management and internal control system is in place.



Board Committees

The Board delegates certain matters to three Board Committees to enable effective oversight whilst allowing the Board to focus on strategic matters.

Audit Committee

Oversees the Group's financial reporting, risk management and internal control systems, the relationship with the external auditor and the effectiveness of the Internal Audit team.

🔗 See pages 121-132

Remuneration Committee

Establishes and manages the Group's Remuneration Policy and oversees remuneration and workforce policies.

🔗 See pages 133-158

People Committee

Oversees composition and succession planning for the Board, senior management succession planning and people engagement issues.

🔗 See pages 117-120



Executive Committee

The Executive Committee is responsible for the day-to-day management of the business, carrying out and overseeing operational management, and implementing the strategic objectives set by the Board.



Governance Committees

The governance committees provide oversight on key business activities and risks, and report to the Executive Committee and the Board or Board Committees as appropriate.

Risk Committee	Global Health, Safety, Fire & Environment Committee	Personal Data Committee
Information Security Committee	Disclosure Committee	IT Operating Committee
Treasury Committee	Capital Expenditure Group	Sustainability Committee

The governance framework provides the structure to make decisions within an established framework of prudent and effective controls. Clearly stated levels of delegated authority and accountability facilitate timely decision-making at the correct level. The Board maintains a formal Schedule of Matters Reserved for the Board, including decisions regarding strategy, financing, capital structure and risk appetite, and a Delegations of Authority Policy.

The framework has established reporting channels to ensure the Board is able to exercise oversight, conduct effective discussions and make informed decisions. Through reporting, including the use of both financial and non-financial metrics, the Board is able to evaluate and guide the progress and performance of the Group. The Board Committees are utilised

to ensure the Board has sufficient time for discussion and is able to focus on strategic matters.

Directors can, where they judge it to be necessary to discharge their responsibilities as Directors, obtain independent professional advice at the Company's expense. The Board Committees have access to sufficient resources to discharge their duties, including external consultants and advisors, and access to internal resources and relevant personnel. During the year, no Directors raised any concerns about the operation of the Board or the management of the Company.

This year, the Executive Committee was expanded. Information on the members is on our corporate website at www.ocadogroup.com.

Board roles

The role descriptions for the CEO, Chair, Senior Independent Director and DNED are set out in writing and provide a system of checks and balances to ensure no individual has unfettered decision-making power.

Non-Executive

Non-Executive Directors

- Provide support and constructive challenge to the Executive Directors.
- Monitor the delivery of the Group's strategy within the risk and control framework set by the Board.
- Provide an external perspective and bring a diverse range of skills and experience to the Board's decision-making.
- Oversee the appointment and removal of, and determine appropriate levels of remuneration for, the Executive Directors.

Chair

- Provides effective leadership of the Board.
- Promotes high standards of governance and ensures the effectiveness of the Board in directing the Group.
- Sets the Board's agenda to ensure sufficient time for discussions and effective decision-making and ensures the Board is properly briefed.
- Ensures that all Directors make an effective contribution to the Board and actively encourages participation in meetings.
- Promotes a culture of openness, constructive debate and challenge on the Board.

Senior Independent Director

- Supports and acts as a sounding board for the Chair.
- Is available to shareholders if they have concerns.
- Meets, at least annually, with the Non-Executive Directors without the Chair present to appraise the performance of the Chair.
- Acts as an intermediary for the other Directors when necessary.

Designated Non-Executive Director for Workforce Engagement

- Understands the views of the workforce and identifies any areas of concern.
- Provides regular updates to the Board on the views and concerns of the workforce.
- Ensures the Board considers the workforce in decision-making.
- Explains to the workforce the Company's policy on executive remuneration.

Executive

Executive Committee

- Oversees the day-to-day management of the Group's operations.
- Executes the strategic objectives agreed by the Board and develops plans in collaboration with the Board to implement strategy.
- Ensures the Board is properly informed of important and strategic issues within the business.
- Undertakes certain aspects of the Board's responsibilities as delegated.

Chief Executive Officer

- Responsible for the day-to-day running of the Group and the performance of the business.
- Responsible for the implementation of strategy and decisions of the Board.
- Provides clear and visible leadership.
- Represents management on the Board.

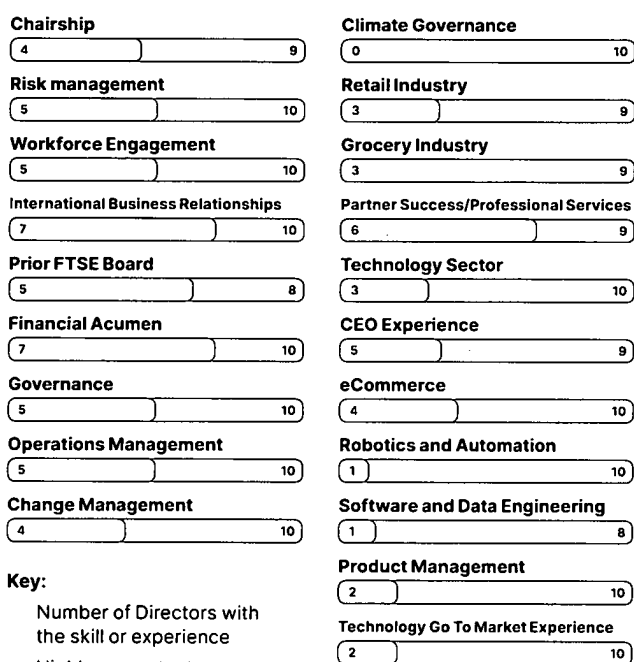
Group General Counsel and Company Secretary

- Ensures compliance with Board procedures.
- Implements and oversees the governance framework.
- Ensures that information flows between management, the Board and its Committees.
- Advises the Directors, as required, on regulatory compliance and corporate governance.

Board Composition

The Board recognises the importance of ensuring it has the skills and experience required to enable sustainable success. The composition of the Board and Board Committees is continually assessed by the Chair and kept under review by the People Committee, with a formal review annually by the People Committee and as part of the Board performance review process. For more information, see page 116. Each Board member is asked to identify their own skills and experience annually to enable a more rounded assessment of the Board composition. This year, these were refreshed and refined to align more closely with the skills required of the Board as the business develops. The skills and areas of experience identified include those related to the business and industry, including ecommerce and automation, sustainability-related skills, including cybersecurity and energy efficiency, and those key to the role of Director, such as governance and financial acumen. The skills and experience identified are shown below.

Combination of skills and experience as identified by the Board

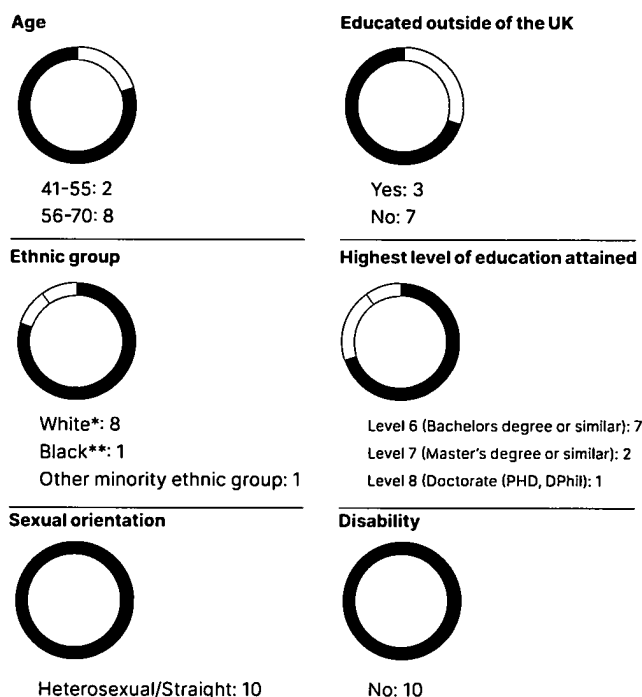


Board diversity

The Board believes that diversity, encompassing gender, ethnicity and social backgrounds, leads to more effective discussions and enhanced decision-making. Consequently, the Board is committed to promoting diversity within its own ranks and among senior management. For more information on the Board's approach to diversity, see page 120. The Board confirms its own diversity characteristics annually, taking into account less tangible factors, such as previous qualifications. See the outcomes in the graphs below.

➔ See how Ocado considers DE&I on pages 72-75 and 120.

Board diversity characteristics



* White (English, Welsh, Scottish, Northern Irish, British, Irish, Gypsy or Irish Traveller or any other White background)
** Black (African, Caribbean, any other Black/African/Caribbean background)

Independence, External Commitments and Conflicts

Board independence

The Non-Executive Directors play a vital role in holding the Executive Directors to account against agreed objectives and scrutinising the performance of senior management. In addition, independent insight and an external perspective support better decision-making. The independence of the Non-Executive Directors is assessed annually, including their length of tenure and relationships or other circumstances that are likely to, or could appear to, impair a Director's judgement. The Board particularly scrutinised the factors relevant to its determination of the independence of Jörn Rausing and Andrew Harrison. Jörn has been a Director for 22 years and is a beneficiary of the Apple III Trust, which owns Apple III Limited (together, "Apple"), a significant (approximately 10%) shareholder of the Company. Jörn is not a representative of Apple, nor does Apple have any right to appoint a Director to the Board. The Board considers Jörn to be independent in both character and judgement due to his strong record of challenge and oversight. His continuing directorship benefits the Group due to his significant business experience and international expertise, coupled with in-depth knowledge of the Group. Andrew's appointment was extended beyond the nine-year term this year to 1 March 2027 due to his deep understanding of the business and to provide continuity at a time of significant change. The Board is satisfied that Andrew continues to demonstrate a high level of constructive and unbiased inquiry and independence. Following review by the People Committee in February 2026, it was determined the Non-Executive Directors remain independent. The composition of all three Board Committees complied in all respects with the independence provisions of the Code during the period.

External commitments

The Company is mindful of the time commitment required from Non-Executive Directors in order to effectively fulfil their responsibilities on the Board. Prior to appointment, prospective directors provide details of any other roles or significant obligations that may affect the time available for them to commit to the Company. Each Non-Executive Director's appointment letter includes the minimum time commitment required for the role. The Chair and the Board are informed by each Director of any proposed external appointments or other significant commitments as they arise and these are monitored to ensure they have sufficient time to fulfil their obligations. Chair approval is required prior to a Director taking on any additional external appointment. Assessment of the time commitment required considers factors including the number of other directorships, including any committee roles, travel requirements and current Board roles.

Stephen Daintith is the Company's CFO and an Executive Director. In addition to his role at Ocado, he has served as Non-Executive Director and member of the Audit Committee at 3i Group plc for the last nine years, including as Committee Chair

since 2023. As announced on 3 February 2026, Stephen has also been appointed as a Non-Executive Director and member of the Audit Committee of Kingfisher plc ("Kingfisher"), effective 1 April 2026. In light of UK Corporate Governance Code guidance on the number of external appointments that may be held by full time executive directors, before approving this appointment the Board reviewed the position in the context of Stephen's executive responsibilities and existing external commitments. The Board carefully considered Stephen's executive responsibilities to Ocado, together with his existing and proposed external commitments, having particular regard to his role at 3i Group plc and the anticipated time commitment associated with the Kingfisher role (including committee responsibilities) and is satisfied that Stephen will continue to have sufficient capacity to devote to the effective performance of his duties as CFO and as an Executive Director of Ocado. The Board also considers that the cross sector retail and investment experience Stephen gains from his Non-Executive Director roles provides valuable insight and strategic benefit to Ocado.

Conflicts of interest

Ocado has a Conflicts of Interest Policy in place applicable to our workforce, including the Directors. In addition, the Board has established formal procedures, detailed in the Director Conflicts of Interest and Related Parties Policy, for the declaration, review and authorisation of any conflicts of interest of Board members. Each Director is required to disclose conflicts and potential conflicts to the Chair and the Group General Counsel and Company Secretary as and when they arise, with an opportunity to disclose conflicts at the beginning of each Board and Committee meeting based on the matters to be discussed. When a Director seeks to take on additional external responsibilities, the Director discusses the potential position with the Chair and approval will only be given once the Chair is satisfied and the Director confirms that, as far as they are aware, there are no conflicts of interest. A formal annual review is undertaken to ensure the information is up to date and a register is maintained. There were no actual conflicts of interest declared to the Company this year by the Directors between their duties to the Company and their private interests and/or other duties, except in the case of the Executive Directors, each of whom holds the position of Director of the Company and Director of a number of Group subsidiary companies.

ORL and conflicts of interest

Tim Steiner is an Ocado-appointed Director on the ORL board. Notwithstanding his Companies Act 2006 duties and obligations under the Articles, he is subject to the provisions of the ORL Articles of Association and to the provisions within the ORL shareholders' agreement on conflicts of interest and related party matters. Stephen Daintith resigned from the board of ORL effective 23 January 2026 and Lawrence Hene, Chief Partner Success Officer, was appointed effective 23 January 2026.

Appointment, induction, training and development

Appointments to the Board

The People Committee is responsible for overseeing the selection of individuals to serve on the Board and provides recommendations to the Board regarding these appointments. The Committee also ensures there are succession plans in place to ensure a smooth transition for the Board and senior management when needed. Appointments and succession plans are based on merit and assessed against objective criteria, with the promotion of diversity a central consideration. See pages 117-119 for information on the appointment procedure and succession planning.

Director re-election

Each Director is required under the Articles to retire at every annual general meeting and submit themselves for re-election by shareholders. At the 2025 Annual General Meeting ("AGM"), all the Directors stood for appointment or re-appointment, and were duly elected or re-elected.

At the 2026 AGM, all of the current Directors, except Cathy Graham, will submit themselves for re-election by shareholders. Cathy is subject to appointment by shareholders, having joined the Board on 1 February 2026. This Report, and in particular the Board biographies on pages 102-105, sets out the contribution of each Director to the Company and, on this basis, the Board and specifically the Chair, believes each Director proposed for election or re-election at the AGM should be appointed or re-appointed.

The foundation for the Board's recommendations for election or re-election are primarily based on a review of the results from the annual Board effectiveness review, the reviews of the Executive Directors conducted at meetings of the Non-Executive Directors and the Chair's review of individual Directors. On that basis, the Board confirms that each Director has demonstrated substantial commitment to their role, taking into account a number of considerations including outside commitments.

Board induction, training and professional development

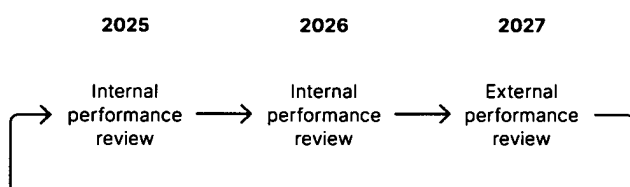
On joining the Board, it is the responsibility of the Chair and the Group General Counsel and Company Secretary to ensure the newly appointed Directors undergo a thorough and personalised induction process, taking into consideration their specific background and experience, and any committees they will be joining. The induction will include meeting with senior management to provide an understanding of the business, strategic priorities, opportunities and risks; training, as required, regarding Director duties and information on governance processes and policies; access to Ocado policies and procedures; and site visits.

During the year, the Board members enhanced their professional development with training and deep-dive briefings on a range of matters, from both external advisors and internal subject matter experts. The Board had specific sessions on the uses of AI and the key trends in grocery retailer automation and ecommerce. The Remuneration Committee received updates from the Committee's remuneration advisors covering governance and developments in executive remuneration. The Audit Committee received written technical updates from the external auditor to keep it abreast of the latest accounting, auditing, tax and reporting developments.

Board Performance Review

Our annual performance review process provides the Board and its Committees with an opportunity to consider and reflect on the quality and effectiveness of their decision-making and for each Director to consider their own contribution and performance. The Directors consider the evaluation of the performance of the Board and its Committees to be an important aspect of ensuring good corporate governance. For FY25, an internally facilitated review was undertaken and built upon the actions established during the FY24 external review. The Board remained focused on implementing the key recommendations from that external assessment, using the FY25 process to measure the impact of those changes and ensure the continuous improvement of our governance framework.

The performance of the Committees is discussed separately, including in relation to the composition, experience and tenure of the Directors.



Process of the internally facilitated review

FY25 performance review process

Approach of the review

- **End of September 2025:** Internal questionnaire was circulated to all Board members
- **October 2025:** Individual conversations took place between the Chair and each Director. Questions related to the work of the Board dynamics, culture and contribution, Board composition, attention to strategy, risk, people and governance
- **November 2025:** Aggregated results and actions to take forward were discussed during the November Board meeting

Interview topics

- Progress against last year's actions
- Board composition, dynamics and expertise
- Strategic oversight
- Risk management
- Succession planning
- The Board's agenda and meetings
- Board governance
- The Board Committees

Board review cycle

Key observations and actions

There were three key themes with associated actions as a result of the externally facilitated review, some of which have been implemented in FY25, including:

Theme	Actions
Elevating Strategy	• Agendas were refreshed to focus on Ocado's performance, global partners, strategic risk, and technology while building customer-centricity.
Leadership Succession:	• The People Committee focused on recruiting a new Chair, targeting specific soft skills and cross-sector experience.
Culture & Dynamics:	• The Board revisited the definition of company culture for regular monitoring and reviewed executive attendance at meetings.

Building on these themes as part of this year's review, the following are actions for FY26:

Theme	Actions
Strategic contribution and oversight	• Corporate Scorecard: Developing a new tool to align and monitor strategic priorities. • Agenda Balance: Ensuring a better mix of strategic and operational items, moving from divisional to functional updates.
Board skillset and composition	• Board Sizing: Reviewing the size of the Board in response to organisational changes. • Future Hires: Prioritising candidates with technology and product management mindsets.
Culture:	• Continue to progress culture actions, including articulating the desired culture and defining appropriate measures.
Board papers	• Implementing strict deadlines for paper circulation and requiring concise, high-quality executive summaries.

Committee performance

Committee performance was taken into consideration during the review and it was perceived that the Committees operated effectively and they were led by effective Committee Chairs.

Chair and individual Director performance

As part of the performance review, the Senior Independent Director undertook the review of the Chair's performance, requesting feedback from the Board and key management, and sharing the feedback with the Chair directly.

People Committee Report

Andrew Harrison Chair

Committee membership and meeting attendance during FY25

Committee members	Number of meetings attended vs number of meetings
Andrew Harrison (Chair)	4/4
Jörn Rausing	4/4
Emma Lloyd*	4/4
Julie Southern	4/4
Nadia Shouraboura	4/4
Rachel Osborne	4/4
Julia M. Brown	4/4
Gavin Patterson	4/4
Adam Warby	4/4

* Emma Lloyd stepped down from the Board and People Committee on 14 November 2025.

Committee changes in the year

Emma Lloyd stepped down from the Board and People Committee on 14 November 2025. Cathy Graham joined the People Committee on 1 February 2026.

Key responsibilities

- Board composition and succession.
- Executive and senior management succession planning.
- Board effectiveness.
- People engagement, including promoting a culture of diversity and inclusion.
- Monitoring that Ocado's culture and values are enabler to the Business.

➤ **Biographies of the Directors are set out on pages 102-105**

➤ **Terms of Reference:** www.ocadogroup.com/investors/corporate-governance

Letter from the Chair of the People Committee

I am pleased to present the People Committee (the "Committee") Report for the year ended 30 November 2025.

This has been a year of significant transition for Ocado, particularly within our Executive Committee and senior management. The Committee has remained focused on ensuring stability and overseeing robust succession planning through a critical period of change.

Board composition and succession

This year, we focused on the stability of the Board as our new Chair, Adam Warby, and Non-Executive Director, Gavin Patterson, completed their first full year of service, whilst Emma Lloyd stepped down from the Board after nine years of dedicated service. Following a thorough search process for a new Independent Non-Executive Director, Cathy Graham joined the Board and the People and Audit Committees with effect from 1 February 2026. Cathy brings significant breadth, with a deep understanding of technology, transformation and partner ecosystems. You can read more about Cathy's appointment process on page 119.

To further ensure continuity, the Board has asked me to extend my tenure as Senior Independent Director and Designated Non-Executive Director for an additional 12 months to 1 March 2027. I look forward to working closely with Adam and the Board on the Company's strategic priorities.

The Committee carefully considers Board composition and skills. You can read more about Director Independence external commitments and conflicts on page 114.

Executive succession and leadership structure

A priority for the Committee this year was overseeing the succession of key executive roles. We have seen the departure of long-standing leaders and the arrival of new talent to drive our strategic priorities.

Neill Abrams and Mark Richardson announced their decisions to retire from their executive roles at Ocado. Neill retired as Group General Counsel and Company Secretary on 30 November 2025, while Mark, CEO of Ocado Intelligent Automation ("OIA"), will remain with the Company until March 2026. During the year, John Martin also stepped down following his tenure as interim CEO of Ocado Solutions.

We thank them all for their significant contributions to the Company.

Following John's departure and Mark's decision to retire, the Committee oversaw a wider review of the Company's organisational structure. This review identified the opportunity to create efficiencies by bringing the OIA and Solutions teams together into a single commercial arm.

Outcome

To support this new structure, James Matthews was appointed Deputy CEO to support Tim Steiner in the joint oversight of the Company's Technology Solutions business. We were also delighted to appoint Nick de la Vega as Chief Revenue Officer who joins us from Atos, where he served in a number of executive leadership positions, and welcome back Lawrence Hene as Chief Partner Success Officer in November 2025. Lawrence has worked at Ocado since 2009 across a variety of retail and solutions roles, most recently as an advisor to the Board of ORL. Both Nick and Lawrence will sit on the Executive Committee.

Outcome

To ensure a smooth and orderly transition of responsibilities for the Group General Counsel and Company Secretary role, the Board was pleased to welcome back Mollie Stoker as Neill's successor in September 2025. Mollie previously served as Deputy General Counsel at Ocado Group and her understanding of the regulatory landscape, combined with her prior experience at Ocado, is an asset to the Group. Mollie joins the Executive Committee and worked closely with Neill to ensure a seamless handover.

Outcome

Given the above changes to our leadership structure, the Committee further reviewed the composition of the Executive Committee to ensure it provides robust support to the CEO and Deputy CEO. Consequently, we were pleased to expand the Executive Committee to include additional key leaders, including the Chief Operating Officer, Ocado Technology, the Chief Product Officer and the Chief Engineering Officer, Ocado Technology.

Through regular reviews of critical roles and leadership pipelines, the Committee successfully identified this high-calibre talent to facilitate these significant transitions and secure the Company's future executive leadership.

More information about our Executive Committee can be found on our website at www.ocadogroup.com

Culture and engagement

Another focus for the Committee was on culture and engagement, receiving deep dives into listening, culture and engagement across Ocado's business areas.

Topics of discussion for the Technology Solutions business included work being done to ensure our culture and ways of working drive strategy, enabling high performance and commercial success, while recognising challenges such as pace of change, business performance and organisational changes. Outcomes included aligned focus areas to embed desired culture through communication, ways of working and people processes. For the Logistics business, there was focus on various aspects of the people strategy, including embedding desired behaviours. The Committee also reviewed feedback received through our employee listening tool, Peakon.

During the year, the Non-Executive Directors attended talent lunches to meet and get to know the talent pool. There were also opportunities for key talent to present at Board meetings.

Outcome

In my role as Designated Non-Executive Director, I continued to ensure I spent time in the business speaking to employees to listen to their views. This year, I hosted three focused culture and listening sessions to explore our ways of working, and understand and drive improvements in our employee engagement and as part of the culture work. I also joined employees at the Nottingham spoke to understand their views on culture and reward.

Priorities for FY26

We continue to prioritise the development of our Board, Committees and management, ensuring our leadership reflects our culture and supports our strategic priorities. A key focus for the coming year will be overseeing the embedding of the new executive team and organisational structure.

Andrew Harrison

Committee Chair
26 February 2026

Board appointment process



Appointment process for Cathy Graham

The Committee engaged independent executive search agency Korn Ferry for the search of a new Independent Non-Executive Director. The Company and the Directors have no other connection with Korn Ferry. A candidate skills matrix was created to assess potential candidates against key criteria, including the capabilities, experience and personal attributes required. The Committee sought a Non-Executive Director with enterprise leadership experience and a strong finance and technology background.

Following a thorough search with consideration of the Board Diversity Policy, multiple candidates were interviewed by a combination of myself, the Chair, Executive and Non-Executive Directors, and the Chief People Officer.

The Committee recommended to the Board the appointment of Cathy, given her capabilities, skills and previous experience, and the Board approved Cathy's appointment.

Reporting in alignment with UK Listing Rules provisions

We reported our Board and executive management diversity data as at 30 November 2025 in accordance with the UK Listing Rules disclosure requirements and our progress in meeting the UK Listing Rules board diversity targets.

Female representation on the Board currently meets the UK Listing Rules target of 40%. We also meet the requirement of having at least one Director from a minority ethnic background on the Board.

Although in the year we have not met the target of having at least one senior Board position being held by a woman, we are pleased to report that the Chairs of our Audit Committee and Remuneration Committee are women. The Board is committed to continued enhancement of its diversity as set out in our Board Diversity Policy. Although the four senior Board positions are currently held by men, this diversity target is considered in succession planning.

Diversity, Equity & Inclusion (“DE&I”)

The Committee recognises that fostering an inclusive culture and a diverse workforce is critical to Ocado’s long-term success. During the year, we received detailed updates on the progress the business has made against its DE&I priorities for FY25. A specific area of focus for the Committee was discussing the strategic considerations required to grow a diverse talent base across the organisation, ensuring we continue to build a robust pipeline of diverse leaders for the future.

We remain committed to the objectives set out in our Board Diversity Policy. As at 30 November 2025, we have met the Listing Rules targets of having at least 40% female representation on the Board and at least one Director from a minority ethnic background. While the target of having a female Director in a senior Board position (Chair, CEO, CFO or SID) has not yet been met, this remains a key consideration in our ongoing succession planning.

The full Board Diversity Policy and a detailed breakdown of progress against our specific objectives can be found on our website at www.ocadogroup.com.

You can read more about:

- The Board Diversity Policy on our website at www.ocadogroup.com
- Diversity data below Board level: pages 105 and 120
- Gender diversity of the Board: pages 105 and 120
- Self-identified diversity characteristics of the Board: page 113
- Diversity in respect of all the Group’s employees: page 72

Approach to data collection

Gender and ethnicity data relating to the Board, executive management and Company Secretary is collected on an annual basis as part of our Director year-end confirmation in a confidential questionnaire. The individual self-reports (or specifies they do not wish to report) such data. For ethnicity, the self-reported criteria align to the classifications as designated by the UK Office for National Statistics. The same data was reported as part of the annual Parker Review submission. You can read more about our work to ensure gender equality in our UK workforce in our Gender Pay Gap Report on our website.

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
Gender representation as at 30 November 2025					
Men	6	60%	4	7	78%
Women	4	40%	0	2	22%
Not specified/prefer not to say	–	–	–	–	–
Breakdown by ethnic background as at 30 November 2025					
White British or other White (including minority-white groups)	8	80%	3	8	89%
Mixed/Multiple ethnic groups	–	–	–	–	–
Asian/Asian British	–	–	–	–	–
Black/African/Caribbean/Black British	1	10%	–	–	–
Other ethnic group	1	10%	1	1	11%
Not specified/prefer not to say	–	–	–	–	–

1. Under the Listing Rules, “Executive Management” is defined as the executive committee or most senior executive or managerial body below the board, including the company secretary but excluding administrative and support staff.
2. The data in the table above reflects the composition of the Board and Executive Management as at the reference date of 30 November 2025, aligned with the Company’s financial year-end. While the following changes do not affect the Company’s overall status against the diversity targets set out in the UK Listing Rules, we note that Cathy Graham was appointed to the Board as a Non-Executive Director on 1 February 2026 and three new members joined the Executive Committee in December 2025.

Audit Committee Report

Rachel Osborne Chair

Committee membership and meeting attendance during FY25

Committee members	Number of meetings attended vs number of meetings
Rachel Osborne (Chair)	6/6
Julie Southern	6/6
Andrew Harrison	6/6
Nadia Shouraboura	6/6

Committee changes in the year:
None.

Key responsibilities

- Monitoring the integrity of the Financial Statements of the Company and Group.
- Reviewing the effectiveness of the Company's risk management and internal control systems.
- Reviewing the Company's systems and controls for the prevention of bribery, fraud, money laundering and modern slavery.
- Monitoring and reviewing the effectiveness of the Company's Internal Audit team.
- Reviewing the independence and effectiveness of the external auditor, including engagement to supply non-audit services.
- Advising the Board on the appointment, re-appointment and removal of the external auditor.
- Ensuring the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable.
- Reviewing any disclosures made by the Company in relation to Task Force on Climate-related Financial Disclosures ("TCFD") and climate-related emerging risks.

🔗 **Biographies of the Directors are set out on pages 102-105**

🔗 **Terms of Reference:** www.ocadogroup.com/investors/corporate-governance

Letter from the Chair of the Audit Committee

I am pleased to present the Audit Committee (the "Committee") Report for the year ended 30 November 2025.

The Committee met six times during the year in order to discharge its responsibilities and to enable it to play a vital role in assisting the Board in its oversight responsibility and monitoring the integrity of the Financial Statements of the Group and the robustness of its risk management and internal control systems.

We have given significant focus to the integrity of the Group's financial reporting activities, including areas of judgement and estimation, as well as on sustainability, non-financial reporting, fraud prevention compliance framework and regulatory horizon scanning.

Areas of focus and activities in FY25

Group financial reporting

During the year, the Committee prioritised matters relating to the significant accounting judgements and the clarity of related disclosures. Focus areas included the complex accounting and disclosure requirements arising from the deconsolidation of Ocado Retail ("ORL"), including the valuation of the investment in associate, the significant judgement involved in capitalising internal development (labour) costs, where the Committee continued to apply rigorous challenge, and the ongoing assessment of goodwill for impairment. The Committee also reviewed new contract accounting requirements, specifically concerning McKesson revenue recognition and the Kroger Letter of Credit drawdown.

Committee membership and financial experience

The Board is satisfied that Rachel Osborne and Julie Southern, both chartered accountants, are suitably qualified with recent and relevant financial experience and competence in accounting or auditing, or both.

The Committee as a whole is considered to have competence relevant to the sector in which the Company operates. Rachel Osborne has extensive financial management expertise, which allows her to chair the Audit Committee effectively. Julie Southern brings strong financial expertise and acumen. Cathy Graham, who joined the Committee on 1 February 2026, adds further depth, with over 20 years' CFO experience across the technology, hospitality and banking sectors.

Risk management, internal controls and regulatory developments

The Committee regularly discussed progress towards compliance with Provision 29 of the UK Corporate Governance Code 2024 (the "Code"), including the initial assessment of material controls, the assurance map and opportunities to strengthen the current control environment. The Board reviewed and challenged the initial assessment of material controls requesting further refinement to ensure controls provide clear, practical steps to support effective mitigation of identified risks. The Board also emphasised the importance of strengthening monitoring of investment returns and working more collaboratively on strategic planning with key partners to support long-term growth and associated risk management. The Committee received an update on financial controls activities, including testing and self-certification results.

Outcome

The Committee noted the progress on remediating deficiencies raised in the FY24 external audit management letter, with timelines set to resolve the remaining finance and IT observations.

The Committee and management will continue to work over the coming years to mature the control environment in preparation for the Board's declaration on the effectiveness of the Company's material controls, which will apply for financial years beginning on or after 1 January 2026, with the first declaration required for the year ending 28 November 2027.

The Committee reviewed the Group's Enterprise Risk Management ("ERM") processes and procedures. Management updated the Committee on the integrity and adequacy of the Group's cybersecurity controls, which will remain an area of focus beyond 2025 given the evolving external threat landscape. As part of this review, the Committee considered specific risks regarding social engineering and third-party access, as well as management's plans to strengthen business continuity capabilities and centralise access management. Further details relating to our risk management framework, governance and mitigation activities are set out on pages 84-94. The Committee was also regularly briefed on key regulatory and reporting developments, including enhancements to the fraud prevention compliance framework in light of the new "failure to prevent fraud" offence under the Economic Crime and Corporate Transparency Act ("ECCTA") 2025.

Internal Audit

The Committee received updates from the Director of Internal Audit on progress against the agreed Internal Audit Plan and key audit insights. During the year, Internal Audit delivered final reports on the Annual Incentive Plan, intellectual property,

regulatory governance, financial discipline over business initiatives, and fire prevention and mitigation. The Committee also received updates from management on progress against previously reported recommendations in areas such as expense management, fixed assets, business case governance and cybersecurity regulatory readiness. Where areas for improvement were identified, the Committee reviewed management's responses and action plans, and monitored progress in addressing these control weaknesses. We undertook the annual effectiveness review of the function with feedback from the Committee, key management, the external auditor and the Director of Internal Audit.

Outcome

Appropriate actions from this review will be taken forward and monitored by me throughout 2026.

Further details on the Internal Audit function's activities and the effectiveness review are set out on pages 126-127.

External audit

The Committee continued its oversight of the external audit, with particular focus on audit quality and delivery of the audit plan. It reviewed the external audit process and concluded that it was effective. The Committee also assessed Deloitte LLP's ("Deloitte") independence and objectivity, and confirmed that there were no matters that could reasonably be regarded as impairing the external auditor's independence.

Outcome

The Committee completed its annual Audit Quality Review and agreed a series of actions with Deloitte to further enhance the audit process.

The Committee's conclusions were based on its own observations and interactions with Deloitte and the guidelines set out in the FRC's Audit Committees and the External Audit: Minimum Standard (the "Minimum Standard").

I am also pleased to confirm that, following a competitive tender process announced in the last year's report, Deloitte has been selected as the Company's auditor for the financial year ending 28 November 2027 onwards (subject to shareholder approval). Details of the tender process and timeline are set out on page 131.

Correspondence with regulatory bodies

In November 2025, the Company received a letter from the Financial Reporting Council ("FRC"), which covered a review of the Company's interim report for the period ended 1 June 2025, in particular how the Company satisfied the relevant reporting requirements in respect of the fair value

measurement of the Group's investment in ORL on initial recognition as an associate, following loss of control. A full and detailed response has been provided, and a further reply from the FRC is currently pending.

Priorities for FY26

In FY26, the business priorities are largely centred on achieving key financial milestones, such as turning cash flow positive. The Committee will challenge and support management, in this context, in further strengthening the internal control and risk management systems, including progression against the timeline to compliance with Provision 29 of the Code. The Committee will continue to place strong

emphasis on the integrity and clarity of the Group's financial and non-financial reporting including careful review of the Company's significant judgements and estimates, as outlined in the table below. Ongoing oversight of the effectiveness and independence of the external auditor, together with the work and resourcing of the internal audit function, will also remain central to the Committee's activities. The Committee will also keep under review relevant regulatory and reporting developments and their implications for the Group.

Rachel Osborne
Committee Chair
26 February 2026

Significant issues, judgements and estimates relating to the Financial Statements

The Committee assists the Board with the effective discharge of its responsibilities for financial reporting, and for ensuring that appropriate accounting policies have been adopted and that management has made appropriate estimates and judgements. The Committee considered the following significant issues during the year, which are largely consistent with the prior year. These areas are referred to in the external auditor's opinion on pages 171-182 and/or further explained in Note 1.4 to the Financial Statements on pages 192-193. As part of these considerations, the Committee received updates from management, assessed whether suitable accounting policies had been adopted and sought assurance from Internal Audit and the external auditor.

Matters considered	Key accounting policies, judgements and key sources of estimation uncertainty	Factors considered by the Committee and outcome	Disclosure in the Consolidated Financial Statements
Consolidation of ORL	The Group holds 50% of the voting rights in ORL and management is required to exercise judgement on whether the rights granted to the Group under the ORL shareholders' agreement give the Group control under IFRS 10. Following the transfer of tie-breaking rights to M&S on 6 April 2025, management exercised judgement to conclude that the Group lost control of ORL under IFRS 10 and that ORL would be reported as a discontinued operation until that date, and subsequently as an investment in associate using the equity method under IAS 28. Significant judgement was also applied to determine the fair value of the retained 50% investment at the date of deconsolidation and the resulting gain on deconsolidation.	Reviewed and discussed management's assessment of control under IFRS 10, including the impact of the transfer of tie-breaking rights to M&S on 6 April 2025, and the resulting conclusion that the Group lost control of ORL on that date. Considered the appropriateness of the proposed presentation and accounting treatment, including the classification of ORL as a discontinued operation up to the date of deconsolidation and the subsequent accounting for the retained interest as an associate under IAS 28. Reviewed and approved management's proposed approach, and conclusions, in determining the fair value of the 50% holding of ORL.	Notes 2.9, 5.1 and 5.2 – pages 209-212 and 254-256
Revenues from contracts with customers – Solutions	The accounting for Solutions contracts is complex. Key areas of management judgement include the timing of recognition of upfront and ongoing fees payable under the relevant contract.	Reviewed the report outlining management's approach in revenue recognition and agreed with management's accounting treatment in line with the Group's accounting policies, reviewing each Solutions customer individually in light of IFRS 15 guidance.	Note 2.1 – pages 195-198

Audit Committee Report continued

Matters considered	Key accounting policies, judgements and key sources of estimation uncertainty	Factors considered by the Committee and outcome	Disclosure in the Consolidated Financial Statements
Capitalisation of internal development costs	The capitalisation of internal costs of product development requires judgement in determining that the costs meet the necessary criteria for capitalisation under IAS 38 and IAS 16.	Management confirmed with the Committee that the approach had evolved in the year and a more thorough review of open projects had taken place in light of the expected future reductions in R&D spend. The Committee took into account the findings of the external auditor, which noted some improved development time tracking during the year. The Committee considered the controls to assess whether certain types of activities or projects meet the capitalisation criteria, focusing on internal controls around R&D spend including periodic reviews of project spend. The Committee asked management to implement a remediation programme to address the deficiencies identified. The Committee agreed with the conclusion that capitalised development costs are fairly stated.	Notes 3.2 and 3.3 – pages 214-218
Adjusting items	Management believes that separate presentation of adjusting items provides useful information in understanding the financial performance of the Group and its businesses. Management exercises judgement in identifying and determining the classification of certain items by considering the nature, occurrence and the materiality of the amounts involved in those transactions.	Reviewed management's periodic reports on items being treated as adjusting items, which remained broadly consistent with those presented in the FY25 Annual Report and Accounts, and agreed with the treatment applied. Endorsed management's conclusion to classify the gain on loss of control of subsidiaries as a new adjusting item.	Note 2.5 – pages 201-204
Impairment assessment – customer-level CGUs	Undertaking the Group's impairment assessment involves management making judgements about whether a cash-generating unit ("CGU") shows signs of impairment and identifying the relevant CGUs for evaluation. Management determined that assets associated with specific Solutions contracts (on a partner-by-partner basis) represent the lowest-level group of assets at which impairment can be assessed. Impairment testing requires management to estimate the recoverable amount of each CGU, using assumptions such as forecast cash flows from approved budgets, long-term growth rates, post-tax discount rates and the growth potential of the CGU. The sensitivity to changes in key assumptions is also considered to determine at what level any headroom is eroded.	Reviewed and challenged management's reports and impairment disclosures in the Notes to the Financial Statements. The Committee, in agreeing with management's approach and conclusions with respect to the customer contract CGUs, reviewed and discussed the key assumptions, in particular with regard to module ramp-up profiles over the relevant contract life. Agreed with management's approach in identifying indicators of impairment for Technology Solutions contract CGUs, as well as the approach, assumptions, conclusions and disclosures with regard to the impairment review and considerations of changes in key assumptions.	Note 3.3 – pages 216-218
Impairment assessment – goodwill	Undertaking the Group's impairment assessment requires management estimating the recoverable amount of the CGUs to which goodwill is allocated, using assumptions such as forecast cash flows from approved budgets, long-term growth rates, post-tax discount rates and the growth potential of the CGU. The sensitivity to changes in key assumptions is also considered to determine at what level any headroom is eroded.	Reviewed and challenged management's reports and impairment disclosures in the Notes to the Financial Statements. Agreed with management's approach assumptions, conclusions and disclosures with regard to the impairment assessment and considerations of changes in key assumptions.	Note 3.1 – pages 212-213
Accounting for refinancing	The accounting for the new debt issuance and partial early redemption of the convertible and senior unsecured bonds.	Reviewed management's report covering the accounting for the refinancing.	Note 4.1 – pages 231-233

How the Committee spent its time during the year

Principal activities

In addition to the significant issues and judgements discussed by the Committee (above), the Committee also considered the following matters during FY25 and following the year end.

Financial Statements and narrative reporting

The Committee focused on the significant reporting matters and judgements arising during the year. As part of this process, the Committee prioritised challenging management's assumptions and appropriateness of accounting policies, and ensuring the accuracy and integrity of the financial outputs.

Key activities of the Committee during FY25:

- Reviewed the Group's Half Year and Full Year Results and assessed whether the Annual Report and Accounts taken as a whole, is fair, balanced and understandable.
- Reviewed the reports submitted by the external auditor concerning the internal controls and accounting matters.
- Evaluated the process for preparing and verifying the Annual Report and Accounts, ensuring it was thorough and robust.
- Dedicated specific time to reviewing key accounting matters, specifically in relation to fair value of investment in ORL, Kroger Letter of Credit and McKesson accounting.

Outcome

The Committee was satisfied with the progress of significant accounting matters, including the judgements and estimates outlined in this Committee Report.

The Committee considered and concluded that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position, performance, business model and strategy. The Committee recommended its approval to the Board and supported the Board in making its Statement on pages 166-169.

Sustainability and non-financial reporting

The Committee actively monitored the regulatory landscape for non-financial reporting, including updates from the International Sustainability Standards Board ("ISSB") and the status of upcoming regulations.

The Committee was briefed on the Group's progress on controls and assurance over sustainability data. This year, the Group obtained independent limited assurance engagement from ERM CVS over an expanded range of sustainability metrics. See pages 275-277 for our Basis of Reporting and pages 278-279 for the full assurance report.

Key activities of the Committee during FY25:

- Reviewed the metrics that we monitor to assess climate risks, and evaluated whether they provide a transparent view of progress.
- Actively monitored IFRS S1 and S2 standards, for additional guidance to future proof reporting.

Outcome

The Committee endorsed the ongoing reporting strategy using the TCFD framework, reinforcing the Group's commitment to transparent and credible disclosures aligned with established global standards.

- Reviewed the management letter provided by ERM CVS after the successful completion of its FY24 sustainability limited assurance engagement, which provided an assessment of data quality and internal controls.
- Evaluated the "assurance readiness" assessment performed on other key metrics, including Scope 3 GHG emissions.

Outcome

The Committee endorsed a multi-year sustainability data strategy. This year, we expanded the the scope of publicly assured metrics. See pages 278-279 for ERM CVS's limited assurance opinion.

Going concern and viability assessments

The Committee and the Board reviewed the Group's Going Concern and Viability Statements (see pages 95-97) and the supporting assessment reports prepared by management. The Going Concern and Viability Statements were modelled on the Group's refreshed five-year plan, as agreed by the Board in December 2025. The report on the Going Concern and Viability Statements included a base case, a downside stress test, a severe downside stress test and potential mitigating actions that could be taken. The Committee challenged management on the scenario analysis, key assumptions and underlying factors. It gave careful consideration to the three-year assessment period for the Viability Statement, factoring in the Group's cash flows, solvency, liquidity and borrowing facilities (see pages 22-47).

Outcome

The Committee concluded that the three-year timeframe remained appropriate and was satisfied that there was a sound basis to provide the going concern and viability confirmations in this Annual Report.

Internal Audit

Internal Audit provides independent and objective assurance, guidance and insights on the Group's governance, risk management and internal controls. Its work is carried out in accordance with the Institute of Internal Auditors' Global Standards and the Internal Audit Charter approved annually by the Audit Committee. Internal Audit supports the Group in achieving its objectives by delivering a risk-based programme of work and by bringing a systematic and disciplined approach to evaluating and improving the effectiveness of the Group's internal control environment, risk management framework and governance processes. The Director of Internal Audit reports functionally to the Committee Chair and administratively to the CFO, attends all Committee meetings and meets periodically with the Committee in private to discuss the Group's control environment in greater depth.

The Committee received regular reports on progress against the FY25 Internal Audit Plan and the key themes arising from completed reviews. Audit work completed during the year included reports on:

- the design and operation of the Annual Incentive Plan;
- the organisational framework for intellectual property protection;
- regulatory governance;
- financial discipline and governance over major business initiatives; and
- fire prevention and mitigation.

These reviews highlighted that while key controls exist, ownership and oversight are not always applied consistently across all areas. Internal Audit identified opportunities to strengthen financial discipline and benefits realisation over major initiatives, embed a more robust framework for intellectual property protection and improve regulatory horizon scanning and compliance monitoring across the Group.

The Committee also focused on specific findings and follow-up updates on management's progress in addressing previously reported work, particularly in relation to expense management, fixed assets and business case governance, cybersecurity regulatory readiness and the use of company credit cards.

This included:

- the fire prevention and mitigation review which recognised the significant investment and operational progress made to date and identified opportunities to further clarify global strategy, define risk tolerances and strengthen accountability and measurement to demonstrate ongoing risk reduction;
- the Network and Information Security Directive ("NIS2") programme, where a gap analysis confirmed that the programme is progressing, while iterating the need to enhance information asset management, third-party access and business continuity; and
- weaknesses in the use of company credit cards, where management is implementing an action plan to reduce card numbers, strengthen policy compliance and tighten overall spend controls.

Management presented action plans in response to the Internal Audit recommendations and the Committee monitored progress throughout the year. Internal Audit reported regularly on the status of open reviews and recommendations, and confirmed that although several actions remain in progress, all recommendations are being actively managed.

Approach to setting the Internal Audit Plan

The Internal Audit Plan for FY25 was developed using a risk-based methodology that incorporated input from the Audit Committee and senior management, and external regulatory and industry insights. Key stakeholders were consulted to align audit activity with business objectives and associated risks, with a focus on critical controls and areas where residual risk exceeds the Board's risk appetite. The Plan took into account the Group's principal risks and the initial assessment of material controls, and provided balanced coverage across financial, operational and technology risks, and business areas.

FY25 Internal Audit quality assessment

In line with the Internal Audit Charter and the Internal Audit Code of Practice, Internal Audit operates a quality assurance and improvement programme, including an annual internal effectiveness assessment and an independent external review every three years. Building on the external quality assessment performed by Ernst & Young in FY24, the Committee considered the results of an FY25 internal effectiveness review, based on feedback from Audit Committee members, management, the external auditor and a self-assessment by the Director of Internal Audit. The Committee discussed the findings in November 2025, without the Director of Internal Audit present, and concluded that Internal Audit remains an effective provider of independent assurance over risk, while

identifying improvement actions to strengthen the use of data analytics, project delivery, and the clarity and structure of reporting. These actions will be taken forward into FY26 and monitored by the Committee.

Outcome: Following discussion, the Committee concluded the Internal Audit function was an effective provider of assurance over risk. The Audit Committee Chair and the CFO addressed key actions with the Director of Internal Audit to take forward into FY26.

Key activities of the Committee during FY25:

- Reviewed the FY25 Internal Audit Plan.
- Monitored progress of audit work, including updates on general IT controls, NIS2 risk gap analysis, regulatory governance, and the procurement transformation programme.
- Monitored progress on addressing priority actions resulting from the Internal Audit effectiveness review.
- Met with the Director of Internal Audit privately and engaged with key management to discuss specific audit findings, including in relation to financial discipline and investment governance, fire prevention and mitigation, gaps in the broader organisational framework for intellectual property protection and weaknesses in controls for capitalising development costs.
- Evaluated Internal Audit's post-audit feedback, status of management actions and reporting methodologies.

Outcome

The Committee approved the FY25 Internal Audit Plan, ensuring alignment with principal risks and strategic priorities. The Committee requested more information in relation to specific Internal Audit reports and discussed outcomes with management.

The Committee was satisfied that management had addressed, or was actively addressing, outstanding concerns raised by Internal Audit.

Risk management and internal controls

The Committee, under its delegated responsibility from the Board, assessed the effectiveness of the Group's systems of risk management and internal control. It received regular updates on key areas, including financial controls, controls related to the principal risks, fraud risk, cybersecurity, general IT controls and the compliance framework and controls. The Committee oversaw delivery of the plan to strengthen the risk and internal control framework in readiness for the new internal controls disclosures.

Key activities of the Committee during FY25:

- Received updates on core emerging regulations and the evolving risk landscape, including tariffs, non-financial reporting and sector-specific digital and data requirements, and ensured that priorities, ownership and delivery plans were clearly defined and agreed.
- Received regular updates on the timeline to compliance with Provision 29 of the Code, including control assurance and effectiveness summaries, and oversaw the programme to strengthen documentation, testing and reporting to support the Board's future declaration.
- Reviewed and approved the updated Fraud Control Plan and wider fraud prevention compliance framework updates, developed in light of the new "failure to prevent fraud" offence introduced under the ECCTA. It received assurance mapping against ECCTA guidance and monitored progress on completed and outstanding actions.
- Carried out a robust assessment of the Group's principal and emerging risks, including those that could threaten its future performance, business model, solvency or liquidity, and reviewed the Group's approach to risk monitoring.
- Discussed the Cybersecurity & data risk appetite, exploring risk appetite levels across multiple cyber domains. This remains an area of continued discussion.
- In relation to financial risks, reviewed reports from management on the financial control environment, specifically noting progress on remediating deficiencies raised in the FY24 external audit management letter. The Committee discussed the results of the FY25 testing programme and the implementation of new processes to strengthen the control environment, such as standardised action planning. The approach was enhanced to support a controls-based audit, with a risk-based plan defined for the year ahead to include material controls testing in preparation for the Code.
- Reviewed management's approach to identifying and managing risks, discussed with management its programme of work to strengthen the maturity of the Group's risk management and internal control framework, and recommended enhancements.

Outcome

The Committee reviewed and approved the Group's principal risks and monitored progress on improvement initiatives, including enhanced internal control frameworks, procurement processes and IT general controls, and oversaw the implementation of a rationalised and streamlined key controls universe and financial controls testing methodology.

The Committee approved the updated Fraud Control Plan and associated framework updates, addressing the "failure to prevent fraud" offence under ECCTA.

The Committee approved the risk review process and recommended approval of the Principal Risks Statement to the Board.

Effectiveness of the risk and internal controls systems

In considering the effectiveness of the Group's risk management and internal control systems, the Committee reviewed a range of management and Internal Audit reports, together with other assurance and monitoring activities. The Committee challenged management on identified control deficiencies, particularly those that were thematic and where additional maturity was required. The Risk team provided an update that informed the Committee's annual assessment.

Outcome

The Committee concluded that, overall, the Group's systems of risk management and internal control operated effectively during the year.

Preparations are well underway to ensure compliance with the requirements of Provision 29 of the Code, which applies to financial years beginning on or after 1 January 2026, with Ocado requiring this to be in place for the year ending 28 November 2027.

Our approach

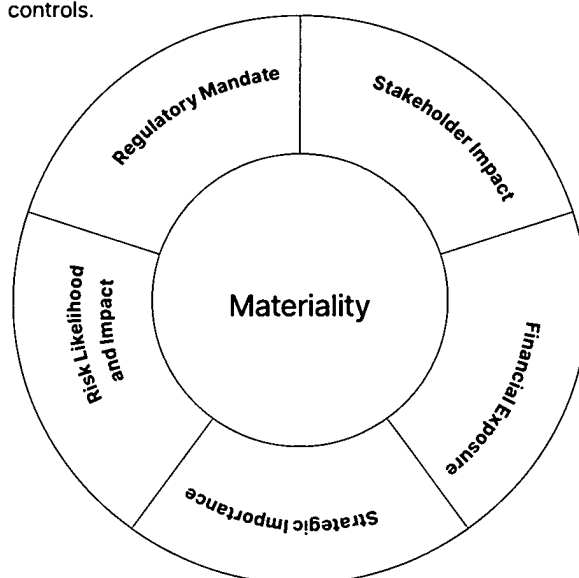
During FY25, significant progress has been made in preparing for compliance with Provision 29. The Committee and the Risk Committee have received regular updates on the timeline to compliance, reviewed an initial assessment of material controls and assurance map (an overview of where material control assurance will be sourced from) and discussed how to strengthen the current control environment and the associated resource requirements. In FY26, the Committees will continue to review the assurance activities ahead of a "dry run" later in the year.

Governance frameworks continue to be refined, and existing governance and committees will be refreshed to ensure they are reviewing material controls and strengthening any gaps, to make sure that the Board has the requisite level of confidence in time to make its annual declaration on the effectiveness of the material controls.

Identifying our material controls

Materiality has been informed by FRC guidance and the Company's principal risks and risk appetite (see pages 84-94 for further information on our risk appetite framework and governance process). The defined material controls are linked to the principal risks and additionally cover financial, IT general controls and non-financial reporting.

A number of controls were already monitored by the Audit Committee (financial and IT general controls) and, during the year, the Committee received updates on the progress made by management to remediate and improve the controls.



Assurance

Current assurance activities across first, second, third and fourth lines (see page 84) have been mapped against the material controls. An assessment of the strength of current assurance activities and any potential gaps is ongoing and will continue into FY26.

Key milestones to compliance

Date	Milestone	Progress
Jan 2024	FRC published the Code and supporting guidance.	Completed
FY25	Materials Controls Working Group created, principal risks reviewed and confirmed they remain appropriate, materiality definition agreed, material controls defined and initial assurance proposal reviewed by Risk Committee and Audit Committee.	Completed
Jan and Feb 2026	Effectiveness assessment of material controls undertaken as part of the year-end principal risk review and reported to the Risk and Audit Committees.	Completed
H1 2026	Governance Committees Terms of Reference and governance to be refreshed to ensure governance of principal risks and material controls is appropriate.	In progress
FY26	Control owners continue to monitor controls and control evidence. Risk and Audit Committees review the outcome of the 'dry run' and draft Board declaration.	Not started
FY27	Perform and monitor Code assurance activities, and work to close any control gaps. Embed controls reviews into business as usual.	Not started
Feb 2028	Annual Report & Accounts for FY27 to include the Board's declaration on the effectiveness of the Company's material controls.	Not started

Governance and compliance

Regular reports were received on governance, regulatory horizon scanning, compliance, including updates on data governance, global data privacy and our compliance framework, including whistleblowing, alongside an annual fraud update.

Key activities of the Committee during FY25:

- Ensured that the Committee Report describes how the Committee has met the requirements of the Minimum Standard throughout the year.
- Received a detailed report on the preparation, process and validation of the Annual Report and Accounts.

Outcome: The Committee was satisfied that the Annual Report and Accounts met the requirements of the Minimum Standard and that appropriate procedures were in place to support accurate and compliant reporting.

Tax and treasury matters

Management updated the Committee on tax and treasury matters, including on refinancing activities and liquidity and cash management. The Committee reviewed the Treasury Policy and the Group's Tax Strategy Statement, ensuring these align with regulatory requirements and the Group's strategic objectives. Additionally, the Committee reviewed treasury controls and key tax risks to ensure robust governance and risk management processes are in place, noting enhanced control measures such as centralisation of banking operations by integrating all bank accounts into the Group's treasury management system.

Outcome: The Committee recommended the Treasury Policy for approval to the Board and approved the Group's Tax Strategy Statement for publication on our website, reinforcing the Group's commitment to transparency and compliance.

External audit

The Committee has primary responsibility for overseeing the relationship with the external auditor, including assessing its performance, effectiveness and independence, recommending to the Board its re-appointment or removal, and agreeing terms of engagement. The Committee has continued to focus on the oversight of the quality of the external audit, including the advancement of audit technology to deliver on the external auditor's FY25 audit strategy. At each meeting, the Committee considered reports from the external auditor. The main interactions with Deloitte focused on the external audit strategy and plan, the audit and publication of the Group's interim and year-end reports, and the external auditor's approach to key areas of judgement.

Tender and appointment

Deloitte was appointed as the external auditor to the Company in 2016 for the financial year ended 3 December 2017 and has been re-appointed by shareholders each year since. David

Griffin is the current Lead Audit Partner. He has been in this role since 2021 and is required to rotate after five years. In February 2025, Olwen Shannon was appointed as a second Audit Partner to strengthen the external audit team. In line with regulatory requirements, the Company is required to conduct a competitive audit tender at least every 10 years (by 2027) and to rotate its audit firm every 20 years. A competitive tender process was undertaken during the year, and further details on the outcome of the process are provided opposite.

Effectiveness, quality and performance

The Committee regularly monitors the ongoing effectiveness and quality of the audit process and interactions with the audit partner and senior members of the Audit team through regular meetings with the Finance team and management, and private meetings with the Committee. A full effectiveness review is conducted on an annual basis to assess whether the quality, challenge and output of the audit process continues to be robust and sufficient. The Committee Chair meets with the external auditor prior to every Committee meeting and the Committee meets with the external auditor at various stages throughout the period to discuss the remit and issues arising from its work.

FY25 external audit effectiveness review

In assessing the effectiveness of the external auditor, the Committee considered the following:

- the robustness and project management of the audit process for delivery of an effective and efficient audit;
- the quality of reporting and the level of challenge and professional scepticism applied, including the extent to which Deloitte appropriately challenged management's key judgements and assumptions;
- Deloitte's independence and objectivity and compliance with the Policy on the Appointment and Independence of the External Auditor (the "Policy");
- Deloitte's report confirming that it adhered to its policies on independence and compliance with the FRC Revised Ethical Standard and a report containing findings from a review of the FRC's 2024/25 Audit Quality Inspection and Supervision Report related to Deloitte;
- its tenure and partner rotation; and
- output from sessions held with management and without Deloitte present.

The Committee also reviewed the FY25 audit plan, including the degree to which it was tailored to the Group's business, and monitored delivery against the agreed plan. The Committee was content that the plan was sufficient to support a robust and quality audit of the year-end Financial Statements. In addition, at the conclusion of last year's annual audit process, feedback was gathered on Deloitte's performance over the year-end audit. As part of the review, a formal questionnaire was circulated to the Committee and Board members and key senior management. The detailed findings of the effectiveness review were presented in April 2025 and actions and areas for improvement were discussed, including strengthening audit project management and communication, and leveraging the Internal Audit function more effectively. Similarly to the approach taken last year, a formal review of the effectiveness of the FY25 audit will take place following the publication of this Annual Report.

Outcome

The Committee discussed, without the external auditor present, Deloitte's effectiveness in February 2026, and the Committee concluded, based on its overall review and the evidence presented, that Deloitte had performed its audit effectively, efficiently and to a high quality.

Independence and objectivity

The independence of the external auditor is essential to the provision of an objective opinion on the true and fair view presented in the Financial Statements. To maintain the external auditor's objectivity and independence, the Company has a policy governing Deloitte's provision of non-audit services, which forms part of the Policy. It outlines the types of services that are allowed and those explicitly prohibited, to ensure the external auditor is not providing any additional services which could impede its independence. Further, the Committee monitors and assesses the safeguards in place, including an annual review by the Internal Audit team to assess independence. The Committee received confirmation from Deloitte that, during the year, it remained independent and objective within the context of applicable professional standards.

FRC Audit Quality Review

During the year the Committee also reviewed correspondence from the FRC's Audit Quality Review ("AQR") team, who reviewed Deloitte's audit of the Group's 2023 Financial Statements as part of its annual inspection of audit firms. The Committee received and reviewed the final report from the AQR team which identified no key findings or other findings, and noted several areas of good practice.

Outcome

The Committee agreed that there were no relationships between the external auditor and the Group during the year that could adversely affect its independence and objectivity. When considering its independence, the Committee agreed this recommendation was free from third-party influence and restrictive contractual clauses.

The Committee was satisfied with the outcome of the FRC Audit Quality Review of the external auditor's work relating to the audit of the Company's 2024 Annual Report.

Re-appointment of the external auditor

The Committee is satisfied that the external auditor remains fully independent, objective and effective, and that there are no contractual restrictions on the Company's choice of external auditor. Separate resolutions proposing Deloitte's re-appointment and the determination of its remuneration by the Audit Committee will be put to shareholders at the 2026 AGM.

External audit tender

In April 2025, as indicated in last year's annual report, the Audit Committee initiated a competitive tender for the external audit, for the engagement commencing with the financial year ending 28 November 2027. The process was overseen by the Committee, with all members involved, and supported by an evaluation panel of key decision-makers led by the Committee Chair and the CFO. The tender followed a structured and transparent approach consistent with UK statutory requirements and in line with the requirements of the Minimum Standard.

Assessment criteria

To ensure a fair and transparent tender, the Committee's evaluation focused on appointing a firm that would provide the most effective, efficient, and highest-quality audit. The selection was based on the assessment of the participating firms' independence, audit quality and approach, understanding of the Group's business, sector and complexity, technical expertise and use of emerging technologies. Cost-effectiveness was considered alongside audit quality, with audit quality remaining the primary consideration. As part of due diligence, the Committee also reviewed the FRC's public reports on UK audit firms.

Tender process

April - July 2025: Longlist formulation

Invitations to tender were issued in April 2025 to six firms, including Big Four and challenger firms. Five firms participated in initial meetings with Committee members and management.

July 2025: Shortlisting process

Two firms, including the incumbent auditor Deloitte, were shortlisted to proceed to the full Request for Proposal (the "RFP") stage. Deloitte's participation was permitted as its tenure remains within the mandatory rotation period, and the Committee was satisfied that the process was fair and transparent.

August - September 2025: Final shortlist confirmation

The RFP was issued in August 2025, and the two shortlisted firms were given access to a secure data room containing further information about the Group. They met with senior stakeholders to gain a clear understanding of the business and its audit requirements, and also provided demonstrations of their technology capabilities.

October - November 2025: Selection stage

The evaluation panel assessed final written proposals and presentations using a detailed scorecard, taking into account RFP responses, presentation quality and interactions with management. The Committee received regular updates throughout the process.

Recommendation

After detailed consideration of the results of the tender, the Committee concluded at its November 2025 meeting to recommend Deloitte for appointment as the Group's external auditor from the financial year ending 28 November 2027 onwards. On 17 November 2025, it was announced that the Board had approved the appointment of Deloitte as statutory auditor, subject to shareholder approval at the 2027 annual general meeting. Following the Board's decision, feedback was provided to all participating firms.

Statement of Compliance with the Competition and Markets Authority Order

The Company confirms that it has complied with the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 (Article 7.1), including with respect to the Audit Committee's responsibilities for agreeing the audit scope and fees, and authorising non-audit services.

Non-audit services

The provision of any non-audit services by the external auditor requires prior approval, as set out in the table and in line with the Policy as described on page 130. Any non-audit services below £30,000 require approval by the CFO. The Group imposes a 70% cap on non-audit fees paid to its external auditor, based on average audit fees paid in the previous three consecutive financial years.

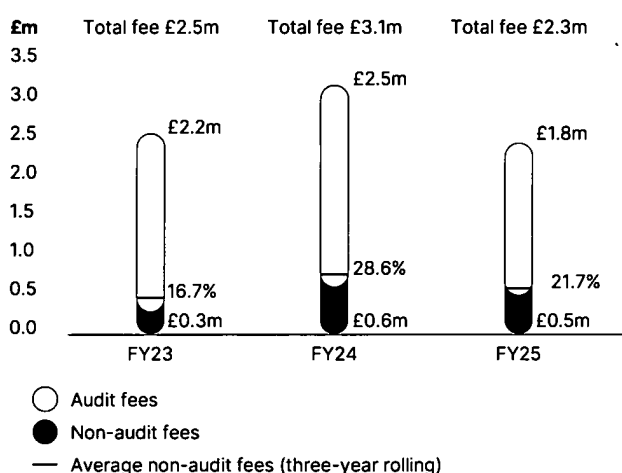
The Committee monitors compliance with the Policy throughout the year by receiving periodic reports detailing all approved non-audit services. Approvals in the year related to the interim audit review; specified audit procedures over the financial information of ORL for the FY25 audit of M&S; and refinancing project reporting accountant procedures (comfort letters).

Approval thresholds for non-audit work	Approver
Below £30,000 per engagement	CFO
Over £30,000 and up to £100,000 per engagement	CFO and Audit Committee Chair
Greater than £100,000 per engagement, or if the value of non-audit fees to audit fees reaches a ratio of 1:2 as a result of a new engagement, regardless of value	Audit Committee

External auditor fees

Fees paid to Deloitte are set out in Note 2.3 to the consolidated financial statements on page 200.

Total audit fees (including non-audit fees for assurance services)



Directors' Remuneration Report

Julie Southern Chair

Committee membership and meeting attendance during FY25

Committee members	Number of meetings attended vs number of meetings
Julie Southern (Chair)	4/4
Andrew Harrison	4/4
Emma Lloyd*	4/4
Julia M. Brown	4/4
Gavin Patterson	4/4

Committee changes in the year*

Emma Lloyd stepped down from the Committee with effect from 14 November 2025.

Key responsibilities

- Setting the Remuneration Policy.
- Reviewing workforce remuneration and related policies.
- Considering the alignment of incentives and rewards with the culture of the Company, and pay and employment conditions across Ocado.
- Approving the design of, and determining targets for, any performance-related pay schemes for Executive Directors.
- Approving payouts under performance-related schemes.
- Ensuring that arrangements on retirement of directors are within the terms of the Remuneration Policy.

➔ Biographies of the Directors are set out on pages 102-105

➔ Terms of Reference: www.ocadogroup.com/investors/corporate-governance

Letter from the Chair of the Remuneration Committee

Dear Shareholder

I am pleased to present the Directors' Remuneration Report for the year ended 30 November 2025 (the "Report") on behalf of the Remuneration Committee (the "Committee"). The company's Directors' Remuneration Policy (the "Policy") was approved at the 2024 Annual General Meeting ("AGM"). The Directors' Remuneration Report describes how the Policy was implemented for the year ended 30 November 2025. This Report will be put to an advisory shareholder vote at the AGM on 28 April 2026. I look forward to your continued support at the upcoming AGM.

Areas of focus and activities in FY25

Relationship between pay and performance in FY25

As set out previously, we are fully committed to turning cash flow positive during FY26, and so our targets were set with this vision in mind. Group underlying cash outflow, including the £113m drawdown on the Kroger Letter of Credit, was £(99)m, driven by £66m improvement in adjusted EBITDA and capital expenditure reductions, and we are on track to turn cash flow positive during FY26.

Furthermore, during the period, we continued to grow and expand our offering while maintaining our commitment to helping our partners drive efficiency, improving cash flow and expanding the reach of our technology. We have also exceeded our targets related to OSP Direct operating costs as a % of client sales capacity. Our substantial operational and strategic progress was reflected in solid financial performance. You can read more about how our performance was reflected in our incentive outcomes below and in the "Remuneration At a Glance" section on page 134.

FY25 Annual Incentive Plan ("AIP")

This year has seen strong financial performance, exceeding our EBITDA target, which accounts for 20% of our AIP weighting, as well as exceeding our maximum target for direct operating costs % capacity, both of which play a significant role in our strategic aim to turning cash flow positive in FY26. At the same time, despite steady performance, we fell short of our ambitious goals on a number of our other metrics, resulting in an overall payout of 54% and 64% of maximum respectively for our CEO and CFO.

When assessing performance outcomes against the AIP metrics, the Committee carefully assessed the extent to which the measures reflect the underlying performance of the business. The Committee discussed both the Kroger Letter of Credit and the FY25 termination fees and have elected to follow the proper accounting treatment. For more information

see page 25. We believe that the overall AIP outcomes are a fair reflection of performance in the year, and no discretion was applied. Further details of the FY25 AIP outcome for the CEO can be found on page 145.

2025 Performance Share Plan ("PSP") grant

In 2025, the Committee made grants of PSP awards under the Policy equivalent to 400% of salary and 350% of salary to the CEO and CFO respectively. The base award is based 100% on financial metrics, with improvement in adjusted earnings per share ("EPS") and underlying cash flow pre-growth capital expenditure weighted equally, and an overall relative Total Shareholder Return ("TSR") multiplier of up to 1.5x the base award for between upper quartile and upper decile performance, against the FTSE 100 (excluding investment trusts). No PSP award vested during the year, with the first awards, made in 2024, based on performance to the end of FY26.

FY25 base salaries

Salary levels for the CEO and CFO were maintained at their FY24 levels of £824,570 and £614,517 respectively during FY25. Wider workforce pay in the year increased by 4.4% on average.

Implementation in FY26

Details of the application of the Policy for the Executive Directors in FY26 are outlined in the "Remuneration at a glance" section opposite.

Remuneration principles

The Committee considers a number of factors relating to the wider workforce, including policies and practices throughout the Company, feedback from the Designated Non-Executive Director on workforce remuneration and our all-employment employee remuneration report. Further information about our approach to wider workforce remuneration can be found on page 136.

Changes to the Committee during the year

Emma Lloyd retired from her Non-Executive Director role on 14 November 2025, and I would like to thank her for her contributions to this Committee.

I hope you find our Report to be a comprehensive account of the Committee's activities and decisions we have made over the year. I shall be available at the upcoming AGM to answer any questions about the work of the Committee, and thank you again for your continued support of Ocado.

Julie Southern
Committee Chair
26 February 2026

Remuneration at a glance

Key financial highlights in FY25

£178m

Adjusted EBITDA[®] (FY24: £111.7m)

£(213.1)m

Underlying cash flow[®] (FY24: £(199.0)m)

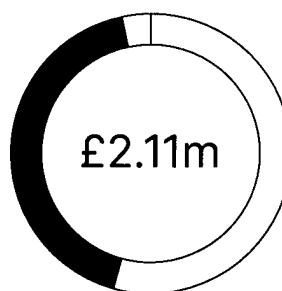
£1,361.5m

Revenue[®] (FY24: £1,214.5m)

Total remuneration in FY25

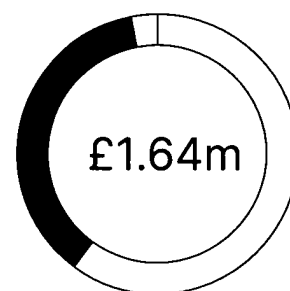
● AIP ● Base salary ● Pension

Tim Steiner CEO



Fixed pay 42% Variable pay 58%

Stephen Daintith CFO



Fixed pay 40% Variable pay 60%

Our “Remuneration at a glance” section highlights the performance and remuneration outcomes for our Executive Directors for the year ended 30 November 2025. Further detail is provided in the Statement of Implementation of Remuneration Policy in 2024/25.

FY25 AIP outcome (CEO): 54% of maximum

	Threshold (0%)	Maximum (100%)	Achievement	Payout (% of base salary)
Group EBITDA	£170m	£243m	£259m	20%
Improvement in Underlying Cash Flow, including Kroger letter of credit	£25m	£89m	£148m	15%
OSP director operating costs as a % of client sales capacity	(1.59)%	(1.42)%	(1.33)%	15%
Solutions annualised recurring fee growth secured	£19m	£38m	£13m	-
Improvement in international site utilisation growth	+6.0ppts	+18.9ppts	+5.1ppts	-
OIA: Total contract value signed	\$100m	\$192m	\$29m	-
Improve the employee experience for all (eNPS)	20	26	9	-
Reduction in CO₂ emissions per van drop	See page 145			4%
Total payout (as a % of maximum)	54%			

Application of the Policy for FY26

	2026	2027	2028	2029	2030	2031
Base salary	<					

Wider Workforce Remuneration

When making decisions on executive remuneration, the Committee considers a number of factors relating to the wider workforce, including policies and practices throughout the Company, as well as feedback from the DNED on workforce remuneration and our all-employment employee remuneration report.

Share Plans

All employees
Free Shares

12% enrolled
Sharesave (UK)

25% enrolled
Ocado stock purchase plan

13% enrolled
Buy as you earn (UK)

Pay

3%
Average monthly paid increases

4.1 - 5.0%
Range of hourly paid increases

Approach

We believe that the value of the Total Reward package is more important than focusing solely on base pay. This is a key element of our philosophy and is echoed in employee sentiment towards reward and benefits.

Flexibility

For hourly paid employees, we offer a variety of shift patterns, including evening and weekends. Alongside being able to request changes to work hours and location, Tech Solutions employees also benefit from our Work From Anywhere policy.

Wellbeing

We offer a variety of high quality wellbeing services via Help@hand, including unlimited mental health support, online GP appointments, Employee Assistance Programme, legal and financial support and wellbeing and nutrition coaching.

Equal Opportunities

Ocado Group believe a diverse and inclusive workforce is a key factor in being a successful business. Our Equal Opportunities Policy is dedicated to creating an environment for our employees that is free from discrimination, harassment and victimisation, which reflects our commitment to create a diverse workforce, environment and pay strategy that support all individuals irrespective of their gender, age, race, disability, sexual orientation or religion.

Recognition

Excellence award	Share award to recognise exceptional results and high performance
All Stars	Platform for Logistics employees to celebrate colleagues doing great things
Tenure Award	Celebration of key anniversaries at 1, 3, 5, 10, 15, 20 & 25 years' service
Peer Award	Peer recognition plan to thank those who embody our values and behaviours

Cascade of remuneration throughout the company

Base Salary	Below board level, base pay is reflective of the seniority of the role, skills, competence and contribution
Benefits	All UK employees are eligible to participate in the Company's all-employee share schemes, pension scheme and life assurance arrangements
Pension	In line with the UK Corporate Governance code, pension contributions for Executive Directors are fully aligned with the level currently offered to all employees
Annual Bonus	The Group operates some bonus and long-term incentive arrangements for certain levels of senior management

Description of the Remuneration Committee

This section of the Directors' Remuneration Report, along with page 133, describes the membership of the Committee, its advisors and principal activities during the period. It forms part of the Annual Report on Remuneration section of the Report.

Attendees at Committee meetings during the year included the Chair of the Board, the CEO, the CFO, the Group General Counsel and Company Secretary, the Chief People Officer, the VP of Total Reward and the external advisor to the Committee. The Chair of the Board, Executive Directors and other attendees are not involved in any decisions of the Committee and are not present at any discussions regarding their own remuneration. The Director of Corporate Governance is Secretary to the Committee.

Areas of focus and activities in 2025

The Committee has, under its Terms of Reference, been delegated responsibility for setting remuneration for the Executive Directors, the Chair of the Board, the Group General Counsel and Company Secretary, and senior management. In line with its Terms of Reference, the Committee's work during the period is set out below.

Key agenda items

- Approved the Directors' Remuneration Report for FY24.
- Approved the Group's Gender Pay Gap Report for FY24.
- Reviewed a report from the CEO and the Chair of the Board on performance and remuneration of the Executive Directors.
- Reviewed Executive Director and Chair of the Board remuneration in the year and determined that no change would be made.
- Reviewed performance under the FY24 AIP and consideration of any bonuses payable.
- Reviewed performance against the FY24 PSP.
- Reviewed progress against performance measures for the FY25 PSP.
- Approved the FY26 PSP performance measures.
- Approved the FY25 AIP performance targets and reviewed the design and measures for the FY26 AIP.

- Reviewed the comparator group used for benchmarking pay.
- Received regular reports on Group-wide remuneration for FY25 and reports from the DNED on workforce remuneration arrangements and issues.
- Received a report on the Group's share schemes for FY26.
- Approved incentive payments and salary changes for senior management.
- Reviewed and approved various senior management arrangements on joining and leaving the Company.
- Received reports and advice from advisors on a range of matters including senior management pay, market themes and trends, and new governance requirements.
- Reviewed the performance of advisors.
- Oversaw the tender process for the Committee advisor and approved the re-appointment of PwC.
- Reviewed Committee composition, Terms of Reference and performance of the Committee.

The Executive Directors and the Chair of the Board reviewed the remuneration arrangements of the Non-Executive Directors.

Annual Report on Remuneration – Implementation of Policy for 2025 and proposed implementation for 2026

Link to purpose and strategy

Details of how the Policy links to the Company's strategy and purpose can be found in the Remuneration Policy on our website, www.ocadogroup.com, and on page 191 of the FY23 Annual Report. The Committee considers that the principles under which the Policy were developed continue to be appropriate.

Summary of Policy table for Executive Directors and implementation

The following tables provide a summary of the key elements of the Policy for Executive Directors approved by shareholders at our 2024 AGM on 29 April 2024. In addition, we have set out how the Policy was operated in FY25 and how it is intended to be operated in FY26. Details of how the Policy was designed and developed and the full Policy can be found on our website, www.ocadogroup.com, and on pages 191 to 201 of the FY23 Annual Report.

Base salary

Purpose and link to strategy: Minimum level of pay to attract and retain the right calibre of senior executives required to support the long-term interests of the business. We continue to aim to position salaries towards the lower quartile of the market.

Key features of current Policy	Operation in the year ended 30 November 2025	Proposed implementation of Policy in the year ending 29 November 2026
Paid monthly in cash.	The Executive Directors did not receive an increase to their base salaries in FY25.	Executive pay increases from 1 April 2026 have not yet been determined and will be disclosed in next year's report.
Reviewed annually or when there is a change in position or responsibility.	As at 1 April 2025:	
No prescribed maximum; however, usually maximum salary increases will be within the percentage range applied to the UK-based monthly paid employees of the Company in that year.	- Tim Steiner (CEO): £824,570; and - Stephen Daintith (CFO): £614,517.	
Larger increases may be awarded in exceptional circumstances, for example, if the role has increased significantly in scope or complexity or to bring a recently appointed executive in line with the market and the other executives in the Company where their salary at appointment has been positioned below the market.		

Benefits

Purpose and link to strategy: To attract and retain the right calibre of senior executives required to support the long-term interests of the business.

Key features of current Policy	Operation in the year ended 30 November 2025	Proposed implementation of Policy in the year ending 29 November 2026
Benefits provided are aligned with those provided to all employees under our flexible benefits policy.	Includes private medical insurance, travel insurance and other discounts.	No planned change.
Benefits are set at a level which is considered to be appropriate against market data for comparable roles for companies of equivalent size and complexity in similar sectors and geographical locations to the Company.	Any business travel costs will be paid by the Company. Additional benefits or payments in lieu of benefits may also be provided in certain circumstances, if required for business needs. The Company provides Directors' and Officers' liability insurance and may provide an indemnity to the fullest extent permitted by the Companies Act 2006.	

Pension

Purpose and link to strategy: To attract and retain the right calibre of senior executives required to support the long-term interests of the business.

Key features of current Policy	Operation in the year ended 30 November 2025	Proposed implementation of Policy in the year ending 29 November 2026
Executive Directors can choose to participate in the defined contribution Group personal pension scheme or an occupational money purchase scheme.	In order to ensure continued alignment between Executive Director and wider workforce pension contributions, the contribution rate for UK-based Executive Directors is 7% of salary, in line with the workforce.	No planned change.
Where lifetime or pension allowances have been met, the balance of employer contributions may be paid as a cash allowance or into a personal pension arrangement.	For any Executive Directors outside the UK, provision for an executive pension will be set taking into account local market rates.	

Annual Incentive Plan ("AIP")

Purpose and link to strategy: To provide a direct link between measurable and predictable annual Company and/or role-specific performance and reward.

Key features of current Policy	Operation in the year ended 30 November 2025	Proposed implementation of Policy in the year ending 29 November 2026
- FY24 and FY25: Maximum opportunity of 275% of salary - FY26: Maximum opportunity of 200% of salary. Up to 50% of any bonus will be paid in cash and at least 50% will be deferred into shares. Main terms of deferred shares: - minimum deferral period of three years from the date of grant; and - continued employment to the end of the deferral period (unless a "good leaver"). Dividend equivalents may be awarded on deferred shares to the extent that they vest until the end of any relevant post-vesting holding period.	Maximum potential for FY25 (as % of salary): - CEO: 275%; and - CFO: 250%. The AIP was measured against the Corporate Scorecard, which was measured against the following strategic pillars: - Financial outcomes and commercial drivers (90%); and - ESG (10%). The measures were individually weighted for each Executive Director.	Maximum potential for FY26 (as % of salary): - CEO: 200%; and - CFO: 175%. The Corporate Scorecard will be measured against the following strategic pillars: - Financial outcomes and commercial drivers (90%); and - ESG (10%). The measures are individually weighted for each Executive Director.

Performance Share Plan ("PSP")

Purpose and link to strategy: To attract, retain and incentivise senior executives to deliver the Company's business strategy and sustainable value for shareholders.

Key features of current Policy	Operation in the year ended 30 November 2025	Proposed implementation of Policy in the year ending 29 November 2026
The Committee may make an annual award of shares to each Executive Director. PSP awards will typically have a vesting period of three years followed by a holding period of two years. During the holding period, vested awards cannot be sold except for tax purposes on exercise. The Committee may award dividend equivalents on deferred shares to Executive Directors to the extent that they vest. The PSP awards will consist of a "base" award, with a relative TSR multiplier on the vesting outcome of the base award. The maximum base award level for Executive Directors is 400% of base salary. A relative TSR multiplier will operate such that the maximum opportunity is 1.5x the base award, i.e. 600% of base salary. 25% of the base award will vest for threshold performance, increasing to 100% of the base award for maximum performance. Performance measures and targets will be aligned to strategy and set on grant, with at least 70% of the base award linked to stretching financial metrics.	The maximum opportunity for each Executive Director, as a percentage of base salary, is as follows: • CEO: 400% base award (600% with relative TSR multiplier); and • CFO: 350% base award (525% with relative TSR multiplier). For the FY25 grant, the base award is based 100% on financial metrics, with adjusted EPS and underlying cash flow[®] pre-growth capital expenditure weighted equally. The relative TSR multiplier is assessed based on Ocado's relative TSR against the FTSE 100 (excluding investment trusts) as follows: • up to and including upper quartile performance = 1x base award outcome; • upper decile performance or above = 1.5x base award outcome; and • straight-line vesting in between these two points.	The maximum opportunity for each Executive Director, as a percentage of base salary, is as follows: • CEO: 400% base award (600% with relative TSR multiplier); and • CFO: 350% base award (525% with relative TSR multiplier). For the FY26 grant, the base award will be based 100% on financial metrics, with adjusted EPS and underlying cash flow[®] pre-growth capital expenditure weighted equally. The targets will be disclosed in next year's report as they are commercially sensitive. The Committee will take into account any windfall gains upon vesting and determining final outcome. The relative TSR multiplier will be assessed based on Ocado's relative TSR against the FTSE 100 (excluding investment trusts) as follows: • up to and including upper quartile performance = 1x base award outcome; • upper decile performance or above = 1.5x base award outcome; and • straight-line vesting in between these two points.

Shareholding requirements

Purpose and link to strategy: To align Executive Directors and shareholders.

Key features of current Policy	Operation in the year ended 30 November 2025	Proposed implementation of Policy in the year ending 29 November 2026
Shareholding requirement for Executive Directors:	See page 149 for Director shareholdings.	No planned change.
• CEO: 400% of salary; and • CFO: 300% of salary.		
Post-cessation shareholding requirement of 100% of pre-cessation shareholding requirement for two years from leaving the Company.		
To enforce the post-cessation requirement, any departing Executive Director to whom this applies will sign a certificate of compliance agreeing to retain the required number of shares for two years from leaving the Company. The required number of shares will be fixed based on the share price at the date of cessation.		

Other remuneration

During the period, the Executive Directors continued their participation in the all-employee Sharesave and Share Incentive Plan ("SIP") Schemes. It is expected that, in 2026, the Executive Directors will carry on their participation in the schemes.

Malus and Clawback

The AIP and PSP scheme rules contain malus and/or clawback provisions that allow the Remuneration Committee to reduce or retrieve a payment or an award.

Under malus, AIP payments, unvested AIP deferred shares or unvested PSP awards can be reduced (including down to zero) or be made subject to additional conditions. Clawback allows for the repayment of a cash award under the AIP for a period of three years; deferred share awards under the AIP for a period of two years after the vesting date; and PSP awards for a period of two years after the vesting date. The clawback periods are considered appropriate by the Committee due to their alignment with the AIP deferral periods and PSP holding period. No such provisions were used in FY25.

The Remuneration Committee may apply malus/clawback when there are exceptional circumstances such as:

- a material mis-statement in the published results of the Group or one of its members;
- an error in assessing any applicable performance condition or target and/or the number of shares subject to an award;
- the assessment of any applicable performance condition or target and/or the number of shares subject to an award being based on inaccurate or misleading information;
- misconduct on the part of the Executive Director concerned;
- where, as a result of an appropriate review of accountability, the Remuneration Committee determines that the Executive Director has caused wholly or in part a material loss for the Group as a result of (i) reckless, negligent or wilful actions or omissions or (ii) inappropriate values or behaviour;

- the Company or entities representing a material proportion of the Group become insolvent or otherwise suffer a corporate failure; and
- a Group member being censured by a regulatory body or suffering, in the Remuneration Committee's opinion, a significant detrimental impact on its reputation.

Chair of the Board and Non-Executive Fees

The Chair and Non-Executive Director fees were held at the FY24 level for FY25. No decisions have yet been made regarding Non-Executive Director and Chair fees for FY26; however, any changes will be disclosed in next year's report.

Other remuneration for the Non-Executive Directors (Audited)

In addition to their fees, the Non-Executive Directors are entitled to a staff shopping discount consistent with the Group's employees.

The Company has obtained a written confirmation from each Non-Executive Director that they have not received any other items in the nature of remuneration from the Group, other than those already referred to in this Report.

Annual Report on Remuneration – FY25

This part of the Directors' Remuneration Report sets out the Directors' remuneration paid in respect of FY25. It details the payments to Directors and the link between Company performance and remuneration of the CEO. This part, together with the "Description of the Remuneration Committee" section on page 137 and the "Implementation of Policy for 2025 and proposed implementation for 2026" section on pages 138-143, constitutes the Annual Report on Remuneration, and will be put to an advisory shareholder vote at the Company's Annual General Meeting ("AGM") on 28 April 2026.

Single Total Figure of Remuneration (Audited)

The total remuneration for the period for each of the Executive Directors is set out in the table below.

Director	Tim Steiner		Stephen Daintith		Total	
	FY25 £'000	FY24 £'000	FY25 £'000	FY24 £'000	FY25 £'000	FY24 £'000
Salary	825	815	614	607	1,439	1,422
Taxable benefits ¹	1	1	1	1	2	2
Pensions ²	58	57	43	42	101	99
Total fixed pay	884	873	658	650	1,542	1,523
Variable pay						
AIP ³	1,224	1,737	983	1,246	2,207	2,983
SIP ⁴	4	4	3	3	7	7
Sharesave	–	–	–	–	–	–
Total variable pay	1,228	1,741	986	1,249	2,214	2,990
Total remuneration	2,112	2,614	1,644	1,899	3,756	4,513

1. Taxable benefits include one or more of: private healthcare; life assurance; or travel insurance. See page 144 for more details.

2. No Executive Directors participate in a Group defined benefit or final salary pension scheme.

3. 50% of the AIP payment is paid in cash and 50% will be deferred in shares for a period of three years. There are no performance conditions attached to the deferred element, only service conditions.

4. Under the SIP, awards of Free Shares and Matching Shares became unrestricted during the period. These awards are explained on pages 155-156.

5. An explanation of each element of total remuneration paid in the table above is set out in the following section.

Base salary (Audited)

During the year, the Committee reviewed the salaries of the Executive Directors. After taking into account a number of relevant factors, the Committee recommended that base salaries remain unchanged. The following table shows each Executive Director's salary.

Year	Salary 2025 (£)	Salary 2024 (£)	Effective from
Tim Steiner	824,570	824,570	1 April 2025
Stephen Daintith	614,517	614,517	1 April 2025

The Committee reviewed a range of benchmark comparators and discussed their relative suitability for the current business. It concluded that continuing to benchmark against the FTSE 100 remains the most appropriate approach, providing consistency with historical practice, our key talent markets and the PSP TSR performance measure. The Committee agreed that this position should remain under review. The appropriateness of the FTSE 100 was also considered as part of the development of the Policy, and the Committee reaffirmed its view that it remains the right comparator, although benchmarking from the FTSE 50 to 150 is now considered as part of the Committee's reviews.

Taxable benefits (Audited)

The Executive Directors received taxable benefits during the period, notably private medical insurance. They also received other benefits which are not taxable, including income protection insurance, life assurance and Group-wide employee benefits, such as an employee discount. These benefit arrangements were made in line with the current Policy, which allows the Company to provide a broad range of employee benefits.

Pensions (Audited)

The Company made pension contributions on behalf of the Executive Directors to the defined contribution Group personal pension scheme. The employer contributions to the pension scheme in respect of each Executive Director are made in line with the Group personal pension scheme for all employees. In order to ensure continued alignment between Executive Director and wider workforce pension contributions, all Executive Directors have received a contribution rate of 7% of salary since April 2020.

Pension contributions can be made to the Executive Directors (and any other employee) as a cash allowance where the Executive Director (or employee) has reached the HMRC tax-free annual allowance limit for pension contributions as provided for in the current Policy. In accordance with the current Policy, Tim Steiner and Stephen Daintith have elected to receive part of their pension contributions as an equivalent cash allowance.

Annual Incentive Plan ("AIP") (Audited)

The FY25 AIP was based on the performance targets and weightings set out below. We aim to transparently disclose our detailed performance against targets where commercially possible. All metrics are directly linked to our strategic KPIs and overall long-term success of the Company.

When assessing performance outcomes against the AIP metrics, the Committee carefully assessed the extent to which the measures reflect the underlying performance of the business. The Committee discussed both the Kroger Letter of Credit and the termination fees relating to the closure of three Kroger sites and elected to follow the accounting treatment. As such, the drawdown of the Letter of Credit is reflected in underlying cash flow during the year and in revenue over the remaining life of each live CFC at the time of receipt. The termination fees received from Kroger do not impact the FY25 AIP outturn. We believe that the overall AIP outcomes are a fair reflection of performance in the year, and no discretion was applied. The CEO had a maximum bonus opportunity of 275% of salary and the CFO had a maximum opportunity of 250% of salary.

Performance conditions	Weightings of performance condition		Performance targets		Performance outcome	
	Tim Steiner	Stephen Daintith	Threshold	Maximum	Actual performance	Percentage of maximum performance achieved
Financial & Growth metrics						
Group EBITDA	20.0%	25.0%	170m	245m	259m	100%
Improvement in Underlying Cash Flow, including Kroger Letter of Credit	15.0%	25.0%	£25m	£89m	£148m	100%
OSP Direct operating costs as a % of client sales capacity	15.0%	10.0%	(1.59)%	(1.42)%	(1.33)%	100%
Solutions annualised recurring fee growth secured	15.0%	10.0%	£19m	£38m	£13m	0%
Improvement in international site utilisation growth	15.0%	10.0%	+6.0ppts	+18.9ppts	+5.1ppts	0%
Ocado Intelligent Automation: Total contract value signed	10.0%	10.0%	\$100m	\$192m	\$29m	0%
ESG metrics¹						
Improve the employee experience for all (eNPS)	5.0%	5.0%	20	26	9 Δ	0%
Reduction in CO₂ emissions per van drop²	5.0%	5.0%	See footnote 2			80%
Performance outcome						
Total achieved (% of maximum)	54%	64%				
Total payout (£'000)³	1,224	983				

1. Metrics marked with a Δ are subject to independent limited assurance by ERM CVS in accordance with ISAE 3000 (Revised). The performance outcome of metrics related to the reduction in CO₂ emissions per van drop are also subject to independent limited assurance by ERM CVS. See pages 278-279 for the full assurance report and pages 275-277 for our Basis of Reporting.

2. We set performance targets for reductions in CO₂ emissions per van drop based on projected routing data for Kroger, Aeon and ORL. Overall, the maximum performance achieved across all three partners was 80%. The performance outcome of these metrics is set out on page 83. See page 59 for more information about our Net Zero roadmap and targets.

3. The applicable salary used for calculating the bonus payment under the rules of the FY25 AIP is the applicable base salary on the date of payment.

Performance under the FY25 AIP was measured against eight performance measures. Of the eight measures, all have quantifiable performance targets with "minimum" and "maximum" conditions. 25% of an award vests for minimum performance rising on a straight-line basis to 100% for maximum performance.

Overall, this resulted in bonus payments to Executive Directors based on 54% to 64% of maximum achievement. The Committee carefully discussed the outcome of each AIP measure, assessing business factors and broader considerations outside the Company, and is confident that the outcomes are consistent with the underlying performance of the business. Therefore, the Committee determined that no overriding discretion will be applied to the bonus outcome.

In agreeing to pay the bonus, the Committee applied the rules, which stipulate that 50% of the AIP achieved in the year will be deferred into shares for three years (subject to a two-year holding period on vesting).

Performance Share Plan ("PSP") (Audited)

During the year, the Committee granted the second Performance Share Plan ("PSP") award under the Policy to Executive Directors on 28 March 2025. The CEO's and CFO's base award had a face value of 400% and 350% of base salary respectively with a maximum multiplier of 1.5x such that the overall maximum awards were 600% and 525% of salary respectively.

The normal vesting date of the PSP awards will be 28 March 2028, being the third anniversary of the award date. Once vested, the PSP award will normally be exercisable until the day before the 10th anniversary of the award date and is subject to a two-year holding period commencing on vesting.

The awards are subject to the following performance targets:

Measure	Weighting	Threshold (25% of maximum vesting)	Maximum (100% of maximum vesting)
Absolute improvement in adjusted EPS, FY27 vs FY24 (pence per share)	50%	13 pence per share improvement	30 pence per share improvement
Underlying cash flow ^① pre-growth capital expenditure in FY27 (£m)	50%	£117m	£250m

1. Targets are based on Ocado Retail being equity accounted for as a joint venture and therefore include the Company's 50% share of Ocado Retail.

2. Adjusted EPS is defined as the adjusted earnings after tax attributable to owners divided by the weighted average number of shares in issue during the year.

3. Underlying cash flow^① pre-growth capital expenditure is defined as the movement in cash and cash equivalents before any investment in growth capital expenditure. This includes capital expenditure in relation to installing MHE for a new CFC, installing incremental MHE to increase the number of live modules in a CFC or for new products, replacement, advance purchases for future CFC construction and any preparatory material for new CFCs, revisits and retrofits. Underlying cash flow^① excludes the impact of any adjusting (exceptional) items, transaction costs of any refinancing activities, any mergers and acquisitions activity, and any foreign exchange movements.

Relative TSR multiplier

The relative TSR multiplier will be assessed based on Ocado's relative TSR against the FTSE 100 (excluding investment trusts) over the three-year performance period, as follows:

- up to and including upper quartile performance = 1x base award outcome;
- upper decile performance or above = 1.5x base award outcome; and
- straight-line vesting in between these points.

The FTSE 100 was considered the most appropriate peer group when the PSP was awarded. Further details are set out on page 189 of the 2023 Annual Report.

Share Incentive Plan ("SIP") (Audited)

The 2022 awards of Free Shares made under the SIP became unrestricted during the period on 25 April 2025 and 24 October 2025. Certain Matching Shares also became unrestricted during the period. Free Shares and Matching Shares awarded under the SIP are subject to a three-year forfeiture period starting from the date of grant. This means that if an Executive Director ceases to be employed by the Group during the three-year period, the Free Shares and Matching Shares will be forfeited. Partnership Shares purchased under the SIP are not included in the total remuneration table as these are purchased by the Executive Directors from their salary, rather than granted by the Company as an element of remuneration. Only the value of Free Shares and Matching Shares that became unrestricted during the period are shown in the total remuneration table. The value shown is the value of the shares on the date that they became unrestricted. Unrestricted shares can be held in trust under the SIP for as long as the Executive Director remains an employee of the Company.

Recovery of sums paid (Audited)

No sums paid or payable to the Executive Directors were sought to be recovered by the Group.

Non-Executive Directors

Total fees (Audited)

The fees paid to the Non-Executive Directors and the Chair of the Board during the period ended 30 November 2025 and the period ended 1 December 2024 are set out in the table below.

Non-Executive Director ⁵	Fees		Taxable benefits		Pension entitlements		Annual bonus		Long-term incentives		Recovery of sums paid		Total remuneration	
	FY25 £'000	FY24 £'000	FY25 £'000	FY24 £'000	FY25 £'000	FY24 £'000	FY25 £'000	FY24 £'000	FY25 £'000	FY24 £'000	FY25 £'000	FY24 £'000	FY25 £'000	FY24 £'000
Adam Warby ¹	400	7	–	–	–	–	–	–	–	–	–	–	400	7
Jörn Rausing	83	82	–	–	–	–	–	–	–	–	–	–	83	82
Andrew Harrison	144	142	–	–	–	–	–	–	–	–	–	–	144	142
Emma Lloyd ²	87	90	–	–	–	–	–	–	–	–	–	–	87	90
Julie Southern	113	112	–	–	–	–	–	–	–	–	–	–	113	112
Nadia Shouraboura	91	90	–	–	–	–	–	–	–	–	–	–	91	90
Julia M. Brown ³	91	90	–	–	–	–	–	–	–	–	–	–	91	90
Rachel Osborne	105	103	–	–	–	–	–	–	–	–	–	–	105	103
Gavin Patterson ⁴	91	46	–	–	–	–	–	–	–	–	–	–	91	46
Total	1,205	762	–	–	–	–	–	–	–	–	–	–	1,205	762

1. Adam Warby joined the Board with effect from 1 November 2024.

2. Emma Lloyd stepped down from the Board with effect from 14 November 2025.

3. Julia M. Brown received an additional £4,550 in respect of FY23 and £7,800 in respect of FY24 in error. The overpayment was recovered in FY25.

4. Gavin Patterson joined the Board with effect from 1 June 2024.

5. Cathy Graham joined the Board on 1 February 2026 and is therefore not included in the table.

Non-Executive Directors receive a basic fee and additional fees for chairing the People Committee, Remuneration Committee or Audit Committee, for being a member of the Remuneration Committee or Audit Committee, or holding the position of Senior Independent Director ("SID"). There is currently no additional fee payable to the DNED.

The remuneration arrangements for the Non-Executive Directors (except the Chair of the Board) were reviewed by the Executive Directors and the Chair of the Board during the period and the decision was taken to hold all fees at the FY24 rates. The basic fees for Non-Executive Directors is £82,690 and the fee for chairing a Committee is £22,346. The fee for the role of SID is £22,346 and the fee for being a member of the Remuneration Committee or the Audit Committee is £8,420.

Additional context on Executive Director pay

Overall link to remuneration and equity of the Executive Directors

The table below sets out, for each Executive Director, the single figure for FY25, the number of shares held by the Director at the beginning and end of the financial year, and the impact on the value of these shares taking the opening price and closing price for the year. It is the Committee's view that the total exposure of the Executive Directors to the Company is more relevant to their focus on the long-term sustainable performance of the Company than the single figure of remuneration for a particular year.

	FY25 single figure ('000)	Shares held at start of year	Shares held at end of year	Value of shares at start of year (£'000)	Value of shares at end of year (£'000)	Difference (£'000)
Tim Steiner	2,112	19,890,124	19,835,764	63,152	36,497	(26,655)
Stephen Daintith ¹	1,644	15,168	16,299	49	29	(20)

1. Stephen Daintith joined the Board with effect from 22 March 2021 and hence has had less time than the CEO to build up his shareholding. See pages 155-156 for additional awards that will vest over the next three years.

The closing market price of the Company's shares as of 28 November 2025, being the last trading day in the period ended 30 November 2025, was 184.4 pence per ordinary share (FY24: 318.4 pence) and the share price range applicable during the period was 166 pence to 397.7 pence per ordinary share.

Director shareholdings (Audited)

The table below shows the beneficial interests in the Company's shares of Directors serving during the period and their connected persons, as shareholders and as discretionary beneficiaries under trusts. The table also shows compliance with the Director shareholding requirements in the current Policy as at 30 November 2025.

Name	Shares held at 30 November 2025		Shares held at 1 December 2024		Minimum shareholding requirement (% of base salary or fee)	Comply with minimum shareholding requirement
	Direct holding	Indirect holding	Direct holding	Indirect holding		
Executive Directors						
Tim Steiner ¹	19,785,746	50,018	19,785,746	104,378	400	Yes
Stephen Daintith ²	12,579	3,720	12,579	2,589	300	Yes
Non-Executive Directors						
Adam Warby ⁴	100,000	–	–	–	100	Yes
Jörn Rausing ³	–	83,879,642	–	83,879,642	100	Yes
Andrew Harrison	25,000	–	25,000	–	100	No
Emma Lloyd	17,300	–	17,300	–	100	No
Julie Southern	6,493	–	6,493	–	100	No
Nadia Shouraboura	–	–	–	–	100	No
Julia M. Brown ⁴	–	–	–	–	100	Yes
Rachel Osborne ⁴	–	–	–	–	100	Yes
Gavin Patterson ⁴	–	–	–	–	100	Yes

1. Tim Steiner entered into various contracts for the transfer of shares on 21 June 2010, as described on page 238 of the Prospectus issued by the Company on 6 July 2010. As previously reported on 24 July 2025, the parties agreed again to extend the date for completion for the third contract to 24 July 2026, for the fourth contract to 24 July 2027, and the remaining contracts to 24 July 2028, or other such date as the parties may agree.
2. Stephen Daintith was appointed on 22 March 2021. Executive Directors (excluding the CEO) are expected to hold shares equivalent to 300% of salary. This holding can be built up over five years from appointment. Therefore, while Stephen Daintith does not hold the requisite number of shares to comply with the shareholding requirement currently, he is compliant with the current Policy. Please see pages 155-156 for additional awards that will vest over the next three years.
3. Jörn Rausing is a beneficiary of the Apple III Trust, which owns Apple III Limited (together, "Apple"), a significant (approximately 10%) shareholder of the Company. Jörn is not a representative of Apple, nor does Apple have any right to appoint a Director to the Board of the Company.
4. Julia M. Brown, Rachel Osborne, Gavin Patterson and Adam Warby were appointed on 1 January 2023, 1 September 2023, 1 June 2024 and 1 November 2024 respectively. Non-Executive Directors are expected to hold shares equivalent to one year's annual fee. This holding can be built up over three years from appointment. Therefore, while Julia M. Brown, Rachel Osborne, Gavin Patterson and Adam Warby do not hold the requisite number of shares to comply with the shareholding requirement currently, they are compliant with the Policy. Cathy Graham was appointed to the Board on 1 February 2026 and therefore does not appear in this table.
5. The assessment for shareholding compliance is based on the current annualised salary or fee (as set out on pages 144 and 147-148 which applied on 30 November 2025 and the higher of the original purchase price(s) or the current market price (being 184.4 pence per share on 30 November 2025) of the relevant shareholdings.
6. The above does not include shares that are subject to performance conditions under any of the Company's share schemes.
7. Where applicable, the above indirect holdings include SIP Partnership and Free Shares held under the SIP, which are held in trust.
8. No Director had an interest in any of the Company's subsidiaries at the beginning or end of the period.
9. There have been no changes in the Directors' interests in the shares issued or options granted by the Company and its subsidiaries between the end of the period and the date of this Annual Report, except shares held pursuant to the SIP, as set out on page 156.

Chief Executive Officer pay ratio

The tables below set out the total pay of the CEO and UK employee population as a whole at median, lower quartile and upper quartile using the methodology applied to the single figure of remuneration at the end of the period.

The CEO pay ratio, when calculated in line with the regulations, has narrowed versus the figures for 2024 (74:1 versus 87:1 last year). The narrowing of our CEO pay ratio reflects a reduction in CEO remuneration, due to the AIP award relating to FY25 being lower than FY24, plus no increase in base salary being awarded in April 2025, while the comparator group remained stable.

Executive Director pay is more at risk than wider employee pay due to the use of variable pay, resulting in a total pay ratio that can change significantly from year-on-year. Details on the differences between the remuneration of Executive Directors and the wider workforce can be found on page 153. The Committee is satisfied that its policies on reward drive the right behaviours at Ocado and ensure that our employees are rewarded fairly and competitively for their contribution to our success. Therefore, the Committee believes that the median pay ratio is consistent with the Group's pay, reward and progression policies.

Year	Method	CEO remuneration (£'000)	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
FY25 – reported figures	Option B	2,112	77:1	74:1	73:1
FY24 – reported figures	Option B	2,614	101:1	87:1	85:1
FY23 – reported figures	Option B	1,957	75:1	72:1	60:1
FY22 – reported figures	Option B	2,004	85:1	80:1	68:1
FY21 – reported figures	Option B	1,968	88:1	82:1	67:1
FY20 – reported figures – restated	Option B	6,211	283:1	278:1	217:1
FY19 – reported figures – restated	Option B	59,038	2,834:1	2,619:1	2,349:1

- Option B was selected to calculate CEO pay ratios as a proportionate, sustainable and repeatable approach given the size and structure of the Ocado workforce.
- From the information used to calculate the most recent gender pay gap at each of the 25th, 50th and 75th percentiles, 20 employees were identified as comparators and their remuneration calculated (the remuneration figures for each employee were determined with reference to the financial year ended 30 November 2025). The median remuneration for each group of 20 employees is reported as the comparator value for CEO pay ratio calculations. Using the median value from groups of employees at each of the 25th, 50th and 75th percentiles provides a more representative estimate than if based on an individual employee, reducing the influence of an outlier value.
- No components of pay have been omitted and no estimates or adjustments were made.

UK employees (full-time equivalents)								
Year	CEO		Total pay and benefits (£'000)			Salary (£'000)		
	Total pay and benefits (£'000)	Salary (£'000)	25th percentile	Median	75th percentile	25th percentile	Median	75th percentile
FY25	2,112	825	27.3	28.7	28.8	26.0	27.3	27.4

CEO historical remuneration

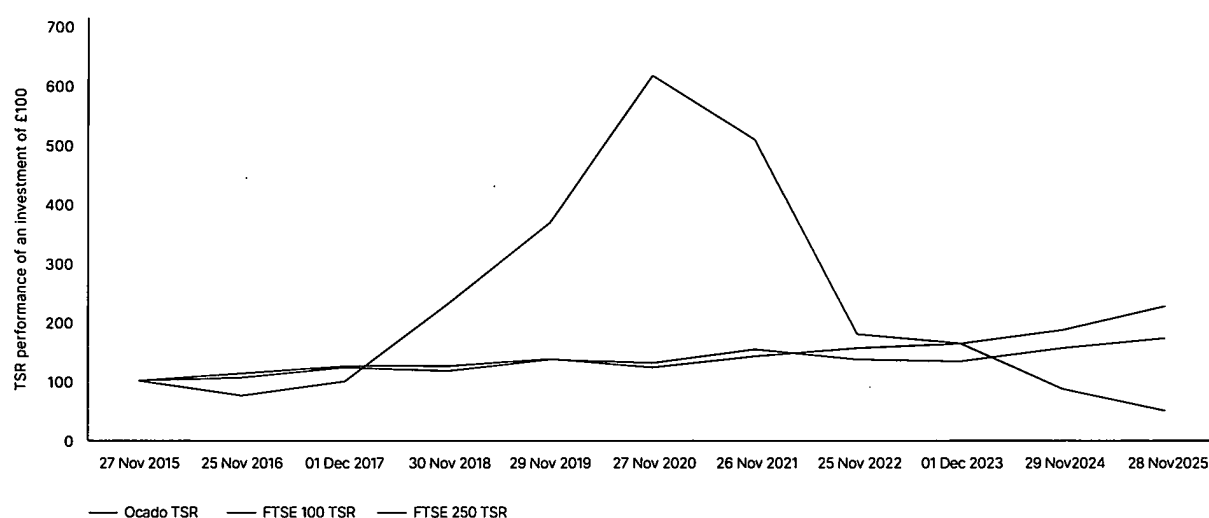
The table below summarises, in respect of the CEO, the single figure of total remuneration, the AIP or bonus plan payment as a percentage of maximum opportunity, and the long-term incentive payout as a percentage of maximum opportunity for the current period and the previous 10 financial years.

Year	CEO total remuneration (£'000)	AIP or bonus payment as a percentage of maximum target achievement (% of maximum)	Long-term incentives as a percentage of maximum opportunity (% of maximum)
2025	2,112	54.0	-
2024	2,614	76.6	-
2023	1,957	50.6	-
2022	2,004	56.7	-
2021	1,968	57.9	-
2020	6,211	94.2	79.9
2019	59,038	57.0	94.5
2018	3,996	70.5	50
2017	1,337	41.8	33.4
2016	1,141	43.6	43.2

1. The LTIP was implemented in 2013 and the first award had a performance period ending in 2015 and a vesting date in 2016. The Growth Incentive Plan ("GIP") and SIP were both implemented in 2014, but had vesting dates in 2019 and 2017 respectively. From 2019 to 2024, the VCP was the main form of long-term incentive plan.
2. The 2017 LTIP vested at 46.1% of maximum and the GIP vested at 100% of maximum. The 2019 long-term incentive value is a weighted average of the 2017 LTIP and the GIP.
3. The 2018 LTIP vested at 79.9% of maximum. There was no vesting in the first year of the VCP; therefore, the 2020 long-term incentive value is the same as the 2018 LTIP vesting percentage.
4. There was no vesting capable of occurring in the second year of the VCP in March 2021 and the 2018 LTIP was the last award under this scheme; therefore, the 2021 long-term incentive value is N/A.
5. Vesting was capable of occurring during the third, fourth and fifth years of the VCP in March 2022, March 2023 and March 2024 respectively. However, the minimum TSR underpin was not met in any of these years and therefore no nil-cost options vested in 2022, 2023 or 2024.

Total Shareholder Return ("TSR")

The following graph shows the TSR performance of an investment of £100 in Ocado shares compared with an equivalent investment in the FTSE 100 and FTSE 250 Indices over the past 10 years. These Indices were chosen as Ocado has historically been a constituent of the FTSE 250 Index and was a constituent of the FTSE 100 from 2018 until 2024. Both represent a broad equity market index against which the Company can be compared historically. The Company has not paid a dividend since its admission to the London Stock Exchange so the Company's TSR does not factor in dividends reinvested in shares.



Director salary/fee percentage change versus employees of Group

The table below shows how the percentage change in each Director's salary/fees, taxable benefits and Annual Incentive Plan between FY25 and FY24 compares with the average percentage increase in each of those components of pay for the UK-based employees of the Group as a whole on a full-time equivalent basis. Disclosure for all Directors in addition to the CEO is included. Ocado Group plc has no employees and therefore a subset of the Group's employees, that being the Group's UK employees, has been used.

The Committee monitors the changes year-on-year between our Director pay and the average employee increase, shown in the table. Year-on-year increase in pay for Directors compared with the average employee pay increase:

	2024/25			2023/24			2022/23			2021/22			2020/21		
Director (on a full-time equivalent basis)	Salary/ Fees	Taxable benefits	AIP	Salary/ Fees	Taxable benefits	AIP	Salary/ Fees	Taxable benefits	AIP	Salary/ Fees	Taxable benefits	AIP	Salary/ Fees	Taxable benefits	AIP
Tim Steiner	-	36%	(30)%	3.8%	16%	57.1%	4%	-	(7)%	3.5%	(35.6)%	1%	2.5%	(83)%	(37)%
Stephen Daintith	-	25%	(21)%	3.8%	14%	42.9%	4%	-	10%	3.5%	(20.1)%	69%	N/A	N/A	N/A
Adam Warby	-	-	-	-	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Jörn Rausing	-	-	-	3.8%	-	-	3%	-	-	5.2%	-	-	7%	-	-
Andrew Harrison	-	-	-	3.8%	-	-	8%	-	-	12.6%	-	-	23.5%	-	-
Emma Lloyd	-	-	-	3.8%	-	-	(2)%	-	-	4.6%	-	-	21%	-	-
Julie Southern	-	-	-	3.8%	-	-	4%	-	-	6%	-	-	30%	-	-
Nadia Shouraboura	-	-	-	3.8%	-	-	10%	-	-	9%	-	-	N/A	N/A	N/A
Julia M. Brown ¹	-	-	-	3.8%	-	-	-	-	-	N/A	N/A	N/A	N/A	N/A	N/A
Rachel Osborne	-	-	-	3.8%	-	-	-	-	-	N/A	N/A	N/A	N/A	N/A	N/A
Gavin Patterson	-	-	-	-	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Average percentage increase for UK employees ²	4.4%	38%	(28)%	5.1%	21.6%	33.6%	6.1%	(0.3)%	(3.7)%	5.7%	(3.1)%	(27.8)%	2.5%	(2.1)%	(27.8)%

1. Julia M. Brown received an additional £4,550 in respect of FY23 and £7,800 in respect of FY24 in error. The overpayment was recovered in FY25. This was not an increase or decrease in her fee so is not reflected as a change in remuneration.

2. The change in salary data for the Group's employees is on a per capita basis. The increase of 4.4% is the change in average percentage increase for UK employees as at 1 April 2025 to allow a direct comparison with the Executive Directors at a single point in time. It is not the year-on-year change in base pay.

3. Cathy Graham was appointed to the Board on 1 February 2026 and therefore does not appear in this table.

4. The change in taxable benefits for the Executive Directors is set out on page 143.

5. UK employees have been chosen as the majority of our workforce is UK based.

Relative importance of spend on pay

The following table shows the Company's loss and total Group-wide expenditure on pay for all employees for the period and last financial year. The Company has not paid a dividend or carried out a share buyback in the current year or previous year. The information shown in this table is:

- (loss) – Group loss before tax from continuing operations as set out in the Consolidated Income Statement on page 183; and
- total gross employee pay – total gross employment costs for the Group (including pension, variable pay, share-based payments and social security) as set out in Note 2.4 to the Consolidated Financial Statements on page 201.

	30 November 2025 (£m)	1 December 2024 (£m)
(Loss) before tax from continuing operations	(377.6)	(339.8)
Total gross employee pay	979.3	992.00

Gender pay gap

We are committed to pay parity and aim to ensure we provide equal opportunity for all. We are proud of the work we have done around diversity and inclusion during the year, and want to continue to improve retention and attract the best female talent as well as other under-represented groups.

The Company reports specific information about the difference in average pay for its male and female employees as required by gender pay gap legislation. The Company's gender pay gap metrics are submitted by the Group's main employing entity, Ocado Central Services Limited, and the headline gender pay metric is the difference in the median hourly pay received by men and women. Our FY25 results continue to show a balanced position between the genders, with the headline metric (median pay gap) favouring women by 2.2%, having also slightly favoured women in FY24 (0.8%). The mean gender pay gap continues to favour female employees, with a pay gap of 10%.

We are committed to paying fairly and we are focused on providing an equal opportunity for all employees. For more information and to view the full metrics, see the Government gender pay gap service portal or our website, www.ocadogroup.com.

Director retirement arrangements and payments for loss of office (Audited)

It was determined in accordance with the current Policy that the arrangements set out below should apply in relation to the remuneration on retirement of Emma Lloyd.

Emma Lloyd retired from the Board with effect from 14 November 2025.

Element of remuneration	Treatment
Remuneration payments	All outstanding fees up to 14 November 2025 were paid to Emma Lloyd in accordance with the terms of her letter of appointment. No payments are expected after the date of retirement for Emma Lloyd.
Payment for loss of office	No payment for loss of office or other remuneration payment was made to Emma Lloyd.
Share schemes	At the time of her retirement from the Board, Emma Lloyd did not participate in a Company share scheme.

Director appointment arrangements (Audited)

As announced on 8 December 2025, Cathy Graham was appointed to the Board as a Non-Executive Director with effect from 1 February 2026. Cathy Graham's remuneration was agreed by the Board in line with the current Policy. On appointment, the Board approved an annual fee for Cathy Graham of £91,111 which was in line with the other Non-Executive Directors. Cathy Graham will not receive any other benefits or payments, in line with the current Policy.

Payments to past Directors (Audited)

None.

External appointments for Executive Directors

As at 30 November 2025, in addition to his role as Executive Director of the Company, Stephen Daintith is a non-executive director of 3i Group plc, listed on the Main Market of the London Stock Exchange.

Director interests in share schemes (Audited)

Annual Incentive Plan ("AIP") (Audited)

At least 50% of the AIP payout is deferred into shares. At the end of the period, interests in shares held by the Executive Directors under the AIP were as follows:

Director	Type of interest	Date of grant	Number of share options	Face value (£'000)	Date of vest	Share price used for grant calculations
Tim Steiner	Deferred bonus	20/03/20	37,107	590	20/03/23	£15.89
		19/03/21	55,711	1,145	19/03/24	£20.56
		17/03/22	49,128	587	17/03/25	£11.96
		29/03/23	134,507	596	29/03/26	£4.43
		27/04/24	119,023	553	27/04/27	£4.647
		28/03/25	324,530	913	28/03/28	£2.812
Stephen Daintith	Deferred bonus	17/03/22	19,512	233	17/03/25	£11.96
		29/03/23	88,954	394	29/03/26	£4.43
		27/04/24	93,751	436	27/04/27	£4.647
		28/03/25	224,700	632	28/03/28	£2.812

Performance Share Plan ("PSP") (Audited)

Director	Type of interest	Date of grant	Number of share options	Face value (£'000)	Date of vest	Share price used for grant calculations ¹
Tim Steiner	2024 PSP award	16/05/24	3,990,760	14,216	16/05/27	£3.56
	2025 PSP award	28/03/25	1,703,070	4,789	28/03/28	£2.81
Stephen Daintith	2024 PSP award	16/05/24	872,534	3,108	16/05/27	£3.56
	2025 PSP award	28/03/25	1,147,267	3,226	28/03/28	£2.81

1. The share price used for grant calculations is the volume-weighted average price per share over the three business days immediately preceding the award date.

Share Incentive Plan ("SIP") (Audited)

At the end of the period, interests in shares held by the Executive Directors under the SIP were as follows:

Director	Partnership shares acquired in the year	Matching Shares awarded in the year	Free Shares awarded in the year	Total SIP shares held as at 30/11/2025	SIP shares that became unrestricted in the year	Total unrestricted SIP shares held as at 30/11/2025
Tim Steiner	672	96	1,036	14,058	29	10,815
Stephen Daintith	672	96	1,036	5,139	31	2,392

The Directors continued their SIP participation during the period. The SIP scheme is made available to all employees. The SIP allows for the grant of a number of different forms of awards. An award of Free Shares was made to the Executive Directors in July 2025 under the terms of the SIP and the current Policy. Free Shares of up to £3,600 of ordinary shares may be allocated to any employee in any year. Free Shares are allocated to employees equally on the basis of salary, as permitted by the relevant legislation.

An award of Matching Shares was made to those Executive Directors who purchased Partnership Shares (using deductions taken from their gross basic pay) under the terms of the SIP and in accordance with the Policy.

The Executive Directors continued their membership in the SIP after the end of the period and were, therefore, awarded further Matching Shares pursuant to the SIP rules. Between the end of the period and 17 February 2026, being the last practicable date prior to the publication of this Annual Report, the Executive Directors acquired or were awarded further shares under the SIP as set out in the table below:

Director	Partnership Shares acquired	Matching Shares awarded	Free Shares awarded	Total SIP shares held at 17/02/2026
Tim Steiner	185	26	0	14,269
Stephen Daintith	185	27	0	5,351

Vested: For details of Free Shares and Matching Shares that became unrestricted in the period, see page 147.

Sharesave Scheme (Audited)

At the end of the period, the Executive Directors' option interests in the Sharesave Scheme were as follows:

Director	Type of interest	Date of grant	Number of share options	Exercise price (£)	Face value (£)	Exercise period
Tim Steiner	Options	01/04/25	8,326	2.2097	18,398	01/05/28 – 01/10/28
Stephen Daintith	Options	01/04/25	8,236	2.2097	18,398	01/05/28 – 01/10/28

Dilution

Dilution limits

Awards granted under the Company's Sharesave and SIP schemes are met by the issue of new shares when the options are exercised or shares granted. Awards granted under the PSP may be met by the issue of new shares, the transfer of shares from treasury, or the purchase or transfer of existing shares by the Employee Benefit Trust (where available).

There are limits on the number of shares that may be allocated under the Company's share plans. These dilution limits were recommended by the Committee and incorporated into the rules of the various share schemes, which have been approved by the Company's shareholders.

The dilution limits restrict the commitment to issue new ordinary shares or reissue treasury shares under all share schemes of the Group to 10% of the nominal amount of the Company's issued share capital, and under the LTIP and the VCP (and any other selective share scheme), to 5% of the nominal amount of the issued share capital of the Company in any rolling 10-year period. These limits are consistent with the guidelines of institutional shareholders.

Impact on dilution

The Company monitors the number of shares issued under these schemes and their impact on dilution. As at the last practicable date prior to the publication date of this Annual Report, being 17 February 2026, the Company's maximum commitment to issue new shares in respect of its share schemes – assuming all performance conditions are met, all award holders remain in employment to the vesting date and all awards are settled in newly issued shares – was 7.33% for all share plans and 5.17% for executive share plans. Based on current performance projections and historic attrition rates, the Company anticipates that actual vesting levels will remain within the 5% limit. To the extent that vesting levels exceed this threshold, the Company is committed to satisfying any such excess through market-purchased shares rather than the issuance of new shares. This Policy ensures that the Company remains compliant with the 5% Investment Association limit under all circumstances. For these purposes, no account is taken of ordinary shares allocated prior to the Company's admission to the London Stock Exchange.

External advice

During the period, the Committee and the Company retained independent external advisors to assist them on various aspects of the Company's remuneration and share schemes as set out below:

Advisor	PricewaterhouseCoopers LLP ("PwC")
Retained by	Remuneration Committee
Other services provided by PwC	Other PwC advisory teams advised the Group on a range of matters during the period, including deal and litigation support, tax structuring, and accounting and overseas tax advice. PwC also provided independent System and Organisation Controls ("SOC") assurance reports for the Group's Ocado Smart Platform ("OSP") services.

PwC re-appointment

A formal tender process was undertaken during the year to review the appointment of the Committee's external advisor. Providers were selected and invited to tender in June 2025, and were specifically chosen to represent the full spectrum of services available in the market. Alongside the submission of proposals and delivery of presentations, the providers engaged directly with senior business stakeholders. Evaluation of the candidates was focused on requirements including their understanding of the Company and its needs, technical expertise and thought leadership, experience and ways of working, as well as the proposed fees. PwC was assessed as the preferred provider and its re-appointment was recommended to the Committee.

The Committee also considered the independence and objectivity of PwC. PwC has assured the Committee that it has effective internal processes in place to ensure that it is able to provide remuneration consultancy services independently and objectively. PwC confirmed to the Company that it remains a member of the Remuneration Consultants Group and, as such, operates under the code of conduct in relation to executive remuneration consulting in the UK. Other than as set out above, PwC has no other connection with the Company or any of its Directors. Following its annual review, the Committee remains satisfied that PwC has continued to maintain independence and objectivity.

For the period, £37,333 (FY24: £284,250) in fees was paid or payable to PwC for advisory services provided to the Committee. The basis for this is a fixed retainer fee and a time-based fee for additional work.

Following discussion by the Committee, it was agreed that PwC should be re-appointed.

Other support for the Remuneration Committee

In addition to the external advice received, the Committee consulted and received reports from the CEO, CFO, Chair of the Board, Chief People Officer and Company Secretariat. The Committee is mindful of the need to recognise and manage conflicts of interest when receiving views and reports from, or consulting with, the Executive Directors or members of senior management.

Shareholder approval and votes at the AGM

The 2025 Directors' Remuneration Report will be subject to a shareholder vote at the AGM on 28 April 2026.

The table below sets out the actual voting in respect of the resolutions regarding the Remuneration Report at the 2025 Annual General Meeting and the Directors' Remuneration Policy at the 2024 annual general meeting.

	Votes for	% for	Votes against	% against	Total votes	Votes withheld
2025 Annual General Meeting – Approve the 2024 Directors' Remuneration Report	569,999,325	97.76%	13,046,994	2.24%	583,046,319	68,230,456
2024 Annual General Meeting – Approve the 2024 Directors' Remuneration Policy	533,525,459	80.57%	128,698,258	19.43%	662,223,717	85,264

Basis of preparation and audit

This report is a Directors' Remuneration Report for the 52 weeks ended 30 November 2025, prepared for the purposes of satisfying Section 420(1) and Section 421(2A) of the Companies Act 2006. It has been drawn up in accordance with the Companies Act 2006 and the Code, the Regulations and the UK Listing Rules.

In accordance with Section 497 of the Companies Act 2006 and the Regulations, certain parts of this Directors' Remuneration Report (where indicated) have been audited by the Company's external auditor, Deloitte LLP.

A copy of this Directors' Remuneration Report will be available on our website, www.ocadogroup.com. This Directors' Remuneration Report is approved by the Board and signed on its behalf by:

Julie Southern
Committee Chair
26 February 2026

Signed by:

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Directors' Report

Directors' Report disclosures

This Directors' Report should be read in conjunction with the Strategic Report, which includes the Sustainability Report and the Corporate Governance Report, which are incorporated by reference into the Directors' Report. The Company has chosen in accordance with Section 414C(11) of the Companies Act 2006 to provide disclosures and information in relation to a number of matters which are covered elsewhere in this Annual Report. These matters, together with those required under the Large and Medium sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013, are cross-referenced in the table below.

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Information required by Listing Rules

Listing Rule requirement	Topic	Page
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Information required by Disclosure Guidance and Transparency Rule 7.2

Topic	Page
Corporate Governance Statement	169

Other disclosures

Topic	Page
In accordance with Provision 31 of the UK Corporate Governance Code 2018 – Long-term viability	95-97

Information required by the Disclosure Guidance and Transparency Rule 4.1.8

The Strategic Report and the Directors' Report (or parts thereof), together with sections of this Annual Report incorporated by reference, are the "Management Report" for the purposes of DTR 4.1.8.

Powers of the Directors

Subject to the Company's Articles of Association (the "Articles"), the Companies Act 2006 and any special resolution of the Company, the business of the Company is managed by the Board, which may exercise all the powers of the Company. In particular, the Board may exercise all the powers of the Company to borrow money, to guarantee, to indemnify, to mortgage or charge any of its undertakings, property, assets and uncalled capital, and to issue debentures and other securities and to give security for any debt, liability or obligation of the Company or of any third party.

Appointment and replacement of Directors

The appointment and replacement of Directors is governed by the Articles, the UK Corporate Governance Code 2018 (the "Code"), the Companies Act 2006 and related legislation.

Appointment of Directors: A Director may be appointed by the Company by ordinary resolution of the shareholders or by the Board. The Board or any Committee authorised by the Board may from time to time appoint one or more Directors to hold any employment or executive office for such period and on such terms as they may determine and may also revoke or terminate any such appointment. A Director appointed by the Board holds office only until the next annual general meeting of the Company and is then eligible for re-appointment.

Retirement of Directors: At every annual general meeting of the Company, each Director shall retire from office and may offer themselves for re-appointment by the members.

Removal of Directors by special resolution: The Company may, by special resolution, remove any Director before the expiration of their period of office.

Vacation of office: The office of a Director shall be vacated if: (i) they resign; (ii) their resignation is requested by the other Directors (not fewer than three in number); (iii) they have been suffering from mental or physical ill health and the Board resolves that their office be vacated; (iv) they are absent without the permission of the Board from meetings of the Board (whether or not an alternate Director appointed by them attends) for six consecutive months and the Board resolves that their office is vacated; (v) they become bankrupt; (vi) they are prohibited by law from being a Director; (vii) they cease to be a Director by virtue of the Companies Act 2006; or (viii) they are removed from office pursuant to the Articles.

Directors' insurance and indemnities

The Company maintains directors' and officers' liability insurance cover for its Directors and officers as permitted under the Articles and the Companies Act 2006. Such insurance policies were renewed during the period and remain in force as at the date of this Annual Report. The Company also agrees to indemnify the Directors under an indemnity deed with each Director, which contains provisions that are permitted by the director liability provisions of the Companies Act 2006 and the Articles. An indemnity deed is usually entered into by a Director at the time of their appointment to the Board. There were no qualifying pension scheme indemnity provisions in force during the year for the benefit of Directors of the Company or directors of associated companies. There were no qualifying third-party indemnity provisions in force during the year.

Share capital

The Company's authorised and issued ordinary share capital as at 30 November 2025 comprised a single class of ordinary shares which are listed on the London Stock Exchange. The shares have a nominal value of 2 pence each. The ISIN of the shares is GB00B3MBS747. The LEI of the Company is 213800LO8F61YB8MBC74.

As at 17 February 2026, being the last practicable date prior to publication of this Report, the Company's issued share capital consisted of 839,698,644 issued ordinary shares. Details of movements in the Company's issued share capital can be found in Note 4.6 to the Consolidated Financial Statements.

During the period, shares in the Company were issued to satisfy options and awards under the Company's share and incentive schemes, as set out in Note 4.7 to the Consolidated Financial Statements.

Rights attached to shares

The Company's shares when issued are credited as fully paid and free from all liens, equities, charges, encumbrances and other interests. All shares have the same rights (including voting and dividend rights, and rights on a return of capital) and restrictions as set out in the Articles, described below. Except in relation to dividends that may have been declared and rights on a liquidation of the Company, the shareholders have no rights to share in the profits of the Company.

The Company's shares are not redeemable. However, the Company may purchase or contract to purchase any of the shares on or off market, subject to the Companies Act 2006 and the requirements of the Listing Rules, as described below.

No shareholder holds shares in the Company which carry special rights with regard to control of the Company. There are no shares relating to an employee share scheme that have rights with regard to control of the Company that are not exercisable directly and solely by the employees, other than in the case of the Joint Share Ownership Scheme ("JSOS"), where share interests can be transferred to a spouse, civil partner or lineal descendant of a participant in the JSOS or certain trusts under the rules of the JSOS (as noted below).

Voting rights

Each ordinary share carries one right to vote at a general meeting of the Company. At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is demanded. On a show of hands, every member who is present in person or by proxy at a general meeting of the Company shall have one vote. On a poll, every member who is present in person or by proxy shall have one

vote for every share of which they are a holder. The Articles provide a deadline for submission of proxy forms of no less than 48 hours before the time appointed for the holding of the meeting or adjourned meeting.

No shareholder shall be entitled to vote in respect of a share held by themselves if any call or sum then payable by themselves in respect of such share remains unpaid or if a member has been served a restriction notice, described on the following page.

JSOS voting rights: Of the issued ordinary shares, as at 30 November 2025, 536,438 (2024: 536,438) were held by Wealth Nominees Limited and 10,108,846 (2024: 9,975,137) shares were held by Winterflood Client Nominees Limited, both on behalf of Ocorian Limited (formerly known as Estera Trust (Jersey) Limited), the independent company which is the trustee of Ocado's employee benefit trust (the "EBT Trustee"). The EBT Trustee has waived its right to exercise its voting rights in respect of 10,108,846 of these ordinary shares, although it may at the request of a participant vote in respect of 536,438 ordinary shares that have vested under the JSOS and remain in the trust at period-end. The total of 10,645,284 ordinary shares held by the EBT Trustee are treated as treasury shares in the Group's Consolidated Balance Sheet in accordance with IAS 32 "Financial Instruments: Presentation." As such, calculations of earnings per share for Ocado exclude the 10,645,284 ordinary shares held by the EBT Trustee. Note 4.6 to the Consolidated Financial Statements provides more information on the Group's accounting treatment of treasury shares.

Restrictions on transfer of securities

The Company's shares are freely transferable, save as set out below. The transferor of a share is deemed to remain the holder until the transferee's name is entered in the register. The Board can decline to register any transfer of any share that is not a fully paid share. The Company does not currently have any partially paid shares. The Board may also decline to register a transfer of a certificated share unless the instrument of transfer: (i) is duly stamped or certified or otherwise shown to be exempt from stamp duty and is accompanied by the relevant share certificate; (ii) is in respect of only one class of share; and (iii) if transferred to joint transferees, is in favour of not more than four such transferees.

Registration of a transfer of an uncertificated share may be refused in the circumstances set out in the uncertificated securities rules (as defined in the Articles) and where, in the case of a transfer to joint holders, the number of joint holders to whom the uncertificated share is to be transferred exceeds four.

Restriction on transfer of JSOS interests: Participants' interests under the JSOS are generally non-transferable during the period beginning on acquisition of the interest and ending at the expiry of the relevant restricted period as set out in the JSOS rules. However, interests can be transferred to a spouse, civil partner or lineal descendant of a participant; a trust under which no person other than the participant or their spouse, civil partner or lineal descendant has a vested beneficial interest; or any other person approved by the EBT Trustee. If a participant purports to transfer, assign or charge their interest other than as set out above, the EBT Trustee may acquire the participant's interest for a total price of £1.

Other than as described above and on page 149 with respect to agreements concerning the Directors' shareholdings, the Company is not aware of any agreements existing at the end of the period between holders of securities that may result in restrictions on the transfer of securities or that may result in restrictions on voting rights.

Powers for the Company to buy back its shares

The Company was authorised by shareholders at the 2025 AGM to purchase in the market up to 10% of its issued ordinary shares (excluding any treasury shares), subject to certain conditions laid out in the authorising resolution. This standard authority is renewable annually; the Directors will seek to renew this authority at the 2026 AGM. The Directors did not exercise their authority to buy back any shares during the period.

Powers for the Company to issue its shares

The Directors were granted authority at the 2025 AGM to allot shares in the Company under two separate resolutions: (i) up to one-third of the Company's issued share capital; and (ii) up to two-thirds of the Company's issued share capital in connection with a pre-emptive offer only.

The Directors were also granted authority at the 2025 AGM to disapply pre-emption rights. This includes the authority to disapply pre-emption rights up to 10% of the Company's issued ordinary share capital; and a further authority to disapply pre-emption rights for no more than an additional 10% for certain acquisitions or specified capital investments, plus a further authority of up to an aggregate nominal amount equal to 20% of any allotments or sales made under each authority to disapply pre-emption rights, as allowed in accordance with the guidance issued by the Pre-Emption Group.

These authorities apply until the earlier of the close of the 2026 AGM or 15 months from the passing of the resolutions.

These standard authorities are renewable annually; the Directors will seek to renew them at the 2026 AGM, in line with the guidance issued by the Pre-Emption Group.

Significant shareholders

During the period, the following shareholders notified an interest in the issued ordinary shares of the Company in accordance with DTR 5.1.2R, of interests in 3% or more of the voting rights attaching to the Company's issued share capital:

Significant shareholders	Number of ordinary shares/voting rights	Percentage of issued share capital	Date of notification of interest
			20 March 2025
Baillie Gifford & Co	83,271,280	9.99%	
London and Amsterdam	135,031,649	16.14%	31 July 2025
Lingotto Investment Management LLP	135,609,550	16.21%	12 August 2025
			10 October 2025
Greenvale Capital LLP	47,724,819	6.0%	

Changes were disclosed in accordance with DTR 5.1.2R in the period between 30 November 2025 and 17 February 2026, and are outlined in the table below:

Significant shareholders	Number of ordinary shares/voting rights	Percentage of issued share capital	Date of notification of interest
			5 February 2026
Morgan Stanley	0	0%	
			5 February 2026
Greenvale Capital LLP	71,000,000	8.46%	

American Depositary Receipt programme

The Company has a sponsored level 1 American Depositary Receipt ("ADR") programme, with The Bank of New York Mellon as the depositary bank. Each ADR represents two ordinary shares of the Company. The ADRs trade on the over-the-counter ("OTC") market in the USA. The CUSIP number for the ADRs is 674488101, the ISIN is US6744881011 and the symbol is OCDDY. An ADR is a security that has been created to permit US investors to hold shares in non-US companies and, in a level 1 programme, to trade them on the OTC market in the USA. In contrast to underlying ordinary shares, ADRs permit US investors to trade securities denominated in US dollars in the US OTC market with US securities dealers. Were the Company to pay a dividend on its ordinary shares, ADR holders would receive dividend payments in respect of their ADRs in US dollars.

Convertible bonds due in 2025 listed on the unregulated open market of the Frankfurt Stock Exchange (Freiverkehr)

The Company issued £600m of guaranteed senior unsecured convertible bonds due in 2025 (the "2025 Bonds") on 9 December 2019. The net proceeds of the 2025 Bonds were used by the Company to fund capital expenditure in relation to Ocado Solutions' commitments and general corporate purposes. The 2025 Bonds were guaranteed by certain members of the Company.

The 2025 Bonds were issued at par and carry a coupon of 0.875% per annum payable semi-annually in arrears in equal instalments on 9 June and 9 December, with the first payment on 9 June 2020. The 2025 Bonds were convertible into ordinary shares of the Company (the "Ordinary Shares").

The initial conversion price was £17.9308, representing a premium of 45.0% above the reference price of £12.3661, being the volume weighted average price of an Ordinary Share on the London Stock Exchange between the opening and pricing of the offering on 2 December 2019. The conversion price was subject to adjustment in certain circumstances in line with market practice.

The conversion period commenced on 19 January 2020 and was scheduled to end on the 10th calendar day prior to the maturity date or, if earlier, on the 10th calendar day prior to any earlier date fixed for redemption of the 2025 Bonds. Unless previously redeemed, or purchased and cancelled, the 2025 Bonds were convertible at the option of the bondholders on any day during the conversion period. The Company had the option to redeem all, but not some only, of the 2025 Bonds at par plus accrued but unpaid interest if the parity value (as described in the Terms and Conditions relating to the 2025 Bonds) on each of at least 20 dealing days in a period of 30 consecutive dealing days shall have exceeded 130% of the principal amount. The Company also had the option to redeem all outstanding 2025 Bonds, at par plus any accrued but unpaid interest, at any time if 85% or more of the principal amount of the 2025 Bonds has been previously converted, or repurchased and cancelled.

On 13 August 2024, the Company repurchased 2025 Bonds, along with the 2026 Notes (as defined below), with an aggregate principal amount of £427,200,000, leaving an outstanding principal amount of £172,800,000, pursuant to a tender offer (the "First Tender Offer"). On 7 May 2025, the Company repurchased 2025 Bonds, along with the 2026 Notes, with an aggregate principal amount of £37,000,000, leaving an outstanding principal amount of £135,800,000, pursuant to a tender offer (the "Second Tender Offer"). On 4 June 2025, the Company repurchased 2025 Bonds, with an

aggregate principal amount of £80,000,000. All outstanding 2025 Bonds, with an aggregate principal amount of £55,800,000, were then redeemed in full on 9 December 2025.

Senior unsecured notes due in 2026 listed on the Irish Stock Exchange (Euronext Dublin)

On 8 October 2021, the Company issued £500m of senior unsecured notes due in 2026 (the "2026 Notes") listed on the Irish Stock Exchange and trading on the Global Exchange Market, which is the exchange regulated market of the Irish Stock Exchange. The ISIN of the 2026 Notes under Reg. S is XS2393761692 and under 144A is XS2393969170. Interest on the 2026 Notes is payable semi-annually in arrears. The 2026 Notes will mature on 8 October 2026. In addition to funding the redemption of the 2024 senior secured notes, the net proceeds of the 2026 Notes were used by the Company to fund capital expenditure in relation to Ocado Solutions' commitments and general corporate purposes. The 2026 Notes are guaranteed by certain members of Ocado Group.

The Company has been able to redeem the 2026 Notes in whole or in part at any time since 8 October 2023, in each case, at the redemption prices set out as part of the offering.

On 13 August 2024, the Company repurchased the 2026 Notes, along with the 2025 Bonds, with an aggregate principal amount of £276,316,000, leaving an outstanding principal amount of £223,684,000, pursuant to the First Tender Offer. On 7 May 2025, the Company repurchased the 2026 Notes, along with the 2025 Bonds, with an aggregate principal amount of £169,029,000, leaving an outstanding principal amount of £55,655,000, pursuant to the Second Tender Offer.

Convertible bonds due in 2027 listed on the unregulated open market of the Frankfurt Stock Exchange (formerly the Freiverkehr)

The Company issued £350m of guaranteed senior unsecured convertible bonds due in 2027 (the "2027 Bonds") on 18 June 2020. The net proceeds of the 2027 Bonds were used by the Company to capitalise on opportunities arising from the significant acceleration in online adoption and to grow faster over the medium term.

The 2027 Bonds are guaranteed by certain members of Ocado Group. The 2027 Bonds were issued at par and carry a coupon of 0.75% per annum payable semi-annually in arrears in equal instalments on 18 January and 18 July, with the first payment on 18 January 2021. The 2027 Bonds are convertible into Ordinary Shares. The initial conversion price was £26.46, representing a premium of 35% above the reference price of £19.60, being the placing price determined in the concurrent

placing bookbuild. The conversion price will be subject to adjustment in certain circumstances in line with market practice. The conversion period commenced on 29 July 2020 and shall end on the 10th calendar day prior to the maturity date or, if earlier, on the 10th calendar day prior to any earlier date fixed for the redemption of the 2027 Bonds. Unless previously redeemed, or purchased and cancelled, the 2027 Bonds will be convertible at the option of the bondholders on any day during the conversion period. The Company has the option to redeem all, but not some only, of the 2027 Bonds at par plus accrued interest if the parity value (as described in the Terms and Conditions relating to the 2027 Bonds) on each of at least 20 dealing days in a period of 30 consecutive dealing days shall have exceeded 130% of the principal amount. The Company also has the option to redeem all outstanding 2027 Bonds, at par plus accrued interest, at any time if 85% or more of the principal amount of the 2027 Bonds has been previously converted, or repurchased and cancelled.

Senior unsecured notes due in 2029 listed on the Irish Stock Exchange (Euronext Dublin)

On 8 August 2024, the Company issued £450m of senior unsecured notes due in 2029 (the "2029 Notes") listed on the Irish Stock Exchange and trading on the Global Exchange Market, which is the exchange regulated market of the Irish Stock Exchange. The ISIN of the 2029 Notes under Reg. S is XS2871478058 and under 144A is XS2871478132. Interest on the 2029 Notes is payable semi-annually in arrears. The 2029 Notes will mature on 8 August 2029. The net proceeds of the 2029 Notes, together with the net proceeds of the 2029 Bonds (as defined below) were used by the Company to fund the First Tender Offer. The 2029 Notes are guaranteed by certain members of Ocado Group.

The Company has the option to redeem the 2029 Notes in whole or in part at any time, including on or after 8 August 2026, in each case, at the redemption prices set out as part of the offering.

Convertible bonds due in 2029 listed on the unregulated open market of the Frankfurt Stock Exchange (formerly the Freiverkehr)

The Company issued £250m of guaranteed senior unsecured convertible bonds due in 2029 (the "2029 Bonds") on 6 August 2024. The net proceeds of the 2029 Bonds, together with the net proceeds of the 2029 Notes, were used by the Company to fund the First Tender Offer.

The 2029 Bonds are guaranteed by certain members of Ocado Group. The 2029 Bonds were issued at par and carry a coupon of 6.25% per annum payable semi-annually in arrears in equal

instalments on 6 February and 6 August, with the first payment on 6 February 2025. The 2029 Bonds are convertible into Ordinary Shares.

The initial conversion price was £6.105, representing a premium of 50% above the reference price of £4.07, being the clearing price of an Ordinary Share as determined in the concurrent placing bookbuild. The conversion price will be subject to adjustment in certain circumstances in line with market practice. The conversion period commenced on 16 September 2024 and shall end on the 10th calendar day prior to the maturity date or, if earlier, on the 10th calendar day prior to any earlier date fixed for the redemption of the 2029 Bonds. Unless previously redeemed, or purchased and cancelled, the 2029 Bonds will be convertible at the option of the bondholders on any day during the conversion period. The Company has the option to redeem all, but not some only, of the 2029 Bonds on or after 27 August 2027, at par plus accrued interest, if the parity value (as described in the Terms and Conditions relating to the 2029 Bonds) on each of at least 20 dealing days in a period of 30 consecutive dealing days shall have exceeded 130% of the principal amount. The Company also has the option to redeem all outstanding 2029 Bonds, at par plus accrued interest, at any time if 85% or more of the principal amount of the 2029 Bonds has been previously converted, or repurchased and cancelled.

Senior unsecured notes due in 2030 listed on the Irish Stock Exchange (Euronext Dublin)

On 1 May 2025, the Company issued £300m of senior unsecured notes due in 2030 (the "2030 Notes") listed on the Irish Stock Exchange and trading on the Global Exchange Market, which is the exchange regulated market of the Irish Stock Exchange. On 4 June 2025, the Company issued an additional £100m of the 2030 Notes. The ISIN of the 2030 Notes under Reg. S is XS3044275231. Interest on the 2030 Notes is payable semi-annually in arrears. The 2030 Notes will mature on 15 June 2030. The net proceeds of the 2030 Notes were used by the Company to fund the Second Tender Offer. The 2030 Notes are guaranteed by certain members of Ocado Group.

The Company has the option to redeem the 2030 Notes in whole or in part at any time, including on or after 15 June 2027, in each case, at the redemption prices set out as part of the offering.

Revolving credit facility

On 20 June 2022, the Company entered into a £300m committed, multi-currency revolving credit facility (the "RCF"), provided by a syndicate of leading international banks. The

RCF has subsequently been the subject of a series of amendments.

Interest is payable on loans made pursuant to the RCF at a rate of SONIA (or EURIBOR or SOFR, for euros or US dollars) plus a margin.

During the current period, the extension of the maturity of the RCF to August 2027 was confirmed.

The RCF is guaranteed by certain members of Ocado Group.

As at 30 November 2025, the RCF was undrawn.

Significant related party agreements

There were no contracts of significance during the period between the Company or any Group company and: (i) a Director of the Company; (ii) a close member of a Director's family; or (iii) a controlling shareholder of the Company.

Change of control

The Company does not have any agreements with any Director or employee that would provide compensation for loss of office or employment resulting from a takeover bid except that it should be noted that: (i) provisions of the Company's share schemes may cause options and awards granted to employees under such schemes to vest on a takeover; and (ii) certain members of senior management (not including the Directors) who were employed prior to 2010 are entitled to a payment contingent on a change of control of the Company or merger of the Company (irrespective of loss of employment) as set out in their respective employment contracts.

Significant agreements

There are a number of key agreements to which the Group is a party that contain certain rights triggered on the change of control of the Company. Details of the change of control provisions of these agreements are summarised below.

Solutions agreements: The Group has a number of agreements to provide retailers with access to OSP (comprising Ocado Group's proprietary Material Handling Equipment ("MHE") and end-to-end software platform). The key Solutions agreements are those with AEON, Alcampo, Auchan Poland, Bon Preu, Coles, Groupe Casino, ICA, Kroger, Lotte Shopping, Morrisons, ORL, Panda and Sobeys.

Under certain of the Solutions agreements, partners have made certain commitments with respect to the ordering of future modules and/or CFCs. The contractual consequences of any failure to meet such commitments vary between partners and may include, among other things, changes to exclusivity arrangements, financial compensation and/or other

contractual rights and remedies, including rights and remedies which have accrued prior to termination where applicable.

Under the Solutions agreements (save for those with Morrisons, ORL, Panda, Bon Preu and Kroger), the partner is generally entitled to terminate for convenience at any time following the commencement date of the relevant services. On termination in these circumstances, the partner would be obliged to pay Ocado termination fees calculated relative to the length of time that the service has been live. However, such termination fees are not payable should the partner terminate within a certain period following the Company coming under the control of certain of the partner's competitors (or certain controllers with which the partner has a strategic conflict) or if there is a marked deterioration in service levels following the Company coming under the control of any person.

As previously announced, the Group's mutual exclusivity contractual restrictions have now ended with retailers in the majority of markets where Ocado's technology is currently live, including the USA with Kroger. The Group had a Partnership and Framework Agreement in place with Kroger until the end of 2025, which covered exclusivity and module ordering commitments, including an initial commitment to build capacity equivalent to 20 CFCs across the US.

Morrisons agreements: The Group has a number of commercial arrangements with Morrisons. If certain competitors of Morrisons acquire more than 50% of the voting rights in the Company's shares or take control of the composition of the Board, or acquire all or substantially all of the Group's business and undertakings, then Morrisons would be entitled to give notice to terminate the agreements by giving not less than four (but not more than four and a half) years' notice. Following Morrisons giving such a notice, Morrisons would be entitled to procure equivalent services from third parties, with the Company losing its remaining exclusivity rights to be Morrisons' supplier of online grocery fulfilment services. Similarly, all restrictions within those agreements on the Company's ability to provide certain services to other UK retail grocers would cease to apply. At the end of the four to four and a half years' notice period, the Company would be required to purchase Morrisons' shares in MHE JVCo Limited (the owner of the MHE in the Dordon CFC).

Ocado Intelligent Automation ("OIA") agreements: OIA has now signed its second agreement to provide warehouse automation products and services to non-grocery customers. The first being its agreement with McKesson Canada Corporation signed in 2024, which it successfully completed acceptance testing and hand-over of the system to McKesson in October 2025. This second OIA agreement is with The Gap's Canadian subsidiary, Old Navy (Canada) Inc. (the "customer").

Under this agreement, the customer is able to terminate for convenience on 120 days' written notice, subject to the payment by the customer for all equipment and services delivered and accepted by the customer, as well as reimbursing OIA for all unrecovered and unamortised costs for capital investments made by OIA in providing the services up to the date of termination. The agreement includes the supply of certain equipment (including MHE) to the customer and will largely expire following successful acceptance testing and handover of that equipment. Subject to payment by the customer, we will continue to provide a licence to our software and provide Software as a Service ("SaaS") services and maintenance and support services unless the customer chooses to not renew on expiry of the natural term of each service. Ocado can also terminate the agreements for a change of control of the customer to an Ocado competitor.

Convertible bonds due in 2027: Following a change of control of the Company, the holder of each 2027 Bond will have the right to require the Company to redeem that 2027 Bond at its principal amount, together with accrued and unpaid interest, or the bondholders may exercise their conversion right using the formula as described in the Terms and Conditions relating to the 2027 Bonds.

Convertible bonds due in 2029: Following a change of control of the Company, the holder of each 2029 Bond will have the right to require the Company to redeem that 2029 Bond at its principal amount, together with accrued and unpaid interest or the bondholders may exercise their conversion right using the formula as described in the Terms and Conditions relating to the 2029 Bonds.

Senior unsecured notes due in 2029: Following a change of control of the Company, holders of the 2029 Notes may require the Company to repurchase all or part of their holding at a purchase price in cash equal to 101% of the aggregate principal amount of their holding, plus accrued and unpaid interest.

Senior unsecured notes due in 2030: Following a change of control of the Company, holders of the 2030 Notes may require the Company to repurchase all or part of their holding at a purchase price in cash equal to 101% of the aggregate principal amount of their holding, plus accrued and unpaid interest.

Revolving credit facility: Following a change of control of the Company, no lender under the RCF is obliged to fund further utilisations of the facility. Each lender will have the right to cancel its commitment and declare its participation in all loans and accrued interest pursuant to the facility immediately due and repayable.

Shareholders' agreement relating to ORL: If there is a change of control of Ocado Holdings and/or the Company where the

person having control following the change of control is a competitor of M&S, this would amount to an event of default and M&S could elect to purchase all shares held in ORL at a price prescribed in the agreement.

Solutions and third-party logistics agreement with ORL: If there is a competitor change of control of Ocado Operating Limited, ORL may terminate the third-party logistics agreement by giving six months' written notice within three months of the competitor change of control becoming effective. In addition, if there is a change of control (whether or not a competitor change of control) and there is a marked deterioration in the service levels thereafter, ORL may terminate the third-party logistics agreement and the Solutions agreement.

Research and development activities

The Group has dedicated in-house software, logistics and engineering design and development teams with primary focus on IT and improvements to the customer interfaces, the CFCs and the automation equipment used in them. Costs relating to the development of computer software are capitalised if it is probable that the future economic benefits that are attributable to the asset will accrue to the entity and the costs can be measured reliably. The Company is carrying out a number of IT and engineering design and build projects with the intention of developing new and improved automation equipment and processes for its warehouses.

Green House Gas emissions methodology

We have disclosed our methodology in multiple places throughout this Annual Report. See page 60, and our separately published basis of reporting on our website at www.ocadogroup.com/sustainability/policies-and-disclosures

Employees with disabilities

Applications for employment by people with disabilities are given full and fair consideration bearing in mind the respective aptitudes and abilities of the applicant concerned and our ability to make reasonable adjustments to the role and the work environment. In the event of existing employees becoming disabled, all reasonable effort is made to ensure that appropriate training is given and their employment within the Group continues. Training, career development and promotion of a disabled person are, as far as possible, identical to those of a non-disabled person.

Branches

There are no branches of the Company.

Political donations

No donations were made by the Group to any political party, organisation or candidate during the period (FY24: nil).

Disclosure of information to auditor

In accordance with Section 418 of the Companies Act 2006, each Director who held office at the date of the approval of this Directors' Report (included in the biographies of the Directors on pages 102-105) confirms that, so far as they are aware, there is no relevant audit information of which the Group's auditor is unaware, and that each Director has taken all of the relevant steps that they ought to have taken as a Director to ascertain any relevant audit information and ensure the auditor is aware of such information.

How the Directors formally report to shareholders and take responsibility for this Annual Report

Communication and shareholder engagement are important to the Board. Therefore, the Group follows a regular reporting and announcement agenda, including the formal regulatory news service announcements, in accordance with the Group's reporting obligations. During the year, the Group reported trading performance, including information on the growth of the ORL revenue and average order numbers and size, on a quarterly basis, recognising that it is important to regularly update the market due to the emphasis shareholders place on receiving regular communications about sales and the current competitive pressures in the market.

Other announcements include the Half Year Report, the preliminary announcement of annual results, the Annual Report, and investor presentation slides and videos. These documents are available on our website. Shareholders can choose to receive the Annual Report in paper or electronic form.

The Directors take responsibility for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulation. The Statement of Directors' Responsibilities below is made at the conclusion of a robust and effective process undertaken by the Group for the preparation and review of this Annual Report.

The Directors believe that these well-established arrangements enable them to ensure that the information presented in this Annual Report complies with regulatory requirements, including those in the Companies Act 2006, and is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position, performance, business model and strategy. In

addition to this Annual Report, the Group's internal processes cover (to the extent necessary) the preliminary announcement, the Half Year Report, Trading Statements and other financial reporting.

Strategic Report

The Directors are required under the Companies Act 2006 to prepare a Strategic Report for the Company and Group. The Strategic Report contains the Directors' explanation of the basis on which the Group preserves and creates value over the longer term and the strategy for delivering the objectives of the Group. The Companies Act 2006 requires that the Strategic Report must:

- contain a fair review of the Group's business and contain a description of the principal risks and uncertainties facing the Group; and
- be a balanced and comprehensive analysis of the development and performance of the Group's business during the financial year and the position of the Group's business at the end of that year, consistent with the size and complexity of the business.

The information that fulfils the Strategic Report requirements is set out in the Strategic Report on pages 1-98. The Strategic Report and the Directors' Report, together with the sections of this Annual Report incorporated by reference, have been drawn up and presented in accordance with and in reliance upon applicable English company law, and the liabilities of the Directors in connection with that report shall be subject to the limitations and restrictions provided by such law.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and Accounts, including the Group Financial Statements and the company Financial Statements in accordance with applicable law and regulations.

The Directors are responsible for preparing this Annual Report, the Directors' Remuneration Report and the Financial Statements in accordance with applicable law and regulations. Company law requires the Directors to prepare Financial Statements for each financial year. Under that law, the Directors have prepared the Group Financial Statements in accordance with UK-adopted International Accounting Standards ("UK-adopted IFRSs"). The Directors have also chosen to prepare the company Financial Statements in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework". Under company law, the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group, and of the results of the Company and the Group for that period. In preparing these Financial Statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements of the UK-adopted IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

In preparing the parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

Directors' Report continued

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the Financial Statements and the Directors' Remuneration Report comply with the Companies Act 2006 and, as regards the Group Financial Statements, in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and UK-adopted IFRSs. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are responsible for the maintenance and integrity of the corporate website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Each of the Directors who held office at the date of the approval of this Annual Report (see pages 102-105) confirms, to the best of their knowledge, that:

- the Financial Statements, prepared in accordance with UK-adopted IFRSs, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole;
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- the Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable, and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

The Directors' Report is approved by the Board and signed on its behalf by:

Signed by:

Mollie Stoker

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Mollie Stoker

Group General Counsel and Company Secretary
26 February 2026

Ocado Group plc

Registered Number: 07098618

Report preparation

The Group's internal processes in the preparation and review of this Annual Report (and other financial reporting) include:

- a governance framework with a Working Group reporting to a Steering Group provided the appropriate direction and decision-making;
- review of and feedback on iterations of this Annual Report by the Executive Committee, Board and key management throughout the business;
- reviews of specific sections by the relevant Board Committees;
- Audit Committee review of management reports on accounting judgements and estimates, auditor and management reports on internal controls and risk management, accounting and reporting matters, and a management representation letter concerning accounting and reporting matters;
- tone of voice and balanced messaging review undertaken by external copywriter and our engaged external communications agency;
- a paper from management highlighting how reporting, regulatory and governance issues have been addressed in this Annual Report;
- a Strategic Report which includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that the Company faces;
- detailed debates and discussions concerning the principal risks and uncertainties;
- Board and Audit Committee review of management reports on assessments on going concern and viability;
- the Board Committees regularly reporting to the Board on the discharge of their responsibilities;
- input from both internal and external legal advisors and other advisors to cover relevant regulatory, governance and disclosure obligations;
- discussions between contributors and management to identify relevant and material information;
- verification of material statements and data validation;
- collaboration with the external auditor, Deloitte, on the verification approach to provide comfort that information provided is true and correct;
- checking of report and electronic tagging; and
- specific Board review of Directors' belief statements and key statements; and approval by the Group General Counsel and Company Secretary, the Board Committees and the Board.

The Group receives reporting and information from the ORL joint venture. The ORL board and Audit Committee review and approve financial information and reporting regarding ORL, which is then consolidated into the Group.

In addition to this Annual Report, the Group provides other statements to its shareholders regarding the Group and its operations, including the Modern Slavery Act Statement, Tax Strategy Statement, Gender Pay Gap Report and supplier payments.

Corporate Governance Statement

Ocado Group was subject to the UK Corporate Governance Code 2018 (the "Code") for the year ended 30 November 2025. This Corporate Governance Statement as required by the Financial Conduct Authority's ("FCA") Disclosure Guidance and Transparency Rules ("DTR") forms part of the Directors' Report, and has been prepared in accordance with the principles of the Code. A copy of the Code and further information on the Code can be found on the Financial Reporting Council's website, www.frc.org.uk.

This Corporate Governance Statement, together with the rest of the Corporate Governance Report (see pages 106-116 and

the Committee Reports (pages 117-158), provide information on how the Group applied and complied with the principles and provisions of the Code and meets other relevant requirements, including provisions of the Listing Rules and the DTR of the FCA.

Board approval

This separate Corporate Governance Statement 2025 is approved by the Board and signed on behalf of the Board by its Chair and the Group General Counsel and Company Secretary.

Signed by:
Adam Warby
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Adam Warby
Chair

Signed by:
Mollie Stoker
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Mollie Stoker
Group General Counsel and Company Secretary
26 February 2026
Ocado Group plc
Registered Number: 07098618

UK Corporate Governance Code

In respect of the year ended 30 November 2025, Ocado was subject to the UK Corporate Governance Code 2018 (the "Code"). The Board is pleased to confirm that Ocado applied the principles and complied with all the provisions of the Code throughout the year. The revised 2024 Code provisions do not currently apply to the Company, but the Company has started work, for example on internal controls, to ensure we are compliant in the future.

Board Leadership and Company Purpose	Division of Responsibilities	Composition, Succession and Evaluation	Audit, Risk and Internal Control	Remuneration
A Effective Board page 116	F Board roles page 112	J Appointments to the Board page 115	M Effectiveness of external auditor and internal audit, and integrity of accounts pages 129-132	P Linking remuneration with purpose and strategy pages 138-143
B Purpose, strategy, values and culture pages 108-110	G Independence page 114	K Board composition page 113	N Fair, balanced and understandable assessment pages 125-127 and 166-167	Q A formal and transparent procedure for developing policy pages 138-143
C Prudent and effective controls and Board resources page 111	H External commitments and conflicts of interest page 114	L Board Performance Review page 116	O Effective risk management and internal controls framework page 127-129	R Independent judgement and discretion pages 143-147
D Stakeholder engagement page 48-51	I Board efficiency page 111			
E Workforce policies and practices page 109				

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Independent Auditor's Report to the members of Ocado Group plc

Report on the audit of the financial statements

1. Opinion

In our opinion:

- the financial statements of Ocado Group plc (the 'Parent Company') and its subsidiaries (the 'Group') give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 November 2025 and of the Group's profit for the 52-week period then ended;
- the Group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated income statement;
- the consolidated statement of comprehensive income;
- the consolidated and Parent Company balance sheets;
- the consolidated and Parent Company statements of changes in equity;
- the consolidated cash flow statement; and
- the related notes 1 to 5.5 and Parent Company notes 1 to 5.2.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and United Kingdom adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services provided to the Group and Parent Company for the year are disclosed in note 2.3 to the financial statements. We confirm that we have not provided any non-audit services prohibited by the FRC's Ethical Standard to the Group or the Parent Company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Summary of our audit approach

Key audit matters	The key audit matters that we identified in the current year were: • Capitalisation of labour costs; and • Valuation of investment in Ocado Retail Limited Within this report, key audit matters are identified as follows: ! Newly identified ↑ Increased level of risk ↔ Similar level of risk ↓ Decreased level of risk
Materiality	The materiality that we used for the Group financial statements was £21.0m (FY24: £27.0m) which was determined on the basis of an asset metric equating to 0.5% (FY24: 0.7%) of total assets excluding goodwill. For Technology Solutions revenue, a lower materiality threshold of £10.8m (1.9% of related revenue) was applied (FY24: £9.9m, 2.0%).
Scoping	Components subject to full-scope audit contribute 97.0% (FY24: 97.0%) of revenue from continuing operations and 99.8 % (FY24: 97.9%) of the Group's property, plant and equipment, right-of-use assets and intangible assets excluding goodwill.
Significant changes in our approach	In the current period, we identified a new key audit matter regarding the valuation of the Group's investment in Ocado Retail Limited ("ORL"). We did not identify a key audit matter regarding the accounting of the promotional allowance for ORL, due to the materiality of the amount in light of the deconsolidation and subsequent recognition as an investment in associate.

4. Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the Group's and Parent Company's ability to continue to adopt the going concern basis of accounting included:

- understanding the detailed steps of the forecasting process through enquiries with management and inspection of the underlying models, including obtaining a detailed understanding of key controls over the budget and forecast;
- using web-scanning technology to identify and evaluate any contradictory evidence in relation to the Group's compliance with laws and regulations, financial results, claims and litigations and cyber risk that may impact our risk assessment or cause doubt on the Group's ability to continue as a going concern;
- assessing the arithmetic accuracy of the models used to prepare the Group's base case forecast and related scenarios;
- challenging the reasonableness of the detailed assumptions underpinning the Group's forecasts including considering the current economic environment;
- comparing and assessing the historical accuracy of forecasts against previous performance;
- assessing management's considerations of reasonably possible scenarios and their impact on the Group's forecasts;
- performing additional sensitivity scenario analysis;
- considering the timing of forecast and contractual repayments of the Group's borrowings;
- considering the impact of mitigating actions available, such as reducing capital expenditure or disposal of investments; and
- assessing the appropriateness of the group's disclosure concerning going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the reporting on how the Group has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

5. Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1. Capitalisation of labour costs ↔

Key audit matter description

The Group continues to invest in the development of the Ocado Smart Platform and associated software, as well as in establishing Customer Fulfilment Centres ("CFCs") for Technology Solutions customers. In doing so, significant internal labour costs are incurred, which are capitalised as internally-generated intangible assets or as a component of property, plant and equipment as directly attributable costs. These labour costs are tracked through Workday (HR system). As described in note 3.2 and 3.3 of the financial statements, £148.5m (FY24: £177.8m) and £19.3m (FY24: £23.6m) of internal labour costs were capitalised in the period as intangible assets and property, plant and equipment, respectively.

Determining whether a particular project or activity meets capitalisation criteria involves judgement based on the requirements of IAS 38 Intangible Assets and IAS 16 Property, Plant and Equipment. The amount being capitalised is largely due to the development of new technologies and the continued construction of CFCs for customers.

In addition, Adjusted EBITDA is an alternative performance measure of interest to the users of the financial statements. There is therefore a potential incentive for management to exhibit bias in considering whether to capitalise internal labour costs given that the amortisation and depreciation of such costs are excluded from its calculation, whereas items which are not capital in nature must be expensed as costs are incurred. We therefore consider the inappropriate capitalisation of labour costs to be a potential fraud risk as well as a key audit matter. Further information related to this area is set out in the Audit Committee report on page 121, and in notes 3.2 and 3.3 to the Group financial statements.

How the scope of our audit responded to the key audit matter	To address the risk of inappropriate capitalisation of labour costs, our audit procedures included: • obtaining a detailed understanding of relevant controls, such as those which are designed to ensure that only projects and associated labour costs that meet capitalisation criteria under IAS 16 or IAS 38 are approved as capital in nature; • performing a stand-back risk assessment utilising visualisation and data analysis technologies at a project level to identify anomalies, including timing of when assets are available for use and capitalisation trends during the period; • selecting a sample of time entries charged to internal projects representing capitalised labour costs, and, for each, making inquiries of the worker to understand the nature of their activities and assessing the entry against the capitalisation criteria of IAS 16 or IAS 38; • obtaining a detailed understanding of each selected project's purpose and future economic benefits in order to challenge its eligibility for capitalisation and considering whether the worker's time was directly attributable; • assessing the status of each selected project, challenging management for potential impairment of delayed projects and evaluating whether completed projects indicated obsolescence or impairment of other assets; • making use of an internally-generated analytic platform to perform a keyword search to identify specific projects for further analysis • making enquiries of individuals outside finance to corroborate or contradict our understanding of projects and time allocations, made use of research tools to assist in aggregating information from all sources to assist in identifying inconsistencies in information provided; and • challenging and corroborating the methods and calculations adopted in determining the labour costs to be capitalised as directly attributable costs as defined in IAS 16 or IAS 38.
Key observations	We are satisfied that capitalised internal labour costs are fairly stated. Consistent with the prior year, we reported to the Audit Committee a deficiency in the control for assessing whether time spent on certain types of projects meets capitalisation criteria. See page 121 for further information included in the Audit Committee report.

5.2. Valuation of investment in Ocado Retail Limited 1

Key audit matter description On 7 April 2025, control of Ocado Retail Limited ("ORL") passed to Marks and Spencer Group plc ("M&S"), which resulted in the deconsolidation of ORL from the Group and the recognition of an investment in an associate.

The Group's 50% equity interest has been accounted for in accordance with IFRS 13 Fair Value Measurement. At the point of the change of control, the Group valued the investment at £750.0m and its carrying value at 30 November 2025 was £736.3m.

As described on page 222, management estimated the fair value using a discounted cash flow methodology, based on the Board approved ORL 5-year plan, with the assistance of third-party valuation experts. The valuation of this investment is contingent upon future trading performance projections, which are subject to estimation uncertainty. The key assumptions applied by management in relation to the cash flows were:

- Forecast cashflows (based on the ORL board-approved 5-year plan) and the extrapolation period of a further 10 years, which reflects anticipated growth in the online grocery sector;
- EBITDA margin - benchmarked against online retail peer group; and
- Discount rate – based on weighted average cost of capital ("WACC") of 9%.

There is a potential incentive for management to overstate the value of the asset to influence ongoing commercial discussions with M&S and the public and investor scrutiny around the valuation of ORL. We therefore consider the valuation of ORL to be a potential fraud risk as well as a key audit matter.

Further information related to this area is set out in the Audit Committee report on page 121, and in notes 3.5 to the Group financial statements.

How the scope of our audit responded to the key audit matter	To address the risk that the investment in ORL is materially overstated on recognition, our procedures included: • obtaining an understanding of relevant controls over the valuation of ORL, including internal controls relating to the review and challenge of third-party valuations and management's conclusions; • assessing the accounting for loss of control of ORL and the subsequent recognition of an investment in associate; • holding partner-led inquiries with senior management and the Group's valuation experts to enhance our understanding of the methodology and assumptions applied; • assessing the competence, capabilities and objectivity of the third-party experts; • assessing the appropriateness of the methodology applied to the valuation in accordance with IFRS 13; • challenging the key assumptions in the cash flow forecasts including revenue, EBITDA margin, capital expenditure and discount rate, informed by historical performance and relevant external benchmarks, such as the growth of the online grocery market; • assessing the appropriateness of the extrapolation period used after the board approved 5-year plan; • involving internal valuations specialists to enable us to challenge management's methodology and assumptions, to search for potential contradictory evidence to the judgments adopted by management and to assess the mechanical accuracy of the model; • assessing current and historic analyst reports and industry reports to consider the relative value attributed to ORL as part of our search for potential contradictory and confirmatory evidence; • performing a stand back assessment taking into account relationship modelling over comparator EBITDA; • performing a sensitivity analysis to assess the impact on the valuation with a change in key assumptions applied to the cash flow scenarios; and • assessing management's disclosures surrounding the valuation and recognition of the investment in associate.
Key observations	We are satisfied that the valuation of ORL is reasonable.

6. Our application of materiality

6.1. Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Parent Company financial statements
Materiality	£21.0m (FY24: £27.0m)	£18.9m FY24: £24.3m
Basis for determining materiality	We determined materiality primarily based on asset metric equating to 0.5% (FY24: 0.6%) of total assets excluding goodwill. We also considered continuing operations revenue and cash flows from operations as a supporting benchmark 1.5% (FY24: 0.9%) and 6.1% (FY24: 7.8%) respectively.	Parent Company materiality is determined as a percentage of net assets, capped at 90% (FY24: 90%) of Group materiality.

Rationale for the benchmark applied	We consider an asset metric to be the most relevant proxy for the development of the Technology Solutions business and the associated scale of deployment at customer sites. Revenue (continuing operations) was also considered as a supporting benchmark as this metric is a Group KPI and reflects Group performance.	The principal activities of the Parent Company include holding investments in other Group companies and incurring costs and liabilities on behalf the Group, including borrowings. As a result, we considered net assets to be the most relevant benchmark on which to base materiality.
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As revenue from the Technology Solutions business remains an area of investor focus, we have exercised professional judgment in applying a lower level of materiality of £10.8m (FY24: £9.9m), which represents 1.9% (FY24: 2.0%) of the reported amount.

6.2. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

	Group financial statements	Parent Company financial statements
Performance materiality	70% (FY24: 70%) of Group materiality	70% (FY24: 70%) of Parent Company materiality
Basis and rationale for determining performance materiality	In determining performance materiality, we considered the following factors: • the quality, consistency and timeliness of the financial reporting and closing processes; • the continuity of key management personnel; • our risk assessment, built on our understanding of the Group and its environment; and • management's continued willingness to investigate and correct misstatements identified in the audit.	

6.3. Error reporting threshold

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £1.05m (FY24: £1.35m), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

7. An overview of the scope of our audit

7.1 Identification and scoping of components

Our audit was scoped by obtaining an understanding of the Group and its environment, including Group-wide controls, and assessing the risks of material misstatement at the Group and at ORL, which was controlled and consolidated by the Group for the first four months of the 52-week period.

Based on our assessment we have focused our audit work on those within the common IT and control environments along with ORL, which were subject to an audit of the entire financial information and specified audit procedures respectively.

We identified components based on common IT and control environments, the Group component has been identified based on a single common IT environment. With the change of control of ORL that occurred on 7 April 2025, the component previously recognised as a subsidiary (and discontinued operation) was subsequently recognised as an investment in associate.

The Group component was subject to full-scope audit procedures performed by the Group audit team, using a component materiality of £13.9m, and specified audit procedures were performed over the ORL component by the ORL component audit team using a component performance materiality of £14.7m for the 50% share held by Ocado.

The Group component contributes 97.0% (FY24: 98%) of the Group's revenue and 99.8% (FY24: 98%) of the Group's property, plant and equipment, right-of-use assets and intangible assets excluding goodwill.

At the Group level, we tested the consolidation and performed analytical procedures over residual balances.

The Parent Company was audited by the Group engagement team.

7.2 Our use of audit technology

The central control and common systems throughout the Group enables us to deploy and utilise process and data analytics across the breadth of the Group, providing a more detailed understanding of the flow of transactions, enabling us to focus our risk assessment and design targeted audit testing procedures.

Furthermore, we embed technology throughout our audit to improve quality and effectiveness, including in the areas of planning and scoping, project management, risks and controls assessment, substantive testing and reporting insights to management and the Audit Committee. Our use of technology in the audit included:

- At planning stage, we use our automated scoping tool to identify any unusual trends or fluctuations within account balances and geographies, particularly within untested balances to reduce the risk of material misstatement to an acceptably low level.
- The capitalisation of staff costs is a Key Audit Matter (KAM) due to its inherent complexities and the volume of projects. To enhance audit efficiency and effectiveness, our team utilised a keyword analytical tool and a stand-back risk assessment tool. These tools provided deeper insights into the nature and appropriateness of capitalised staff costs, supporting our detailed audit work. Further details on their integration into our procedures are in Section 5.

7.3. Our consideration of the control environment

The Group has continued its plan to evolve and improve the financial control environment through the Evolve programme, which we have considered in our audit plan.

We involved IT specialists to obtain an understanding of relevant general IT controls across the Group, which included Oracle Fusion (ERP system) and Workday (HR system). Our IT specialists assisted in evaluating controls over the key warehouse IT systems. We have tested these automated controls including segregation of duties and controls configurations. This testing is integrated into our audit risk assessment to ensure only relevant controls are tested and direct testing on exceptions are identified.

We tested the operating effectiveness of controls in certain business processes, for example Technology Solutions revenue, and obtained an understanding of certain IT systems, applications and databases, to provide feedback to management with a view of relying on these controls in future periods.

7.4. Our consideration of climate-related risks

As set out in management's TCFD report on pages 76 to 83 and the principal risks on pages 87 to 94, the Group is exposed to the impacts of climate change. As part of our audit planning procedures, we obtained management's climate-related risk assessment and, together with our climate change specialists, held discussions with management to understand the process of identifying climate-related risks and determining their potential impact on the operations of the Group and its financial statements. We also read the related disclosures in note 1.4 to the financial statements.

We performed our own qualitative risk assessment of the potential impact of climate change on the Group financial statements, this included performing an audit team climate risk brainstorming session. We did not identify a risk of material misstatement.

We have further involved climate change specialists in reading the climate-related disclosures within the Annual Report to consider whether they are materially consistent with the financial statements and our knowledge from our audit.

Our responsibility over other information is further described in the "Other information" section of our report. We have not been engaged to provide assurance over the accuracy of these disclosures.

7.5. Working with other auditors

We have one component team – ORL. We have issued detailed instructions to the component team to perform specified audit procedures.

Due to the change in period end date for ORL within the period (to align with M&S reporting), we have performed a review of the component team's audit file for the period ending 6 April 2025, with specified audit procedures performed for the remaining period.

To ensure appropriate direction and supervision of the component audit work, there was extensive interaction between the Group audit team and the ORL component audit team. The Group audit team issued the ORL component audit team with detailed instructions and reviewed their audit file and related reporting.

8. Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

9. Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

10. Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

11. Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

11.1. Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the Group's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- the Group's own assessment of the risks that irregularities may occur either as a result of fraud or error that was approved by the board on 7 April 2025;

- results of our enquiries of management, internal audit, the legal function including the Group's General Counsel and Chief Compliance Officer, the Chief Executive Officer and Chief Financial Officer of the Group and ORL, the directors and the audit committee about their own identification and assessment of the risks of irregularities, including those that are specific to the Group's sector;
- any matters we identified having obtained and reviewed the Group's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team including component audit teams and relevant internal specialists, including tax, valuations, IT and impairment specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: inappropriate capitalisation of labour costs and valuation of investment in Ocado Retail Limited. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, Listing Rules and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's ability to operate or to avoid a material penalty. These included the Groceries Supply Code of Practice.

11.2. Audit response to risks identified

As a result of performing the above, we identified capitalisation of labour costs and valuation of investment in Ocado Retail Limited as key audit matters related to the potential risk of fraud. The key audit matters section of our report explains the matters in more detail and also describes the specific procedures we performed in response to those key audit matters.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management, the audit committee and in-house and external legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing internal audit reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and component audit teams, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

12. Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

13. Corporate Governance Statement

The Listing Rules require us to review the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- the directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 97;
- the directors' explanation as to its assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on page 95 to 97;
- the directors' statement on fair, balanced and understandable set out on page 167;
- the board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 84 to 94;
- the section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 127; and
- the section describing the work of the audit committee set out on pages 121 to 132.

14. Matters on which we are required to report by exception

14.1. Adequacy of explanations received and accounting records

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

14.2. Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made or the part of the directors' remuneration report to be audited is not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

15. Other matters which we are required to address

15.1. Auditor tenure

Following the recommendation of the audit committee, we were appointed by the Board of Directors on 3 May 2017 to audit the financial statements for the 52-week period ending 3 December 2017 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is 9 years, covering the 52-week period ending 3 December 2017 to the 52-week period ending 30 November 2025.

15.2. Consistency of the audit report with the additional report to the Audit Committee

Our audit opinion is consistent with the additional report to the Audit Committee we are required to provide in accordance with ISAs (UK).

16. Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

As required by the Financial Conduct Authority (FCA) Disclosure Guidance and Transparency Rule (DTR) 4.1.15R – DTR 4.1.18R, these financial statements will form part of the Electronic Format Annual Financial Report filed on the National Storage Mechanism of the FCA in accordance with DTR 4.1.15R – DTR 4.1.18R. This auditor's report provides no assurance over whether the Electronic Format Annual Financial Report has been prepared in compliance with DTR 4.1.15R – DTR 4.1.18R.

David Griffin FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP

Statutory Auditor
London, United Kingdom

26 February 2026

Signed by:

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Consolidated Income Statement

for the 52 weeks ended 30 November 2025

	Notes	52 weeks ended 30 November 2025			52 weeks ended 1 December 2024		
		Results before adjusting items £m	Adjusting items (Note 2.5) £m	Total £m	Results before adjusting items £m	Adjusting items (Note 2.5) £m	Total £m
Continuing operations							
Revenue	2.1	1,361.5	20.2	1,381.7	1,214.5	0.1	1,214.6
Operating costs		(1,594.9)	(44.5)	(1,639.4)	(1,516.7)	(34.8)	(1,551.5)
Operating loss before results of joint ventures and associate		(233.4)	(24.3)	(257.7)	(302.2)	(34.7)	(336.9)
Share of results of joint venture and associate	3.5	(8.0)	(5.5)	(13.5)	0.3	–	0.3
Operating loss		(241.4)	(29.8)	(271.2)	(301.9)	(34.7)	(336.6)
Finance income	2.6	39.4	2.1	41.5	30.4	11.4	41.8
Finance costs	2.6	(146.7)	–	(146.7)	(98.6)	–	(98.6)
Other finance gains and losses	2.6	(5.3)	4.1	(1.2)	10.0	43.6	53.6
(Loss)/profit before tax from continuing operations		(354.0)	(23.6)	(377.6)	(360.1)	20.3	(339.8)
Income tax (charge)/credit	2.7	(14.5)	–	(14.5)	0.2	–	0.2
(Loss)/profit for the period from continuing operations		(368.5)	(23.6)	(392.1)	(359.9)	20.3	(339.6)
Discontinued operations¹							
Profit/(loss) after tax from discontinued operations	2.9	10.2	777.1	787.3	(19.2)	(15.5)	(34.7)
(Loss)/profit for the period		(358.3)	753.5	395.2	(379.1)	4.8	(374.3)
Attributable to:							
Owners of Ocado Group plc				405.2			(336.2)
Non-controlling interests	5.2			(10.0)			(38.1)
				395.2			(374.3)

1. On 6 April 2025, the Group transferred control of Ocado Retail Limited ("ORL") to Marks & Spencer plc ("M&S") under the terms of the Shareholder Agreement. As a result, ORL is no longer consolidated from 7 April 2025, in line with IFRS 10. From this date, the Group's interest in ORL has been accounted for as an associate using the equity method under IAS 28. Accordingly, ORL's results (including relevant inter-segment eliminations) have been reported as discontinued operations for the 18 weeks ended 6 April 2025. The Group's share of ORL's profit or loss has been recognised for the subsequent 34-week period to 30 November 2025. Other than the transfer of control between the two shareholders, there has been no other change to the economic interest held in ORL or the shareholder agreement.

Earnings/(loss) per share		pence	pence
From continuing operations:			
Basic and diluted loss per share	2.8	(47.2)	(40.7)
From continuing and discontinued operations:			
Basic profit/(loss) per share	2.8	49.1	(41.0)
Diluted profit/(loss) per share	2.8	48.7	(41.0)

Consolidated Statement of Comprehensive Income

for the 52 weeks ended 30 November 2025

	Notes	52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m
Profit/(loss) for the period		395.2	(374.3)
Other comprehensive income			
<i>Items that may be reclassified to profit or loss in subsequent periods:</i>			
Fair value movements in cash flow hedges	4.3	0.4	(0.6)
Items reclassified from cash flow hedge reserve	4.3	0.5	0.1
Foreign exchange loss on translation of foreign subsidiaries	4.6	(31.2)	(20.6)
Net other comprehensive expense that may be reclassified to profit or loss in subsequent periods		(30.3)	(21.1)
<i>Items that will not be reclassified to profit or loss in subsequent periods:</i>			
Loss on equity investments designated as at fair value through other comprehensive income	4.4	(25.6)	(3.1)
Income tax relating to items that will not be reclassified subsequently to profit or loss	2.7	12.9	(3.1)
Net other comprehensive expense that will not be reclassified to profit and loss in subsequent periods		(12.7)	(6.2)
Other comprehensive expense for the period from continuing operations, net of income tax		(43.0)	(27.3)
Total comprehensive income/(expense) for the period		352.2	(401.6)
Attributable to:			
Owners of Ocado Group plc		362.2	(363.5)
Non-controlling interests	5.2	(10.0)	(38.1)
		352.2	(401.6)

Consolidated Balance Sheet

as at 30 November 2025

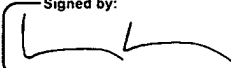
	Notes	30 November 2025 £m	1 December 2024 £m
Non-current assets			
Goodwill	3.1	147.8	158.2
Other intangible assets	3.2	517.8	496.5
Property, plant and equipment	3.3	1,427.5	1,555.4
Right-of-use assets	3.4	191.3	264.8
Net Investment in leases	3.4	125.1	–
Investment in joint venture and associate	3.5	742.7	7.0
Other financial assets	3.6	171.6	100.8
Deferred tax assets	2.7	13.5	4.7
Derivative financial assets	4.3	5.5	3.4
		3,342.8	2,590.8
Current assets			
Net Investment in leases	3.4	13.7	–
Other financial assets	3.6	0.7	12.9
Inventories	3.7	31.9	39.8
Trade and other receivables	3.8	142.3	186.4
Current tax assets	2.7	6.5	7.5
Cash and cash equivalents	3.9	740.0	732.5
Derivative financial assets	4.3	1.1	0.1
		936.2	979.2
Assets classified as held for sale	2.9	–	586.5
		936.2	1,565.7
Total assets		4,279.0	4,156.5
Current liabilities			
Trade and other payables	3.10	(261.9)	(246.6)
Contract liabilities	2.1	(99.2)	(38.1)
Current tax liabilities	2.7	(0.4)	(1.4)
Borrowings	4.1	(56.0)	(0.2)
Lease liabilities	3.4	(34.4)	(30.3)
Derivative financial liabilities	4.3	–	(0.7)
Provisions	3.11	(17.3)	(7.6)
		(469.2)	(324.9)
Net current assets		467.0	1,240.8

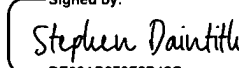
Consolidated Balance Sheet

as at 30 November 2025 continued

	Notes	30 November 2025 £m	1 December 2024 £m
Non-current liabilities			
Trade and other payables	3.10	(1.0)	(1.1)
Contract liabilities	2.1	(532.3)	(468.5)
Borrowings	4.1	(1,430.2)	(1,386.5)
Lease liabilities	3.4	(267.8)	(281.4)
Provisions	3.11	(16.2)	(15.9)
Deferred tax liabilities	2.7	(1.0)	(0.6)
		(2,248.5)	(2,154.0)
Liabilities directly associated with assets classified as held for sale	2.9	–	(506.4)
		(2,248.5)	(2,660.4)
Net assets			
		1,561.3	1,171.2
Equity			
Share capital	4.6	16.8	16.7
Share premium	4.6	1,950.0	1,947.5
Treasury shares reserve	4.6	(112.9)	(112.9)
Other reserves	4.6	28.9	83.2
Retained earnings		(321.5)	(748.8)
Equity attributable to owners of Ocado Group plc		1,561.3	1,185.7
Non-controlling interests	5.2	–	(14.5)
Total equity		1,561.3	1,171.2

The Consolidated Financial Statements on pages 183 to 259 were authorised for issue by the Board of Directors and signed on its behalf by:

Signed by:

Tim Steiner
 Chief Executive Officer
 C9DF0D189BF7441...

Signed by:

Stephen Daintith
 Chief Financial Officer
 DE99AB873F2B42C...

26 February 2026

Consolidated Statement of Changes in Equity

for the 52 weeks ended 30 November 2025

Equity attributable to owners of Ocado Group plc

	Notes	Share capital £m	Share premium £m	Treasury shares reserve £m	Other reserves £m	Retained earnings £m	Total £m	Non-controlling interests £m	Total equity £m
Balance at 3 December 2023		16.6	1,942.9	(112.9)	90.6	(449.8)	1,487.4	23.6	1,511.0
Loss for the period		–	–	–	–	(336.2)	(336.2)	(38.1)	(374.3)
Other comprehensive expense		–	–	–	(27.3)	–	(27.3)	–	(27.3)
Total comprehensive expense for the period		–	–	–	(27.3)	(336.2)	(363.5)	(38.1)	(401.6)
Transactions with owners									
– Issue of ordinary shares	4.6	0.1	1.7	–	–	–	1.8	–	1.8
– Allotted in respect of share option schemes	4.6	–	2.9	–	–	–	2.9	–	2.9
– Share-based payments charge	4.7	–	–	–	–	37.2	37.2	–	37.2
– Issue of convertible bonds	4.1	–	–	–	37.6	–	37.6	–	37.6
– Redemption of convertible bonds	4.1	–	–	–	(17.7)	–	(17.7)	–	(17.7)
Total transactions with owners		0.1	4.6	–	19.9	37.2	61.8	–	61.8
Balance at 1 December 2024		16.7	1,947.5	(112.9)	83.2	(748.8)	1,185.7	(14.5)	1,171.2
Profit/(loss) for the period		–	–	–	–	405.2	405.2	(10.0)	395.2
Other comprehensive expense		–	–	–	(43.0)	–	(43.0)	–	(43.0)
Total comprehensive income and expense for the period		–	–	–	(43.0)	405.2	362.2	(10.0)	352.2
Transactions with owners									
– Issue of ordinary shares	4.6	0.1	1.4	–	–	–	1.5	–	1.5
– Allotted in respect of share option schemes	4.6	–	1.1	–	–	–	1.1	–	1.1
– Share-based payments charge	4.7	–	–	–	–	37.6	37.6	–	37.6
– Redemption of convertible bonds	4.1	–	–	–	(2.3)	–	(2.3)	–	(2.3)
– Derecognition of NCI on loss of control	5.2	–	–	–	–	(24.5)	(24.5)	24.5	–
– Transfer of revaluation reserve on disposal of investments in equity instruments designated at FVOCI	3.6,4.6	–	–	–	(9.0)	9.0	–	–	–
Total transactions with owners		0.1	2.5	–	(11.3)	22.1	13.4	24.5	37.9
Balance at 30 November 2025		16.8	1,950.0	(112.9)	28.9	(321.5)	1,561.3	–	1,561.3

Consolidated Statement of Cash Flows

for the 52 weeks ended 30 November 2025

	Notes	52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m
Cash generated from operations	4.9	382.3	232.5
Cash received from the AutoStore settlement	2.5	58.4	100.0
Corporation tax paid		(3.0)	(7.7)
Interest paid		(96.0)	(55.9)
Net cash flow from operating activities		341.7	268.9
Cash flows from investing activities			
Purchase of intangible assets		(159.6)	(202.6)
Purchase of property, plant and equipment		(218.7)	(196.8)
Dividend received from joint venture	3.5	0.8	2.8
Purchase of unlisted equity investments	3.6	–	(10.0)
Proceeds on disposal of unlisted equity investments	3.6	8.8	–
Loans repaid by joint ventures, associates and investee companies		9.0	2.3
Proceeds from disposal of asset held for sale	2.5	–	18.5
Cash received in respect of contingent consideration receivable	3.6	–	1.6
Proceeds from net investment in leases	3.4	16.5	–
Cash outflow on loss of control of subsidiaries		(68.2)	–
Interest received		28.7	30.5
Net cash flow used in investing activities		(382.6)	(353.7)
Cash flows from/(used in) financing activities			
Proceeds from issue of ordinary share capital		1.5	4.4
Proceeds from allotment of share options		1.1	0.2
Proceeds from borrowings	4.2	400.0	720.0
Transaction costs on issue of borrowings		(9.6)	(18.9)
Repayment of borrowings	4.2	(335.3)	(674.3)
Repayment of principal element of lease liabilities	4.2	(42.9)	(55.7)
Net cash flow from/(used in) financing activities		14.8	(24.3)
Net decrease in cash and cash equivalents		(26.2)	(109.1)
Cash and cash equivalents at beginning of period		771.5	884.8
Effect of changes in foreign exchange rates		(5.3)	(4.2)
Cash and cash equivalents at end of period	3.9	740.0	771.5

The cash flow statement above includes the entire Group. Cash flows from discontinued operations are disclosed in Note 2.9.

Notes to the Consolidated Financial Statements

Section 1 – Basis of preparation

1.1 General information

Ocado Group plc (hereafter the "Company") is a listed company, limited by shares, incorporated in the United Kingdom and registered in England and Wales under the Companies Act 2006 (company number: 07098618). The Company is the parent and the ultimate parent of the Group. The address of its registered office is Buildings One & Two Trident Place, Mosquito Way, Hatfield, Hertfordshire, United Kingdom, AL10 9UL. The financial statements comprise the results of the Company and its subsidiaries (hereafter the "Group") (see Note 5.1 for a full list of the subsidiaries). The financial period represents the 52 weeks ended 30 November 2025. The prior financial period represents the 52 weeks ended 1 December 2024. The principal activities of the Group are described in the Strategic Report on pages 1 to 98.

1.2 Basis of preparation

The Consolidated Financial Statements have been prepared in accordance with the Listing Rules and the Disclosure Guidance and Transparency Rules of the United Kingdom Financial Conduct Authority (where applicable), International Accounting Standards ("IASs") in conformity with the requirements of the Companies Act 2006 and UK-adopted International Financial Reporting Standards ("IFRSs"), including the interpretations issued by IFRS Interpretations Committee ("IFRIC"). Unless otherwise stated, the accounting policies have been applied consistently to all periods presented in these Consolidated Financial Statements.

The Consolidated Financial Statements are presented in pounds sterling, rounded to the nearest hundred thousand unless otherwise stated, and have been prepared under the historical cost convention, as modified by the revaluation of financial asset investments and certain other financial assets and liabilities, which are held at fair value.

The Directors consider it appropriate to adopt the going concern basis of accounting in preparing the Consolidated Financial Statements of the Group. See Note 1.5 for further details.

New standards, amendments and interpretations adopted by the Group

The Group has considered the following new standards, interpretations and amendments to published standards that are effective for the Group for the period beginning 2 December 2024 and concluded either that they are not relevant to the Group nor would they have a significant effect on the Group's Consolidated Financial Statements other than on disclosures:

		Effective date
IAS 1	Non-current Liabilities with Covenants	1 January 2024
IAS 1	Classification of liabilities as Current or Non-current	1 January 2024
IFRS 7	Financial Instruments: <i>Disclosures – Supplier Finance Arrangements</i> (amendments)	1 January 2024
IFRS 16	Lease Liability in a Sale and Leaseback (amendments)	1 January 2024

1.2 Basis of preparation continued

New standards, amendments and interpretations not yet adopted by the Group

The following new standards, interpretations and amendments to published standards and interpretations that are relevant to the Group have been issued but are not effective for the period beginning 2 December 2024 and have not been adopted early:

		Effective date
IAS 21	Lack of Exchangeability – <i>The Effects of Changes in Foreign Exchange Rates</i> (amendments)	1 January 2025
IAS 7	Statement of Cash Flows (amendments)	1 January 2027
IFRS 7	Classification and Measurement of Financial Instruments (amendments)	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
IAS 28	Investments in Associates and Joint Ventures (amendments)	Deferred
IFRS 10	Consolidated Financial Statements (amendments)	Deferred

With the exception of IFRS 18, the adoption of the above standards, interpretations and amendments is not expected to have a material effect on the Group's Consolidated Financial Statements. The impact of IFRS 18 on the Group is currently being assessed and whilst recognition and measurement will remain unchanged, the following potential impacts on presentation in the Consolidated Income Statement and Consolidated Statement of Cash Flows have been identified:

- Share of JV and associate will be excluded from new operating profit/(loss) subtotal and included in the investing category;
- Interest income will be classified in the investing category;
- The starting point for calculating cash flows from operating activities will be the operating profit subtotal;
- Interest paid will be reclassified from operating cash flows to financing cash flows.

Discontinued operations

On 6 April 2025, the Group transferred control of ORL to Marks & Spencer plc ("M&S") under the terms of the Shareholder Agreement. As a result, ORL ceased to be consolidated from 7 April 2025, in line with IFRS 10. Accordingly, ORL's results (including relevant inter-segment eliminations) have been reported as discontinued operations for the 18 weeks ended 6 April 2025 in the Consolidated Income Statement. From 7 April 2025, the Group's interest in ORL has been accounted for as an associate using the equity method under IAS 28 with the Group's share of ORL's profit or loss being recognised for the 34-week period to 30 November 2025. For further details, refer to note 2.9.

Jones Food Company Limited loss of control

On 7 April 2025, the Group's subsidiary Jones Food Company Limited ("JFC") went into administration. The Group determined that the appointment of administrators resulted in the loss of control of JFC. As a result, the Group ceased to consolidate JFC from the date control was lost and derecognised assets and liabilities of JFC in accordance with IFRS 10.

1.3 Basis of consolidation

The Group's Consolidated Financial Statements consist of the accounts of the Company, all entities controlled by the Company (its subsidiaries) and the Group's share of its interests in joint ventures and associates.

Subsidiaries

The accounts of subsidiaries are included in the Consolidated Financial Statements from the date on which the Company obtains control and excluded when the Company loses control over them. Control is achieved when the Company has power over a subsidiary, exposure or rights to variable returns from it and the ability to use its power to affect these returns. This ability enables the Company to affect the amount of economic benefit generated from the entity's activities.

All subsidiaries have a reporting date of 30 November 2025 except for the following:

	Reporting date
Haddington Dynamics II LLC	31 December
Kindred Inc.	31 December
Kindred Systems II Inc.	31 December
Myrmex Inc.	31 December
Ocado Bulgaria EOOD	31 December
Ocado Solutions (US) ProCo LLC	31 December
Ocado Solutions USA Inc.	31 December
Ocado Solutions Spain S.L	31 December
Ocado Spain S.L.U.	31 December
Ocado US Holdings Inc.	31 December
6 River Systems LLC	31 December
6 River Systems Ltd	31 December
6 River Systems GmbH	31 December

All these companies have prepared additional financial information for the 52 weeks ended 30 November 2025 to enable consolidation.

All intercompany balances and transactions, including recognised gains arising from intra-Group transactions, have been eliminated in full. Unrealised losses are eliminated in the same manner as the recognised gains.

The Group allocates the total comprehensive income or expense of subsidiaries to the owners of the Company and non-controlling interests, based on their respective ownership interests.

Joint ventures and associates

The Group's share of the results of joint ventures and associates is included in the Consolidated Income Statement using the equity method of accounting. Investments in joint ventures and associates are held on the Consolidated Balance Sheet at cost, plus post-acquisition changes in the Group's share of the net assets of the entities, less any impairment in value and dividends received. The carrying values of the investments in joint ventures and associates include implicit goodwill.

If the Group's share of losses in a joint venture or associate equals or exceeds its initial investment in the joint venture or associate, the Group does not recognise further losses, unless it has incurred obligations to do so or made payments on behalf of the joint venture or associate. Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the Group's interest in the entity.

Accounting policies

The principal accounting policies adopted in the preparation of these Consolidated Financial Statements are set out in the relevant notes. Accounting policies not specifically attributable to a note are set out below. These policies have been applied consistently to all the periods presented unless stated otherwise.

1.3 Basis of consolidation continued

Functional and presentational currency

Items included in the Consolidated Financial Statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The pound sterling is the Company's functional and the Group's presentational currency.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into functional currency at the rates of exchange quoted at the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Transactions in foreign currencies are recorded in the functional currency at an average rate for the period in which those transactions take place, which is used as a reasonable approximation to the exchange rates prevailing at the dates of the transactions. Translation differences on monetary items are taken to the Consolidated Income Statement.

A number of subsidiaries within the Group have a non-sterling functional currency. The financial performance and end position of these entities are translated into sterling in the Consolidated Financial Statements. Balance sheet items are translated at the closing rate at the balance sheet date. Income and expenses are translated using an average rate for the month in which they occur.

Exchange differences arising on the translation of the net investment in overseas subsidiaries are recorded through other comprehensive income. On disposal of the net investment, the cumulative exchange difference is reclassified from equity to the Income Statement. All other currency gains and losses are dealt with in the Income Statement.

1.4 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Group's Consolidated Financial Statements requires the use of certain judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Judgements and estimates are evaluated regularly, and represent management's best estimates based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, events or actions may mean that actual results ultimately differ from those estimates, and the differences may be material.

Critical accounting judgements

Critical accounting judgements are those that the Group has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the Consolidated Financial Statements.

Area	Judgement	Notes
Consolidation of Ocado Retail Limited ("Ocado Retail")	Management has applied judgement in considering whether the Group continues to have control over Ocado Retail at the balance sheet date in accordance with IFRS 10. Management has concluded that the Group ceased to control Ocado Retail as a result of the transfer of the determinative rights under the terms of the Shareholder Agreement from the Group to M&S in early April 2025. As a result, the Group has deconsolidated Ocado Retail from the date control was transferred and recognised its remaining interest in Ocado Retail as an investment in associate.	2.9, 5.1, 5.2
Revenue from contracts with customers	The Group's Technology Solutions' contracts are complex and contain a number of critical contractual milestones and components. Management considers each contract on a case-by-case basis and applies judgement in the application of IFRS 15 to the contracts when: - identifying distinct performance obligations that the customer can benefit from independently; and - assessing the period over which to recognise revenue, given contracts typically have no end date. This requires management to determine the expected customer life. Alternative judgements in relation to either the identification of distinct performance obligations or the expected customer life would result in a different revenue recognition profile. Further details on how these judgements have been applied are set out in Note 2.1.	2.1
Capitalisation of internal development costs	The Group capitalises internal costs directly attributable to the development of both intangible and tangible assets. Management judgement is exercised in determining whether the projects meet the criteria for capitalisation in accordance with IAS 16 and IAS 38. During the period, the Group has capitalised internal development costs amounting to £148.5m (FY24: £177.8m) and £19.3m (FY24: £23.6m) on intangible and tangible assets respectively.	3.2 3.3
Adjusting items	Management believes that separate presentation of the adjusting items provides useful information in the understanding of the financial performance of the Group and its businesses. Management exercises judgement in determining the classification of certain transactions as adjusting items by considering the nature, occurrence and materiality of the amounts involved in those transactions. Note 2.5 provides information on amounts disclosed as adjusting items in the current and comparative financial periods together with the Group's definition of adjusting items. These definitions have been applied consistently over the periods.	2.5

Key estimation uncertainties

Key areas of estimation uncertainty are the key assumptions concerning the future and other data points at the reporting date that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next period.

1.4 Critical accounting judgements and key sources of estimation uncertainty continued

Area	Estimation uncertainty	Notes
Impairment assessment - goodwill	The Group is required to assess goodwill for impairment annually. The performance of the impairment assessment requires management to make a number of estimates and assumptions in determining the recoverable amount of the CGUs to which goodwill is allocated. These include forecast future cash flows estimated based on management-approved financial budgets and plans (including EBITDA margins), long-term growth rates and post-tax discount rates, as well as an assessment of the expected growth profile of the respective CGU. The impairment assessment is most sensitive to changes in long-term EBITDA margin. Key estimates used in the impairment test and sensitivities are disclosed in Note 3.1	3.3

Climate-related risks

The Group has considered the impact of climate change, particularly in the context of the climate-related risks identified in the TCFD disclosures as set out on pages 76 to 83, on its financial performance and position. There has been no material impact identified on the financial reporting judgements and estimates. In particular, the Group considered the impact of climate change in respect of going concern and viability of the Group over the next three years, forecast cash flows for the purposes of impairment assessments of non-current assets and the useful lives of certain assets. Whilst there is currently little short to medium-term impact expected from climate change, the Directors are aware of the changing nature of risks associated with climate change and will regularly assess these risks against judgements and estimates made in preparation of the Group's Consolidated Financial Statements.

1.5 Going concern basis

Accounting standards require that Directors satisfy themselves that it is reasonable for them to conclude on whether or not it is appropriate to prepare financial statements on the going concern basis. The Directors have assessed the Group's prospect as a going concern covering a period to the end of May 2026 and are satisfied that the Group has sufficient resources to continue in operation for the foreseeable future, a period of not less than 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the Consolidated Financial Statements.

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 Financial Review on pages 22 to 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 to 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 to 94.

At the reporting date, the Group had cash and cash equivalents of £740.0m (FY24: £732.5m), external gross debt* of £1,777.4m (FY24: £1,959.3m) (excluding lease liabilities payable to MHE JVCo Limited of £11.0m (FY24: £12.4m)) and net current assets of £467.0m (FY24: £1,240.8m). The Group has a mixture of financing arrangements, including £55.8m of senior unsecured convertible bonds due, and subsequently paid, in December 2025, £350.0m of senior unsecured convertible bonds due in 2027, £250.0m of senior unsecured convertible bonds, £450.0m of senior unsecured notes due in August 2029 and £400.0m of senior unsecured notes due in June 2030. The Group forecasts its liquidity and working capital requirements, and ensures it maintains sufficient headroom so as not to breach any financial covenants in its borrowing facilities, as well as maintaining sufficient liquidity over the forecast period.

Having had consideration for these areas, the Directors have concluded that it is appropriate to continue to adopt the going concern basis in preparing the Consolidated Financial Statements. Further details of the Group's considerations are provided in the Viability Statement and Going Concern Statement on page 95 to 97.

Section 2 – Results for the period

2.1 Revenue

Accounting policies

Revenue represents the transaction prices to which the Group expects to be entitled in return for delivering goods or services to its customers. The amount of revenue recognised in any period is based on a judgement of when the customer is able to benefit from the goods or services provided, and an assessment of the progress made towards completely satisfying each performance obligation. The following provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers and the related revenue recognition policies for each of the reportable segments. For information about reportable segments, see Note 2.2.

Logistics segment

Revenues in the Logistics segment relate to the operation of automated warehouses and provision of associated supply chain and delivery services to our UK partners, Wm Morrison Supermarkets Limited ("Morrisons") and Ocado Retail Limited ("ORL").

Revenue is earned from cost recharges, which are the recharges of variable and fixed costs incurred to provide fulfilment and delivery services. Additionally, a management fee is earned on the rechargeable costs. The business also generates revenue from capital recharges relating to certain material handling equipment ("MHE") assets used to provide logistics services to ORL.

There is a single performance obligation, which is the provision of fulfilment and delivery services, and the total transaction price is allocated to the performance obligation.

Revenue is recognised as the services are provided to our UK partners.

Technology Solutions segment

Revenues in the Technology Solutions segment relate to the provision of the Ocado Smart Platform ("OSP") as a managed service to the Group's grocery retail partners and the provision of Automated Storage Retrieval Systems ("ASRSs") to non-grocery partners.

Identification of performance obligations

Each contract is considered on a case-by-case basis. A typical contract includes several obligations including, but not limited to, the design of the Customer Fulfilment Centre ("CFC"), the provision of MHE and the provision of software. The Group has concluded that the customer is unable to derive any benefit from these individual elements independently from the other and as such are not separate performance obligations but represent a single performance obligation – to provide the partner with use of the Ocado Smart Platform, enabling them to establish an online grocery business fulfilling customer orders from a CFC from the go-live date.

Some contracts contain additional components, for example the addition of In-Store Fulfilment ("ISF") services or additional CFCs and in such cases management uses its judgement to determine whether there are separable performance obligations from which the customer is able to benefit independently.

Determining transaction prices

At the inception of a contract, the total transaction price is estimated, being the amount to which the Group expects to be entitled over the expected duration of the contract, based on the rights it has under the present contract. Such expected amounts are only included to the extent that it is highly probable that no revenue reversal will occur.

Typically, contracts include both upfront fees, which are non-recurring and paid by the customer in the period prior to the solution going live, and subsequent periodic amounts that are either recurring or variable.

Variable amounts are fees whereby typically the variability relates to the volume of sales transactions processed or variable costs associated with providing the service to the customer.

For each contract an assessment has been made by the Group as to whether there is a significant finance benefit arising from the timing of payments required from the customer. Judgement is required to choose an appropriate interest rate used in the assessment and to set a reasonable threshold for determining whether any finance benefit is significant.

2.1 Revenue continued

Allocation of transaction prices to performance obligations

Single component contracts have a single performance obligation and the whole transaction price is assigned to that single deliverable. Multiple component contracts will have more than one performance obligation, each with its own contract duration as adjudged by management. Each contract clearly states the fees relating to each component. This provides management with a basis for allocation of the calculated transaction price to each performance obligation based on the standalone selling price.

Revenue recognition

For each performance obligation and its allocated transaction price, revenue is recognised from the point at which the customer starts to benefit from the services and over the period the services are provided.

The nature of the services provided, that is the ability to fulfil online grocery orders, represents equal value to the customer every day that the service is provided. This uniformity of value to the customer over time has led the Group to determine that the most appropriate way of measuring the satisfaction of obligations is by using a straight-line, time-elapsed basis.

For upfront fees, the period over which services are provided is the expected customer life. Determining the expected customer life requires judgement since typically contracts have no end date. The Group considers both qualitative and quantitative information such as market evidence and certain clauses contained within Solutions contracts when making such judgments.

For recurring and variable fees, revenue is recognised in the period in which they arise, because they relate to the services provided in that period.

Contract modifications

The Group's contracts may be amended for changes to specifications and requirements. Contract modifications exist when the amendment creates new, or changes existing, enforceable rights and obligations. The effect of a contract modification on the transaction price and the Group's measure of progress for the performance obligation to which it relates is recognised as an adjustment to revenue in one of the following ways:

- a. Prospectively as an additional separate contract;
- b. Prospectively as a termination of the existing contract and creation of a new contract;
- c. As part of the original contract using a cumulative catch-up; or
- d. As a combination of b and c.

For contracts for which the Group has decided there is a series of distinct goods and services that are substantially the same and have the same pattern of transfer where revenue is recognised over time, the modification will always be treated under a or b.

Contract-related assets and liabilities

As a result of the contracts into which the Group enters with its customers, a number of different assets and liabilities are recognised on the Consolidated Balance Sheet. These include contract assets and liabilities.

Contract assets and liabilities

The Group's contracts with customers include a diverse range of payment schedules, depending upon the nature and type of goods and services being provided. The Group often agrees payment schedules at the inception of long-term contracts under which it receives payments throughout the terms of the contracts. These payment schedules may include performance-based payments or progress payments as well as regular monthly or quarterly payments for ongoing service delivery. Payments for transactional goods and services may be made at the delivery dates, in arrears or through part-payments in advance. Where cumulative payments made (or when the Group has an unconditional right to payment) at the reporting date are greater than the cumulative revenues recognised, the Group recognises the differences as contract liabilities. Where cumulative payments made at the reporting date are less than the cumulative revenues recognised, and the Group has an unconditional right to payment, the Group recognises the differences as contract assets or accrued income.

For the summary of revenue recognised by segment, refer to Note 2.2.

Below is a summary of timing of revenue recognition:

	52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m
Continuing operations		
At a point in time	10.1	5.3
Over time	1,371.6	1,209.3
	1,381.7	1,214.6

Revenue split by geographical area:

	52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m
Continuing operations		
UK	1,063.5	943.5
Europe (excluding UK)	28.2	32.9
North America	246.3	214.1
Asia Pacific	43.7	24.1
	1,381.7	1,214.6

Revenue from the UK region accounted for 77.7% of total revenue (FY24: 77.7%), while the North American region contributed 17.8% (FY24: 17.6%).

Contract balances

	30 November 2025 £m	1 December 2024 £m
Trade receivables	26.1	47.9
Accrued income	24.3	6.4
Contract liabilities – current	(99.2)	(38.1)
Contract liabilities – non-current	(532.3)	(468.5)

2.1 Revenue continued

Contract liabilities

The contract liabilities relate primarily to consideration received from Solutions customers in advance, for which revenue is recognised as the performance obligation is satisfied. The movement in contract liabilities during the current and prior periods is:

	52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m
Balance at beginning of period	(506.6)	(446.7)
Amount reclassified as deferred income	–	9.6
Amount invoiced in the period	(56.1)	(103.9)
Kroger Letter of Credit ¹	(113.4)	–
Amount recognised as revenue	97.3	34.7
Effect of deconsolidation of ORL	(54.0)	–
Effects of changes in foreign exchange rates	1.3	(0.3)
Balance at end of period	(631.5)	(506.6)

1. The draw down on the Kroger Letter of Credit, originally established in connection with the Kroger partnership and drawn upon maturity in June 2025, has been accounted for as a change in transaction price, recorded as a contract liability and allocated to the open and in construction CFCs on the basis of upfront design and set-up fees. A total of £40.7m has been recognised as revenue in the period, of which £20.2m relates to partially satisfied performance obligations for periods up to FY24.

A total of £69.2m (FY24: £34.7m) of revenue recognised during the period was included in contract liabilities at the beginning of the period.

Future transaction price

As well as the amounts currently held as contract liabilities, the Group anticipates receiving £88.9m (FY24: £122.8m) over the next four years in respect of upfront fees that are contracted but not yet due. These amounts represent the aggregate amount of contracted transaction price allocated to the committed performance obligations that are unsatisfied or partially satisfied as at the period end. The amounts received and to be received in respect of these performance obligations will be recognised in revenue from the go-live date over the estimated customer life. The total transaction price that the Group will earn over the estimated customer life also includes ongoing fees. These fees have been excluded from the disclosure as the Group has taken the practical expedient under IFRS 15.121(b) for revenues recognised in line with the invoicing.

2.2 Segmental reporting

In accordance with IFRS 8 "Operating Segments", an operating segment is defined as a business activity whose operating results are reviewed by the chief operating decision maker ("CODM"), for which discrete information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board. The Board assesses the performance of all operating segments on the basis of adjusted EBITDA*.

The Group reports its operating segments to align with its underlying business models, Technology Solutions and Logistics:

- The Technology Solutions segment provides end-to-end online retail and automated storage and retrieval solutions for general merchandise to corporate customers both in and outside of the United Kingdom; and
- The Logistics segment provides the CFCs and logistics services for customers in the United Kingdom (Wm Morrison Supermarkets Limited and Ocado Retail Limited).

The Group transferred control of ORL to M&S on 6 April 2025 under the terms of the Shareholder Agreement and, consistent with the FY24 Annual Report, ORL's results (including relevant inter-segment eliminations) have been reported as discontinued operations for the 18 weeks ended 6 April 2025 in the Consolidated Income Statement and ceased to be consolidated from 7 April 2025. As a result, Retail no longer meets the definition of a reportable segment and is no longer reported as such.

Any transactions between the segments are subject to normal commercial terms and market conditions. Segmental results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The Group's continuing operations are reliant on three major customers which individually contribute more than 10% of revenue. This includes £387.9m (FY24: £348.8m) in the Technology Solutions segment and £800.4m (FY24: £717.9m) in the Logistics segment.

The following table presents revenue and adjusted EBITDA* for each of the operating segments.

	52 weeks ended 30 November 2025			52 weeks ended 1 December 2024		
	Technology Solutions £m	Logistics £m	Total £m	Technology Solutions £m	Logistics £m	Total £m
Revenue before adjusting items	561.2	800.3	1,361.5	496.5	718.0	1,214.5
Adjusting items in revenue			20.2			0.1
Revenue			1,381.7			1,214.6
Adjusted EBITDA*	140.3	37.7	178.0	80.6	31.1	111.7
Depreciation, amortisation and impairment			(411.4)			(413.9)
Adjusting items in operating profit			(24.3)			(34.7)
Operating loss before results of joint venture and associate			(257.7)			(336.9)

* See Alternative Performance Measures on pages 270 and 273 for further information including a reconciliation of adjusted EBITDA to Operating loss before results of joint venture and associate. The definition of adjusted EBITDA* has been amended to exclude share of results from joint venture and associate and comparative information has been restated accordingly.

Revenue and adjusted EBITDA* for the Technology Solutions segment includes the impact of non-recurring fees of £14.7m recognised following the cessation of Morrisons deliveries from our Erith CFC, as announced in November 2024.

Non-current assets, excluding financial instruments, deferred tax assets and goodwill, split by geographical area:

	30 November 2025 £m	1 December 2024 £m
Continuing operations		
UK	1,217.2	1,386.9
Europe (excluding UK)	115.8	109.2
North America	539.7	598.6
Asia Pacific	263.9	222.0
	2,136.6	2,316.7

No measure of total assets and total liabilities is reported for each reportable segment, as such amounts are not provided to the CODM.

2.3 Operating costs

Operating costs include:

		52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m
Continuing operations	Notes		
Cost of inventories recognised as an expense		0.5	2.4
Employment costs	2.4	790.8	735.4
Amortisation of intangible assets	3.2	125.0	145.9
Impairment of intangible assets	3.1	16.0	5.9
Depreciation of property, plant and equipment ²	3.3	218.5	195.6
Impairment of property, plant and equipment ¹	3.3	27.3	38.4
Gain on disposal of asset held for sale		–	(11.0)
Depreciation of right-of-use assets ²	3.4	29.3	28.7
Impairment of right-of-use assets	3.4	–	1.0
Increase/(decrease) in expected credit loss of trade receivables	3.8	5.4	(0.8)
Expense relating to short-term leases and leases of low-value assets	3.4	2.2	2.4
Net foreign exchange (gain)/loss		0.7	(0.5)
Rental income		(1.9)	(3.9)

1. In the current period, amounts disclosed include £4.7m (FY24: £nil) impairment charge on goodwill as a result of the loss of control of JFC and £nil (FY24: £1.6m) impairment charges in respect of property, plant and equipment, which are included in adjusting items.

2. In the current period, the amounts disclosed exclude £5.9m of depreciation on assets held by the Group and leased to ORL that has been reported as discontinued operations.

During the period, the Group paid the following to its auditor:

	52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m
Audit of the Company's annual financial statements	0.1	0.1
Audit of the Company's subsidiaries	1.7	2.4
Total audit fees	1.8	2.5
Audit-related assurance services	0.2	0.2
Other assurance services	0.3	0.4
Total non-audit fees	0.5	0.6
Total fees	2.3	3.1

2.4 Employee information

Accounting policies

The Group contributes to the personal pension plans of its employees through Group Personal Pension Plans administered by Legal & General. Contributions are charged to the Consolidated Income Statement in the period to which they relate. The Group has no further payment obligations once its contributions have been paid.

	Notes	52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m
Wages and salaries		829.6	852.8
Social security costs		87.1	77.7
Defined contribution pension costs		23.8	23.8
Share-based payment charge	4.7	38.8	37.7
Gross employment costs		979.3	992.0
Staff costs capitalised as intangible assets	3.2	(148.5)	(177.8)
Staff costs capitalised as property, plant and equipment	3.3	(19.3)	(23.6)
Total employment costs		811.5	790.6
Less: Discontinued operations		(20.7)	(55.2)
Total continuing operations		790.8	735.4

Average monthly number of employees (including discontinued operations) by function, including Executive Directors

Operational staff	17,479	16,578
Support staff	3,947	4,578
	21,426	21,156

The average number of employees reported above includes employees of ORL to the point control was lost. Removing the employees of ORL would result in an average number of employees of 20,491 (FY24: 20,308).

2.5 Adjusting items*

Accounting policies

Adjusting items*, as disclosed on the face of the Consolidated Income Statement, are items that are considered to be significant due to their size/nature, not in the normal course of business or are consistent with items that were treated as adjusting in the prior periods or that may span multiple financial periods. They have been classified separately in order to draw them to the attention of the readers of the Financial Statements and facilitate comparison with prior periods to assess trends in the financial performance more readily. The Group applies judgement in identifying the items of income and expense that are recognised as adjusting.

2.5 Adjusting items* continued

	Ref.	52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m
Litigation settlement income and unwind of discount	A	2.1	11.4
Ocado Group Finance transformation	B	–	(2.6)
Ocado Retail IT and Finance systems transformation	C	(11.0)	(11.9)
Change of fair value of contingent consideration receivable and related costs	D	–	(29.1)
Organisational restructure	E	(14.8)	(5.0)
UK network capacity review	F	–	(3.6)
Zoom by Ocado network capacity and strategy review	G	–	(1.9)
Ocado Group HR system transformation	H	(6.7)	(8.5)
Gain on disposal of asset held for sale	I	–	12.4
Gain on partial redemption of bonds	J	4.1	43.6
Gain on deconsolidation of Ocado Retail	K	782.6	–
Loss on deconsolidation of Jones Food Company	L	(23.0)	–
Kroger Letter of Credit revenue	M	20.2	–
Total adjusting items		753.5	4.8
Exclude net adjusting income/(expense) relating to discontinued operations (Note 2.9)		777.1	(15.5)
Net adjusting (expense)/income from continuing operations		(23.6)	20.3

* Adjusting items are alternative performance measures. See Alternative Performance Measures on pages 270 and 273.

A. Litigation costs and litigation settlement

On 22 July 2023, the Group reached an agreement with AutoStore to settle all patent litigation and cross-licence pre-2020 patents, for which AutoStore undertook to pay the Group a total of £200m in 24 monthly instalments, beginning July 2023. The settlement was recorded as a receivable measured initially at fair value and subsequently at amortised cost. The settlement receivable initially recognised was £180.4m. The unwinding of the discount over the life of the receivable is recorded as finance income, with £2.1m recorded in the current period (FY24: £11.4m). During the period, payments totalling £58.4m (FY24: £100.0m) were received. All amounts are classified as adjusting items, in line with the Group's adjusting items policy, as the amounts are material, and represent income unrelated to operating activities of the Group.

B. Ocado Group Finance transformation

Subsequent to the Group's implementation of various Software as a Service ("SaaS") solutions in FY21, the Group undertook a multi-year programme which focused on optimising and enhancing the existing SaaS solutions and related finance processes to improve efficiency across the business. This programme completed in FY24. The cumulative finance transformation costs expensed amounts to £12.2m, including £2.6m in FY24, which largely relates to spend on external consultants and contractors. These amounts have been disclosed as adjusting items because the total costs associated with this programme are significant and arise from a strategic project that is not considered by the Group to be part of the normal operating costs of the business.

C. Ocado Retail IT and Finance systems transformation

In FY21, ORL initiated its IT roadmap programme, which focuses on delivering IT systems and services that will enable ORL to meet its obligation to transition away from Ocado Group IT services, tools and support towards M&S consolidation and future set-up as well as ORL's transition to the Ocado Smart Platform ("OSP") to provide an end-to-end solution for operating online in the grocery market. The IT roadmap programme, which is expected to run until FY27, includes the development of both on-premises and SaaS solutions. The costs incurred during the current period amount to £15.1m (FY24: £10.1m). The cumulative costs expensed to date by ORL total £35.3m.

ORL is undergoing a wide-scale Finance Transformation project. In FY23, this included the replacement of the Enterprise Resource Planning ("ERP") system with Oracle Fusion and other transformation projects. The costs incurred during the current period amount to £1.4m (FY24: £1.8m). The cumulative costs expended to date by ORL total £4.3m.

Ocado Group has recognised £11.0m in relation to these costs – £5.5m recognised in discontinued operations and £5.5m in share of results of associate following the deconsolidation of ORL.

These costs have been classified as adjusting because they are expected to be significant and result from a transformational activity which is considered only incremental to the core activities of the Group.

D. Change in fair value of contingent consideration receivable and related costs

In 2019, the Group sold Marie Claire Beauty Limited ("Fabled") to Next plc and 50% of ORL to Marks and Spencer Holdings Limited ("M&S"). Part of the consideration for these transactions was contingent on future events and held at fair value through profit or loss ("FVTPL"), and revalued at each reporting date.

In the prior period, the consideration for the sale of Fabled was settled in full and the value of the contingent consideration receivable from M&S was written down to £nil. The Group incurred consultancy costs of £1.3m in relation to the above, as these costs were incurred in the process of securing an adjusting income and classified to adjusting items.

E. Organisational restructure

During the period, the Group completed an organisational restructure focusing on technology costs, incurring redundancy and associated costs of £14.8m (FY24: £5.0m).

These costs have been classified as adjusting items on the basis that the aggregate costs are considered to be significant and resulted from a strategic restructuring which is only incremental to the normal operating activities of the Group.

F. UK network capacity review

During 2023, the Group announced the plan to cease operations at its CFC in Hatfield as part of a wider review of UK network capacity. As a result, the Group recorded impairment charges of £20.3m, of which £7.0m related to property, plant and equipment, and £13.2m to right-of-use assets, restructuring costs of £6.8m and other related costs of closure of £5.1m, both of which were provided for. In the prior period, the Group recognised an additional impairment charge of £3.6m to right-of-use assets.

These costs have been classified as adjusting items on the basis that they are material and part of a significant strategic review.

G. Zoom by Ocado network capacity and strategy review

During 2023, ORL undertook a strategy and capacity review for the Zoom network, which resulted in the Group recording impairment charges totalling £27.4m, of which £12.5m relates to property, plant and equipment, £14.5m to right-of-use assets and £0.2m to other intangible assets, and other costs of £0.2m.

In the prior period, the Group recognised an additional impairment of £1.6m relating to property, plant and equipment and other costs of £0.3m.

These costs have been classified as adjusting on the basis that they are material and part of a significant strategic review.

H. Ocado Group HR system transformation

Following a review of the Group's Human Capital Management ("HCM") and payroll systems the Group commenced a plan to implement new HCM and payroll systems for its Logistics business and to optimise and enhance its existing payroll solutions for the Technology Solutions business.

This programme is expected to complete in early FY26. The cumulative HR systems transformation costs expended to date amount to £17.1m and includes £6.7m in the period (FY24: £8.5m), which largely relates to spend on external consultants and contractors. These amounts have been disclosed as adjusting items because the total costs associated with this programme are expected to be in the region of £18.9m and arise from a strategic project that is not considered by the Group to be part of the normal operating costs of the business.

2.5 Adjusting items* continued

I. Gain on disposal of assets held for sale

In FY24, the Group disposed of two spoke sites for net proceeds of £18.6m which resulted in a gain on disposal of £12.4m. The gain on disposal has been treated as an adjusting item because it is material and has arisen on a transaction that is considered to be outside the normal operations of the business.

J. Gain on partial redemption of bonds

Following the issue of £400.0m bonds (FY24: £700.0m bonds), Ocado completed a tender process which resulted in an early partial redemption of some of its debt with a gain of £4.3m (FY24: £43.6m). Refer to Note 4.1 for further details. Subsequently, Ocado Group redeemed the remaining 2026 Senior Unsecured Notes in full, which resulted in a loss of £0.2m. The gain and loss respectively have been allocated as adjusting items in line with previous years' debt redemptions.

K. Gain on deconsolidation of Ocado Retail

Pursuant to the Shareholder Agreement, Ocado Group transferred its tie-breaking rights in Ocado Retail Ltd ("ORL") to M&S on 6 April 2025. While this transfer represented a change in control between the shareholders, it did not entail any modification to the underlying economic interests or involve any consideration paid by M&S.

In line with the requirements of IFRS 10 "Consolidated Financial Statements", ORL was deconsolidated from the Group from the date that control was lost and accounted for as an associate under IAS 28 Investment in Associates and Joint Ventures from that point forward. The impact on the Group's result was a gain on deconsolidation of £782.6m. Refer to Note 2.9 for further details.

This has been classified as adjusting as the amount is material and unrelated to the operating activities of the Group.

L. Loss on deconsolidation of Jones Food Company

On 7 April 2025, the Group's subsidiary Jones Food Company Limited ("JFC") went into administration. The Group determined that the appointment of administrators resulted in the loss of control of JFC. As a result, the Group ceased to consolidate JFC from 7 April 2025, in accordance with IFRS 10. The impact on the Group's result was a loss on deconsolidation of £23.0m, including a goodwill impairment loss of £4.7m.

This has been classified as adjusting as the amount is material and unrelated to the operating activities of the Group.

M. Kroger Letter of Credit (LOC) revenue

The Kroger Letter of Credit has been accounted for as a change in transaction price, recorded as a contract liability and allocated to the open and committed CFCs on the basis of upfront design and set-up fees. The revenue will be recognised over the period in which the underlying performance obligations have been satisfied.

Revenue recognised in FY25 in relation to partially satisfied performance obligations of open CFCs for periods up to FY24 amounted to £20.2m and has been classified as an adjusting item as it would otherwise materially inflate the Group's FY25 revenue. Refer to Note 2.1 Revenue for more information on the Letter of Credit.

Tax impacts on adjusting items

The accounting gain on disposal of JFC and the deconsolidation of ORL are not subject to tax. The remaining adjusting items are taxable or tax deductible. The adjustments give rise to a net tax credit of £0.1m. Of this amount, £1.2m charge relates to continuing operations and £1.3m credit relates to discounting operations. The tax credit has not been recognised as it relates to tax losses which are not recognised for deferred tax purposes.

2.6 Finance income and costs

Accounting policies

Finance income and costs

Interest income is accounted for on an accruals basis using the effective interest method. Finance costs comprise interest expenses on borrowings, lease liabilities and provisions. The interest expense on borrowings is recognised using the effective interest method. The interest expense on lease liabilities is recognised over the lease periods so as to produce constant periodic rates of interest on the remaining balances of the liabilities.

		52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m
Continuing operations	Notes		
Interest income on cash balances		27.4	29.5
Interest income on loans receivable		5.9	0.9
Interest income on finance lease receivable	3.4	6.1	–
Unwind of discount on AutoStore receivable	2.5, 3.8	2.1	11.4
Finance income		41.5	41.8
Interest expense on borrowings		(123.0)	(76.2)
Interest expense on lease liabilities		(17.3)	(16.7)
Interest expense on provisions		(0.8)	(0.8)
Other finance costs		(5.6)	(4.9)
Finance costs		(146.7)	(98.6)
Gain/(loss) on revaluation of financial instruments designated at FVTPL		(1.2)	10.1
Loss on foreign exchange		(4.1)	(0.1)
Gain on redemption of borrowings	2.5, 4.1	4.1	43.6
Other finance gains and losses		(1.2)	53.6
Net finance cost		(106.4)	(3.2)

2.7 Income tax

Accounting policies

The tax charge for the period comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity respectively.

Current tax

Current tax is the expected tax payable on the taxable income for the period, calculated using tax rates enacted or substantively enacted by the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are based on management's best judgement.

Deferred tax

Deferred tax is recognised using the balance sheet method on temporary differences arising between the tax base of assets and liabilities and their carrying amount in the financial statements. Deferred tax is calculated at the tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

2.7 Income tax continued

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. The recognition of deferred tax assets is supported by management's forecast of the future profitability of the relevant countries. Judgement is used when assessing the extent to which deferred tax assets should be recognised, and the final outcome of some of these judgements may give rise to material profit and loss and/or cash flow variances. The carrying amount of deferred tax assets is reviewed at each reporting date.

Deferred tax assets and liabilities are offset against each other when there is a legally enforceable right to offset current tax assets against current tax liabilities and it is the intention to settle these on a net basis.

Factors that may affect future tax charges

Factors that may affect future tax charges include the level and mix of profitability in different countries, changes in tax legislation and tax rates and transfer pricing regulations.

Income tax – Consolidated Income Statement

The major components of income tax charge/(credit) are as follows:

	52 weeks ended 30 November 2025 £m			52 weeks ended 1 December 2024 £m		
	United Kingdom	Rest of world	Total	United Kingdom	Rest of world	Total
Continuing operations						
Current tax						
Current year	5.9	1.5	7.4	4.0	2.1	6.1
Adjustment in respect of prior years	–	2.6	2.6	–	–	–
Total current tax	5.9	4.1	10.0	4.0	2.1	6.1
Deferred tax						
Origination and reversal of temporary differences	7.6	(9.4)	(1.8)	(3.1)	(4.1)	(7.2)
Effect of change in tax rate	–	(0.2)	(0.2)	–	(0.1)	(0.1)
Adjustments in respect of prior years	5.3	1.2	6.5	–	1.0	1.0
Total deferred tax	12.9	(8.4)	4.5	(3.1)	(3.2)	(6.3)
Total tax charge/ (credit)	18.8	(4.3)	14.5	0.9	(1.1)	(0.2)

The tax on the Group's loss before tax differs from the theoretical amount that would arise using the UK tax rate as follows:

	52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m
Continuing operations		
Loss before tax	(377.6)	(339.8)
Effective tax credit at United Kingdom tax rate of 25.0% (FY24: 25.0%)	(94.4)	(84.9)
Effect of:		
Differences in overseas tax rates	1.1	(0.7)
Losses arising in period on which no deferred tax is recognised	14.8	36.8
Temporary differences on which no deferred tax is recognised	57.7	29.1
Recognised tax losses from prior periods	–	–
Permanent differences	26.6	18.7
Impact of tax rate changes	(0.4)	(0.1)
Adjustments in respect of prior periods	9.1	0.9
Income tax charge/(credit)	14.5	(0.2)

The adjustments in respect of prior periods arise from revising the prior period's tax provision to reflect the tax returns subsequently filed.

Income tax – Consolidated Balance Sheet

	52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m
Deferred tax assets	13.5	4.7
Deferred tax liabilities	(1.0)	(0.6)
Net deferred tax assets	12.5	4.1

Presented in the Consolidated Balance Sheet, the Group reports a net current tax asset of £6.1m (FY24: £6.1m).

The major deferred tax (liabilities)/assets recognised by the Group and movements thereon during the current and prior financial years in relation to continuing operations are as follows:

	Tax losses carried forward £m	Accelerated capital allowances £m	Intangibles £m	Share- based payments £m	Other short-term temporary differences £m	Total £m
Balance at 3 December 2023	84.4	(24.6)	(42.9)	0.6	(16.6)	0.9
Foreign exchange movements	(0.4)	0.4	–	–	(0.1)	(0.1)
Credited/(charged) to Consolidated Income Statement	23.8	(10.8)	(8.3)	(0.4)	2.9	7.2
Charged to Other Comprehensive Income	–	–	–	–	(3.1)	(3.1)
Effect of change in rate of corporation tax	(0.4)	(0.4)	–	–	–	(0.8)
Balance at 1 December 2024	107.4	(35.4)	(51.2)	0.2	(16.9)	4.1
Foreign exchange movements	(3.2)	3.0	–	–	0.2	–
Credited/(charged) to Consolidated Income Statement	(15.9)	11.0	(8.1)	(0.1)	8.6	(4.5)
Credited/(charged) to Other Comprehensive Income	–	–	–	(0.1)	13.0	12.9
Effect of change in rate of Corporation Tax	–	–	–	–	–	–
Balance at 30 November 2025	88.3	(21.4)	(59.3)	–	4.9	12.5

Other short-term timing differences include temporary differences in respect of provisions and fair value of investments.

Deferred tax has been recognised at 25%, as this is the rate of UK corporation tax with effect from 1 April 2024.

At the reporting date, the Group's continuing operations had £1,453.0m of unutilised tax losses (FY24: £1,441.0m) available to offset against future profits. Deferred tax assets of £88.3m (FY24: £107.4m) have been recognised in respect of £353.2m (FY24: £429.5m) of such losses, the recovery of which is supported by the expected level of future profits of the Group. The recognition of the deferred tax assets is based on forecast operating results calculated in approved business plans and a review of tax planning opportunities.

In addition, the Group had £745.7m (FY24: £565.1m) of other gross deductible temporary differences for which no deferred tax asset is recognised.

No deferred tax asset has been recognised in respect of the remaining losses on the basis that their future economic benefit is uncertain given the unpredictability of future profit streams. With the exception of £24.7m which are due to expire in 2041 and £14.7m which are due to expire in 2042, all tax losses, both recognised and unrecognised, can be carried forward indefinitely.

The Group's reported total tax charge in the Income Statement for the period was £14.5m (FY24: £0.2m credit).

2.7 Income tax continued

Management has concluded that there is sufficient evidence for the recognition of the deferred tax assets of £13.5m (FY24: £4.7m).

Changes in tax law or its interpretation

The Group is within scope of the OECD Global Anti-Base Erosion (GloBE) Model Rules under BEPS Pillar Two and has assessed its potential exposure to Pillar Two income taxes for the period ended 30 November 2025. Based on this assessment, the Group does not expect a material exposure to Pillar Two income taxes for the period.

The Group has applied the temporary exemption in IAS 12 and therefore does not recognise or disclose deferred tax assets or liabilities related to Pillar Two income taxes.

2.8 Earnings/(Loss) per share

The basic loss per share is calculated by dividing the loss attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the period, excluding ordinary shares held pursuant to the Group's Joint Share Ownership Scheme ("JSOS") and linked Jointly-Owned Equity ("JOE") awards under the Ocado Group Value Creation Plan ("Group VCP"), which are accounted for as treasury shares.

The diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion or vesting of all potentially dilutive shares. The Company has five classes of instruments that are potentially dilutive: share options; share interests held pursuant to the Group's JSOS; linked JOE awards under the Group VCP; shares under the Group's staff incentive plans; and convertible bonds.

The number of shares used for the earnings per share calculations are as follows:

	52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m
Basic weighted average number of shares	825.6	820.1
Effect of dilution	74.0	–
Diluted weighted average number of shares	899.6	820.1

The total number of shares in issue at the period end, as used in the calculation of the basic weighted average number of ordinary shares, was 839.1m, less 10.6m shares held by the Employee Benefit Trust ("EBT") (FY24: 833.3m, less 10.5m held by the EBT).

The earnings used for the earnings/(loss) per share calculations are as follows:

	52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m
Basic and adjusted earnings/(loss) per share		
Profit/(loss) attributable to owners of the Company	405.2	(336.2)
Less: profit from discontinued operations (Note 2.9) ^{2,3}	795.1	2.5
Loss from continuing operations ¹	(389.9)	(333.7)
Exclude: Adjusting items attributable to owners of the Company – continuing operations	23.6	(20.3)
Adjusted loss after tax attributable to the owners of the Company	(366.3)	(354.0)

1. Excludes losses attributable to non-controlling interests (Jones Food Company) of £2.2m (FY24: £6.0m).

2. The results of discontinued operations represent 18 weeks ending 6 April 2025 (FY24: 52 weeks ended 1 December 2024).

3. Excludes losses attributable to non-controlling interests (ORL) of £7.8m (FY24: £32.2m).

	52 weeks ended 30 November 2025 pence	52 weeks ended 1 December 2024 pence
Basic and adjusted earnings/(loss) per share		
Basic earnings/(loss) per share - total	49.1	(41.0)
Less: basic earnings per share from discontinued operations	96.3	(0.3)
Basic loss per share from continuing operations	(47.2)	(40.7)
Exclude: Adjusting items attributable to owners of the Company – continuing operations	2.6	(2.5)
Adjusted loss per share	(44.6)	(43.2)
	52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m
Diluted earnings/(loss) per share		
Profit/(loss) attributable to owners of the Company	405.2	(336.2)
Impact of conversion of convertible bonds	33.0	–
Profit/(loss) attributable to owners of the Company (for diluted EPS)	438.2	(336.2)
	52 weeks ended 30 November 2025 pence	52 weeks ended 1 December 2024 pence
Diluted earnings per share	48.7	(41.0)

2.9 Discontinued operations

Accounting policies

The Group classifies non-current assets and assets and liabilities within disposal groups as held for sale if the assets are available immediately for sale in their present condition, management is committed to a plan to sell the assets under usual terms, it is highly probable that their carrying amounts will be recovered principally through a sale transaction rather than through continuing use and the sale is expected to be completed within one year from the date of the initial classification.

Assets and liabilities classified as held for sale are presented separately as current items in the Consolidated Statement of Financial Position and are measured at the lower of their carrying amount and fair value less costs to sell. Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Where operations constitute a separately reportable segment and are classified as held for sale, the Group classifies such operations as discontinued.

Transactions between the Group's continuing and discontinued operations are eliminated in full in the Consolidated Income Statement. To the extent that the Group considers that the commercial relationships with discontinued operations will continue post-disposal, transactions are reflected within continuing operations with an opposite charge or credit reflected within the results of discontinued operations resulting in a net nil impact on the Group's Profit for the financial year for the years presented.

Transfer of control of Ocado Retail

Historically, the results of ORL have been consolidated into the results of Ocado Group plc as Ocado Group plc was deemed to be the controlling shareholder via certain determinative tie-breaking rights, after agreed dispute-resolution procedures, in relation to the approval of ORL's business plan and budget and the appointment and removal of ORL's Chief Executive Officer who is responsible for directing the relevant activities of the business.

The Group gave up its tie-breaking rights to M&S on 6 April 2025. As a result and consistent with the FY24 Annual Report, management has concluded that ORL meets the requirements of being reported as a discontinued operation for the period ending 6 April 2025.

2.9 Discontinued operations continued

ORL was classified as a disposal group held for sale at FY24, and the prior year balances are presented in the "assets and liabilities held for sale" table below for comparability.

	52 weeks ended 1 December 2024 £m
Net assets of discontinued operations	80.1
Other intangible assets (Note 3.2)	12.9
Property, plant and equipment (Note 3.3)	156.7
Right-of-use assets (Note 3.4)	150.5
Inventories	87.6
Trade and other receivables	139.8
Cash and cash equivalents (Note 3.9)	39.0
Assets classified as held for sale	586.5
Trade and other payables	(212.9)
Borrowings	(98.1)
Provisions	(20.2)
Lease liabilities (Note 3.4)	(175.2)
Liabilities directly associated with assets classified as held for sale	(506.4)

From 7 April 2025, the results of ORL are no longer consolidated into the Group results and are instead accounted for using the equity method, under IAS 28.

There has been no change in economic interest of both shareholders in ORL, or any consideration paid by M&S, as a result of this change in control.

Results of discontinued operations:

	18 weeks ended 6 April 2025 £m	52 weeks ended 1 December 2024 £m
Revenue	767.9	1,941.4
Operating costs	(757.7)	(1,962.0)
Operating profit/(loss)	10.2	(20.6)
Net finance costs	(5.5)	(14.1)
Profit/(loss) before tax	4.7	(34.7)
Income tax credit/(charge)	-	-
Post-tax profit/(loss)	4.7	(34.7)
Gain on deconsolidation of discontinued operations	782.6	-
Attributable tax credit/(charge)	-	-
Post-tax gain on deconsolidation of discontinued operations	782.6	-
Profit/(loss) after tax for the period from discontinued operations	787.3	(34.7)

Included in the results above is an adjusting items credit of £777.1m (FY24: adjusting items debit of £15.5m) which comprises a £782.6m gain on the deconsolidation of ORL (FY24: £nil), partially offset by £5.5m of ORL IT and finance systems transformation costs (FY24: £11.9m) and UK network capacity review costs of £nil (FY24: £5.5m). Refer to Note 2.5 for further details.

	18 weeks ended 6 April 2025 £m	52 weeks ended 1 December 2024 £m
Cash flows from/(used in) discontinued operations		
Net cash flows from operating activities	50.6	4.2
Net cash flows used in investing activities	(4.3)	(2.7)
Net cash flows used in financing activities	(17.1)	(38.5)
Net cash flows for the period	29.2	(37.0)

Effect of loss of control on the financial position of the Group

	As at 6 April 2025 £m
Impact on net liabilities and gain on deconsolidation of ORL	
Other intangible assets	(13.9)
Property, plant and equipment	(211.4)
Right-of-use assets	(235.1)
Net investment in leases	149.2
Other financial assets	100.9
Inventories	(85.7)
Trade and other receivables	(78.1)
Cash and cash equivalents	(68.2)
Trade and other payables	217.1
Contract liabilities	(54.0)
Borrowings	100.9
Provisions	26.4
Lease liabilities	184.5
Cumulative impact on the assets and liabilities on deconsolidation	32.6
Fair value of retained interest in ORL	750.0
Gain on deconsolidation of ORL	782.6

As a result of the deconsolidation of ORL, the Group has recognised items on the balance sheet that were previously eliminated on consolidation and that are reflected in the table above. These include:

- Net investment in leases for property, plant and equipment and right-of-use assets that are leased to ORL. These have been recognised at a fair value of £149.2m which represents a gain on the carrying value of property, plant and equipment and right-of-use assets of £32.7m;
- Shareholder loan and accrued interest of £100.9m due to the Group from ORL; and
- Contract liabilities of £54.0m relating to upfront fees received from ORL.

Significant accounting policies in relation to the results and financial position of discontinued operations are set out below.

2.9 Discontinued operations continued

Revenue

Revenue from online grocery orders

Revenue from online grocery orders is recognised at a point in time when the customer obtains control of the goods. For deliveries performed by the Group, this usually occurs when the goods are delivered to and have been accepted at the customer's home. For goods that are delivered by third-party couriers, revenue is recognised when the items have been transferred to the third party for onward delivery to the customer. In both instances, there is a single performance obligation, which is the delivery of goods, and the total transaction price is allocated to the performance obligation.

Revenue from online grocery orders is presented net of returns, relevant marketing vouchers and offers and value added taxes. Relevant vouchers and offers include money-off coupons, conditional spend vouchers and offers such as buy three for the price of two. At the end of each reporting period, management reviews and adjusts the transaction price for elements of variable consideration such as expected refunds or expected voucher redemptions.

Revenue from Ocado Smart Pass

Ocado Smart Pass, the Group's discounted pre-pay membership scheme, is a separate contract with a customer and has a separate single performance obligation, which is to provide delivery services for an agreed period of time. The Group applies the practical expedient allowed under IFRS 15 "Revenue from Contracts with Customers" to apply the standard requirements to a portfolio of contracts, rather than individual contracts, as it believes the characteristics of each sale are similar, and that doing so does not materially affect the financial statements.

Revenue from Ocado Smart Pass is recognised over the duration of the membership on a time-elapsed, straight-line basis.

Operating costs – Commercial income

The Group has agreements with suppliers whereby (i) promotional allowances and (ii) volume-related rebates are received in connection with the promotion or purchase of goods for resale from those suppliers. The allowances and rebates are included in the operating costs. For the 18 weeks ended 6 April 2025 promotional allowances are £53.2m or 56% (FY24: £145.1m or 87%) of commercial income, with rebates of £9.1m or 10% (FY24: £21.1m or 13%).

Section 3 – Assets and liabilities

3.1 Goodwill

Accounting policies

Goodwill arises on the acquisition of a business when the fair value of the consideration exceeds the fair value attributed to the net assets acquired (including contingent liabilities). Goodwill is not amortised but subject to annual impairment reviews. Goodwill generated from an acquisition is allocated to and monitored at an operating segment level.

Following initial recognition, goodwill is stated at costs less any accumulated impairment losses. Goodwill is reviewed annually for impairment and the recoverability of goodwill is assessed by comparing the carrying amount of the CGU with the expected recoverable amount. Impairment is recognised where there is a difference between the carrying value of the CGU and the estimated recoverable amount of the CGU to which that goodwill has been allocated. Impairment is recognised immediately in the Income Statement and is not subsequently reversed.

Impairment loss is first allocated to the carrying value of the goodwill and then to the other assets within the CGU. Recoverable amount is defined as the higher of fair value less costs of disposal and value in use at the date the impairment review is undertaken. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying amount of goodwill, relating to the Technology Solutions CGU as at 30 November 2025 is as follows:

	Goodwill £m
Cost	
At 3 December 2023	158.6
Effect of changes in foreign exchange rates	(0.4)
At 1 December 2024	158.2
Impairment	(4.7)
Effect of changes in foreign exchange rates	(5.7)
At 30 November 2025	147.8

Goodwill Impairment

Following the loss of control of JFC, the Group recognised an impairment charge of £4.7m in relation to goodwill that arose on the acquisition of JFC and which was allocated to the Technology Solutions segment. The total loss on deconsolidation of JFC, including goodwill impairment, is presented in Note 2.5.

Goodwill – Impairment testing

Goodwill generated from an acquisition is allocated at an operating segment level as this represents the lowest level at which goodwill is monitored by management. Management considers each segment to represent a group of CGUs. All goodwill is currently allocated to a single segment, Technology Solutions.

The recoverable amounts of the group of CGUs is the higher of fair value less costs of disposal ("FVLCD") and value in use. Management concluded that FVLCD was more appropriate for determining the recoverable amount of the group of CGUs because the Group's cash flows are based on future growth from CFC and module orders, capital investments and technology developments.

FVLCD has been estimated using present value techniques using a discounted cash flow method. The fair value method relies on unobservable inputs where there is little market activity for the asset and is therefore categorised at level 3 in the fair value hierarchy. However, those unobservable inputs are determined using market participants' view.

The key assumptions used by management in estimating FVLCD were:

Discount rates – based on the Weighted Average Cost of Capital ("WACC") of a typical market participant. The post-tax discount rate used was 12.9% (FY24: 12.8%).

Forecast cash flows – based on past experiences and reflecting assumptions from the budget and five-year plan, with projections extending to 10 years. Cash flows beyond the five-year plan have been extrapolated to maintain growth but at a rate that trends towards the long-term terminal growth rate of 2%. The projections incorporate the Directors' best estimates of future cash flows, taking into account future growth and price increases, and the Directors believe the estimates are appropriate.

EBITDA margin – reflecting assumptions from the budget and five-year plan, with EBITDA margin beyond the five-year plan consistent with FY30 exit rate as reflected by the forecast cash flows.

Long-term growth rates – a long-term growth rate of 2.0% (FY24: 2.0%) was used for cash flows outside the plan projections.

The impairment assessment resulted in headroom of £358.5m in the group of CGUs that comprise the Technology Solutions segment and no impairment has been recognised. The Group has carried out sensitivity analyses on the reasonably possible changes in key assumptions for the CGUs that comprise the Technology Solutions segment for an increase in discount rate of 1ppt or a decrease in long-term growth rate of 1ppt, neither of which would eliminate the headroom.

The impairment assessment is sensitive to the assumed long-term EBITDA margin embedded within forecast cash flows. A reduction in the long-term EBITDA margin of 7ppt would eliminate headroom, and a reduction in the long-term EBITDA margin of 8ppt would result in an impairment of c.£30m.

3.2 Other intangible assets

Accounting policies

Other intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is provided to write off the cost of other intangible assets less estimated residual value, on a straight-line basis over their estimated useful lives, is charged to operating costs and is calculated based on the useful lives indicated below:

Internally generated intangible assets	3 – 15 years
Other intangible assets	3 – 20 years

Estimated useful lives are reviewed annually and represent management's view of the expected period over which the Group will receive benefits from the asset based on historical experience with similar assets as well as anticipation of future events that may affect useful lives, such as changes in technology.

Cost capitalisation

The cost of an internally generated intangible asset is capitalised as an intangible asset where management determines that the ability to develop the asset is technically feasible, will be completed, and that the asset will generate economic benefit that outweighs its cost. Management determines whether the nature of the projects meets the recognition criteria to allow for the capitalisation of internal costs, which include the total cost of any external products or services and labour costs directly attributable to development. During the period, management considered whether costs in relation to the time spent on specific software projects can be capitalised. Time spent that was eligible for capitalisation included time, which was intrinsic to the development of new assets, CFCs, and the enhancement and efficiency improvements of existing warehouse system capabilities to accommodate expanding capacity and scalable opportunities. Time was also spent on the ongoing implementation and integration of the functionality of OSP used by the Group's partners/customers.

Other development costs that do not meet the above criteria are recognised as expenses as incurred. Development costs previously recognised as an expense are never capitalised in subsequent periods.

Research costs are recognised as expenses as incurred. These are costs that contribute to gaining new knowledge, which management assesses as not satisfying the capitalisation criteria. Examples of research costs include the following: salaries and benefits of employees assessing and analysing future technologies and their likely viability, and professional fees such as marketing costs and the cost of third-party consultancy.

Internally generated intangible assets consist primarily of costs relating to intangible assets that provide economic benefit independent of other assets, and intangible assets that are utilised in the operation of property, plant and equipment. These intangible assets are required for certain tangible assets to operate as intended by management. Management assesses each material addition of an internally generated intangible asset and considers whether it is integral to the successful operation of a related item of hardware, can be used across a number of applications and, therefore, whether the asset should be recognised as an intangible asset. If the asset could be used on other existing or future projects it will be recognised as an intangible asset. For example, should an internally generated intangible asset, such as the software code to enhance the operation of existing equipment in a CFC, be expected to form the foundation or a substantial element of future software development, it will be recognised as an intangible asset.

Impairment of intangible assets

For intangible assets the Group performs impairment testing where indicators of impairment are identified. Impairment testing is performed at the individual asset level. Where an asset does not generate cash flows that are separately identifiable from other assets, the Group estimates the recoverable amount of the CGU to which the asset belongs.

The recoverable amount is the higher of fair value less costs of disposal and value in use. When the recoverable amount is less than the carrying amount, an impairment loss is recognised immediately in the Consolidated Income Statement.

When an impairment charge is subsequently reversed, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have existed had no impairment charge been recognised for the asset in prior periods.

Carrying amount of other intangible assets as at 30 November 2025 is as follows:

	Internally generated intangible assets £m	Other intangible assets £m	Total £m
Cost			
At 3 December 2023	775.8	115.3	891.1
Additions	14.5	12.1	26.6
Internal development costs capitalised	176.6	1.2	177.8
Transfer to disposal group classified as held for sale (Note 2.9)	(16.5)	(0.8)	(17.3)
Reclassification	(3.4)	–	(3.4)
Effect of changes in foreign exchange rates	0.9	(1.2)	(0.3)
At 1 December 2024	947.9	126.6	1,074.5
Additions	–	9.6	9.6
Internal development costs capitalised	147.5	1.0	148.5
Assets written off	–	(14.5)	(14.5)
Reclassification	14.7	(14.7)	–
Deconsolidation of Jones Food Company	–	(0.3)	(0.3)
Effect of changes in foreign exchange rates	(0.1)	(0.5)	(0.6)
At 30 November 2025	1,110.0	107.2	1,217.2
Accumulated amortisation			
At 3 December 2023	(367.1)	(62.7)	(429.8)
Charge for the period	(129.1)	(18.2)	(147.3)
Impairment charge	(0.7)	(5.2)	(5.9)
Transfer to disposal group classified as held for sale (Note 2.9)	3.5	0.9	4.4
Effect of changes in foreign exchange rates	0.1	0.5	0.6
At 1 December 2024	(493.3)	(84.7)	(578.0)
Charge for the period	(109.8)	(15.2)	(125.0)
Impairment charge	(11.3)	–	(11.3)
Assets written off	–	14.5	14.5
Reclassification	(2.8)	2.8	–
Deconsolidation of Jones Food Company	–	0.1	0.1
Effect of changes in foreign exchange rates	0.1	0.2	0.3
At 30 November 2025	(617.1)	(82.3)	(699.4)
Net book value			
At 1 December 2024	454.6	41.9	496.5
At 30 November 2025	480.2	37.6	517.8

At the end of the period, included within intangible assets is capital work-in-progress for internally generated intangible assets of £123.0m (FY24: £240.7m) and £8.9m (FY24: £5.8m) for other intangible assets.

3.3 Property, plant and equipment

Accounting policies

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses. Cost includes the original purchase price of the asset, any costs attributable to bringing the asset to its working condition for its intended use, and major spares.

Depreciation is provided to write off the cost of property, plant and equipment less estimated residual value, on a straight-line basis over their estimated useful lives, is charged to operating costs and is calculated based on the useful lives indicated below:

Freehold land	not depreciated
Freehold buildings	up to 30 years
Fixtures and fittings	5 – 10 years
Plant and machinery	3 – 20 years
Motor vehicles	2 – 7 years

Residual values and estimated useful lives are reviewed annually and represent management's view of the expected period over which the Group will receive benefits from the asset based on historical experience with similar assets as well as anticipation of future events that may affect useful lives, such as changes in technology.

Assets in the course of construction are held at cost, less any recognised impairment charge. Cost includes professional fees and other directly attributable costs. Depreciation of these assets commences when the assets are ready for their intended use, on the same basis as other assets.

Gains and losses on disposal are determined by comparing net proceeds with the asset's carrying amount, and are recognised within operating profit.

Impairment of property, plant and equipment

For property, plant and equipment the Group performs impairment testing where indicators of impairment are identified. Impairment testing is performed at the individual asset level. Where an asset does not generate cash flows that are separately identifiable from other assets, the Group estimates the recoverable amount of the CGU to which the asset belongs.

The recoverable amount is the higher of fair value less costs of disposal, and value in use. When the recoverable amount is less than the carrying amount, an impairment loss is recognised immediately in the Consolidated Income Statement within operating costs.

When an impairment charge is subsequently reversed, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have existed had no impairment charge been recognised for the asset in prior periods.

	Land and buildings £m	Fixtures, fittings, plant and machinery £m	Motor vehicles £m	Total £m
Cost				
At 3 December 2023	223.8	2,250.1	12.5	2,486.4
Additions	3.2	160.5	0.3	164.0
Internal development costs capitalised	–	23.6	–	23.6
Reclassification	(1.9)	5.3	–	3.4
Disposals	(2.5)	(3.2)	–	(5.7)
Transfer to disposal group classified as held for sale (Note 2.9)	(122.1)	(86.9)	(2.5)	(211.5)
Effect of changes in foreign exchange rates	(0.1)	(19.4)	–	(19.5)
At 1 December 2024	100.4	2,330.0	10.3	2,440.7
Additions	4.1	201.1	–	205.2
Internal development costs capitalised	–	19.3	–	19.3
Disposals	(0.5)	(5.8)	–	(6.3)
Transfer to net investment in leases ¹	–	(131.3)	–	(131.3)
Deconsolidation of Jones Food Company	(13.6)	(16.9)	–	(30.5)
Effect of changes in foreign exchange rates	0.1	(34.3)	–	(34.2)
At 30 November 2025	90.5	2,362.1	10.3	2,462.9
Accumulated depreciation				
At 3 December 2023	(17.8)	(663.8)	(9.9)	(691.5)
Charge for the period	(7.5)	(207.8)	(0.5)	(215.8)
Impairment charge	–	(38.4)	–	(38.4)
Transfer to disposal group classified as held for sale (Note 2.9)	21.3	32.3	1.2	54.8
Disposals	0.7	1.1	–	1.8
Effect of changes in foreign exchange rates	0.1	3.7	–	3.8
At 1 December 2024	(3.2)	(872.9)	(9.2)	(885.3)
Charge for the period	(3.9)	(217.5)	(0.2)	(221.6)
Impairment charge	(0.6)	(26.7)	–	(27.3)
Disposals	0.2	5.9	–	6.1
Deconsolidation of ORL	–	79.4	–	79.4
Deconsolidation of Jones Food Company	0.5	6.8	–	7.3
Effect of changes in foreign exchange rates	–	6.0	–	6.0
At 30 November 2025	(7.0)	(1,019.0)	(9.4)	(1,035.4)
Net book value				
At 1 December 2024	97.2	1,457.1	1.1	1,555.4
At 30 November 2025	83.5	1,343.1	0.9	1,427.5

1. During the period, and as a result of the deconsolidation of ORL, the Group transferred assets leased to ORL from property, plant and equipment to net investment in leases.

3.3 Property, plant and equipment continued

At the end of the period, included within property, plant and equipment is capital work-in-progress for land and buildings of £37.1m (FY24: £37.0m), fixtures, fittings, plant and machinery of £202.9m (FY24: £214.7m) and motor vehicles of £0.7m (FY24: £0.9m).

The impairment charges during the prior period include amounts relating to the fixed assets held in the CFC in Hatfield of £7.0m and certain Ocado Retail Zoom sites of £12.5m. Refer to Note 2.5 for further details.

Impairment assessment – customer-level CGU

The Group has determined that assets directly associated with individual Technology Solutions contracts (i.e. partner by partner) represent the lowest-level group of assets at which impairment can be assessed, i.e. the CGU. The Group has undertaken a review for indicators of impairment for each Technology Solutions contract and, where indicators of impairment exist, a full asset impairment review was carried out comparing carrying value to fair value less cost to dispose ("FVLCD"). FVLCD has been estimated using present value techniques using a discounted cash flow method. The fair value method relies on unobservable inputs where there is little market activity for the asset and is therefore categorised at Level 3 in the fair value hierarchy. However, those unobservable inputs are determined using market participants' view.

The key inputs and assumptions in arriving at the FVLCD are:

- a probability-weighted approach of possible scenarios using the expected future cash flows from the contract based on management forecasts for a 10-year period, including an assessment of ramp-up of capacity, ongoing operating costs and associated increase in fees and capital expenditure;
- discount rate that specifically takes into account the risk pertaining to the customer-specific cash flows – 12.1% to 12.9% (FY24: 11.2% to 12.2%); and
- long-term growth rate to reflect growth outside of the forecast period – 2.0% (FY24: 2.0%).

In FY25, the impairment assessments for three CGUs resulted in no impairment charge being recognised. Additionally, no reversals of prior impairment were recognised in relation to the Group Casino CGU.

In FY24, an impairment charge of £9.8m was recognised for Groupe Casino CGU ("Casino"), which prior to the impairment had a carrying value of £26.0m. The impairment assessment of another CGU resulted in no impairment being recognised.

3.4 Leases

Group as lessee

Accounting policies

The Group leases properties, vehicles and other items of equipment. The leases have varying terms, escalation clauses and renewal rights. At the commencement date of a lease, the Group recognises a right-of-use asset and a lease liability on the Consolidated Balance Sheet. The Group has elected to account for short-term leases and leases of low-value items using practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments relating to these leases are recognised as expenses in the Consolidated Income Statement on a straight-line basis over the lease term.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of the right-of-use assets includes the initial measurement of the lease liabilities, lease payments made at or before the commencement date, initial direct costs incurred and an estimate of costs to dismantle and remove the assets at the ends of the leases, less any lease incentives received. The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date over the shorter of the assets' estimated useful life and the lease term. The Group also assesses the right-of-use assets for impairment when such indicators exist.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted using the interest rate implicit in the lease (if that rate is readily available) or the Group's incremental borrowing rate. Subsequent to initial measurement, the liability is reduced for payments made, and increased for interest charged. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or a change in the lease term.

An analysis of the Group's right-of-use assets and lease liabilities is as follows:

	Land and buildings £m	Fixtures, fittings, plant and machinery £m	Motor vehicles £m	Total £m
Right-of-use assets				
At 3 December 2023	359.9	17.7	50.5	428.1
Additions	2.0	2.5	25.0	29.5
Disposals	–	–	(0.4)	(0.4)
Remeasurements	11.3	(0.5)	5.7	16.5
Impairment charge	(4.6)	–	–	(4.6)
Depreciation charge	(31.6)	(5.0)	(16.9)	(53.5)
Transfer to disposal group classified as held for sale (Note 2.9)	(102.1)	–	(48.4)	(150.5)
Effect of changes in foreign exchange rates	(0.3)	–	–	(0.3)
At 1 December 2024	234.6	14.7	15.5	264.8
Additions	0.5	0.7	18.4	19.6
Transfer to net investment in leases	(63.8)	–	0.1	(63.7)
Remeasurements	2.3	–	–	2.3
Depreciation charge	(20.9)	(3.1)	(8.1)	(32.1)
Effect of changes in foreign exchange rates	0.4	–	–	0.4
At 30 November 2025	153.1	12.3	25.9	191.3
	Land and buildings £m	Fixtures, fittings, plant and machinery £m	Motor vehicles £m	Total £m
Lease liabilities				
At 3 December 2023	426.9	19.3	51.6	497.8
Additions	1.8	2.6	25.0	29.4
Terminations	–	–	(0.7)	(0.7)
Remeasurements	11.2	(0.5)	5.7	16.4
Interest	21.5	1.1	2.4	25.0
Payments	(51.3)	(7.5)	(21.8)	(80.6)
Transfer to disposal group classified as held for sale (Note 2.9)	(128.7)	–	(46.5)	(175.2)
Effects of changes in foreign exchange rates	(0.3)	(0.1)	–	(0.4)
At 1 December 2024	281.1	14.9	15.7	311.7
Additions	0.3	0.7	18.4	19.4
Remeasurements	3.6	0.3	0.1	4.0
Interest	14.8	1.0	1.5	17.3
Payments	(37.2)	(3.9)	(9.4)	(50.5)
Effects of changes in foreign exchange rates	0.3	–	–	0.3
At 30 November 2025	262.9	13.0	26.3	302.2

3.4 Leases continued

	30 November 2025 £m	1 December 2024 £m
Disclosed as:		
Current	34.4	30.3
Non-current	267.8	281.4
	302.2	311.7

External obligations under lease liabilities are £291.2m (FY24: £299.3m), excluding £11.0m (FY24: £12.4m) payable to MHE JVCo Limited, a company incorporated in the United Kingdom in which the Group holds a 50% interest.

The existing lease arrangements entered into by the Group contain no restrictions concerning dividends, additional debt and further leasing. Furthermore, no material leasing arrangements exist relating to contingent rent payable, renewal or purchase options and escalation clauses.

The expenses relating to short-term leases and leases of low-value items not included in the measurement of the lease liability are as follows:

	52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m
Continuing operations		
Short-term leases	1.4	2.2
Leases of low-value items	0.8	0.2
	2.2	2.4

Group as lessor

Finance lease receivables are measured at the net investment in the lease. This amount is calculated as the present value of future lease payments together with any unguaranteed residual values, reduced by unearned finance income. Finance income from these leases is recognised over the lease term so as to reflect a constant rate of return on the net investment. Lease receivables are assessed for impairment under IFRS 9, using the expected credit loss model.

Ocado's net investments in leases mainly relate to arrangements with ORL, where assets are leased under finance lease structures.

	30 November 2025 £m	1 December 2024 £m
Finance lease payments receivable		
Current	13.7	–
Non-current	125.1	–
Total undiscounted lease payments receivable	138.8	–
Unearned finance income	99.2	–
Net investment in the lease	238.0	–

During the year, the Group earned finance income of £6.1m (FY24: £nil) from finance lease receivables and received total cash repayments of £16.5m. The prior-year balance was £nil as ORL had been previously consolidated; following its deconsolidation, it is now considered an external counterparty. The minimum undiscounted finance lease payments receivable within one year is £21.4m; between one and two years, £18.9m; between two and five years £48.9m; and more than five years, £148.8m.

3.5 Investment in joint venture and associate

Accounting policies

The Group's share of the results of joint ventures and associates is included in the Consolidated Income Statement, and is accounted for using the equity method of accounting. Investments in joint ventures and associates are held on the Consolidated Balance Sheet at cost, plus post-acquisition changes in the Group's share of the net assets of the entity, less any impairment in value. On transfer of assets to joint ventures and associates, the Group recognises only its share of any profits or losses, namely that proportion sold outside the Group.

If the Group's share of losses of a joint venture or associate equals or exceeds its investment in the joint venture or associate, the Group does not recognise further losses, unless it has incurred obligations to do so or made payments on behalf of the joint venture or associate.

Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the Group's interest in the entity.

The Group assesses investments for impairment where indicators of impairment are identified. Where such indicators of impairment exist, the carrying amount of the investment is compared with its recoverable amount. When the recoverable amount is less than the carrying amount, an impairment loss is recognised in the Consolidated Income Statement.

Investment in joint venture and associate

The Group's principal joint ventures and associates are:

	Nature of relationship	Year end	Business activity	% of interest held (FY25)	% of interest held (FY24)	Country of incorporation	Principal area of operation
			Lessor of assets to the Group				
MHE JVCo Limited	Joint venture	30 Nov		50.0%	50.0%	United Kingdom	United Kingdom
Ocado Retail Limited	Joint venture	31 Mar	Online grocery retail	50.0%	n/a	United Kingdom	United Kingdom

The Group previously held a 25% interest in Paneltex Limited. The investment was not treated as an associate since the Group did not have significant influence over the company. During the period, the Group disposed of its investment in Paneltex Limited. See Note 3.6 for further detail.

The Group holds a 50% interest in Ocado Retail Limited ("ORL"), but ORL is no longer consolidated as a subsidiary and has instead been accounted for as an associate using the equity method in line with IAS 28 following the transfer of control to M&S on 6 April 2025.

The carrying amounts of the investments at the beginning and end of the period can be reconciled as follows:

	Ocado Retail		MHE JVCo	
	52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m	52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m
Investment at beginning of period	-	-	7.0	9.5
Initial recognition of investment	750.0	-	-	-
Share of total comprehensive income/(expense) attributable to Group	(13.7)	-	0.2	0.3
Dividend received	-	-	(0.8)	(2.8)
Investment at end of period	736.3	-	6.4	7.0

Under the requirements of IFRSs, following the deconsolidation of ORL (refer to Note 2.9) the Group recognised its remaining interest in ORL at an accounting fair value. The determination of fair value is inherently subjective and has been estimated using a discounted cash flow methodology supported by a number of inputs.

3.5 Investment in joint venture and associate continued

The key inputs and assumptions within the methodology used to support the fair value are:

- Forecast cash flows – based on assumptions in the latest ORL Board-approved five-year plan, with extrapolations extending for a further 10 years, reflecting the anticipated growth of the online grocery sector.
- Long-term EBITDA margin – benchmarked against online retail peer group
- Discount rate – based on a weighted average cost of capital (“WACC”) of a market participant being a post-tax discount rate of 9.0%.

The valuation outcomes were validated using observable data points including a comparison of implied revenue multiples to listed online retail and supermarket peers and sense-checking against broker sum-of-the part valuations of ORL.

The fair value measurement is classified as Level 3 in the Fair Value Hierarchy (refer to Note 4.4) due to the nature of inputs used.

In the current year there were no impairment indicators identified.

The tables below provide summarised financial information of the Group’s joint ventures and associates. The information disclosed reconciles the amounts presented in the financial statements of the relevant joint ventures and associates with the Group’s share of those amounts.

	Ocado Retail	MHE JVCo	Total	MHE JVCo	Total
	As at 30 November 2025 £m	As at 30 November 2025 £m	As at 30 November 2025 £m	As at 1 December 2024 £m	As at 1 December 2024 £m
Non-current assets	654.7	11.3	666.0	11.3	11.3
Current assets					
• Cash and cash equivalents	127.9	0.8	128.7	0.8	0.8
• Other current assets	229.6	0.6	230.2	2.3	2.3
Current liabilities					
• Other current liabilities	(435.4)	(0.2)	(435.6)	(0.6)	(0.6)
Non-current financial liabilities					
• Other non-current liabilities	(653.3)	–	(653.3)	–	–
Net assets/(liabilities)	(76.5)	12.5	(64.0)	13.8	13.8
Share of net assets/(liabilities) attributable to the Group	(38.2)	6.4	(31.8)	7.0	7.0
Implied goodwill (included in investment carrying amount)	24.5	–	24.5	–	–
Fair value of retained interest in ORL	750.0	–	750.0	–	–
Carrying value of investment	736.3	6.4	742.7	7.0	7.0

	MHE JVCo	Ocado Retail*	Total	MHE JVCo	Total
	52 weeks ended 30 November 2025 £m	52 weeks ended 30 November 2025 £m	52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m	52 weeks ended 1 December 2024 £m
Revenue	–	1,988.5	1,988.5	–	–
Operating costs	–	(1,939.3)	(1,939.3)	–	–
Depreciation, amortisation and impairment charges	(0.4)	(48.3)	(48.7)	(0.3)	(0.3)
Interest income/(expense)	0.8	(28.4)	(27.6)	0.9	0.9
Profit/(loss) and total comprehensive income/(expense) for the period	0.4	(27.5)	(27.1)	0.6	0.6
Share of total comprehensive income/(expense) attributable to Group	0.2	(13.7)	(13.5)	0.3	0.3
Dividends received	0.8	–	0.8	2.8	2.8

* The Group accounted for its investment in Ocado Retail as an associate from the date control was transferred to M&S (refer to Note 2.9). The results above represent the Group's share of results from this date.

The joint ventures and associates have no significant contingent liabilities to which the Group is exposed. The Group does not have any commitments that have been made to the joint ventures or associates and not recognised at the reporting date.

There are no significant restrictions on the ability of joint ventures and associates to transfer funds to the owners, other than those imposed by the Companies Act 2006 or equivalent local regulations.

3.6 Other financial assets

Accounting policies

Other financial assets comprise contingent consideration receivable, unlisted equity investments, loans receivable and contributions towards dilapidations costs receivable.

Contingent consideration receivable is initially measured at the fair value at the date of disposal of the Group's shareholdings and is remeasured to fair value at each reporting date with the changes in fair value recognised in profit or loss.

Where unlisted equity investments represent strategic investments that the Group intends to hold indefinitely, they have been designated as at fair value through other comprehensive income ("FVTOCI"). They are held at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in other reserves. The cumulative gains or losses will not be reclassified to profit or loss on disposal of the investments; instead, they will be transferred directly to retained earnings. Dividends on these investments are recognised as other income in the Income Statement.

Loans receivable held at amortised cost were initially recognised at the fair value of the cash lent. Accrued interest is added to the carrying amount. They are held at amortised cost, reduced by the provision for expected credit losses. For the purposes of impairment assessment, loans receivable held at amortised cost are considered low credit risk and, therefore, the Group measures the provision for expected credit losses at an amount equal to 12-month credit losses.

3.6 Other financial assets continued

	30 November 2025 £m	1 December 2024 £m
Unlisted equity investments held at FVTOCI	64.9	100.1
Loan receivable held at amortised cost	106.0	12.9
Contributions towards dilapidations costs receivable	0.7	0.7
Contingent consideration receivable	0.7	–
Other financial assets	172.3	113.7
Disclosed as:		
Current	0.7	12.9
Non-current	171.6	100.8
	172.3	113.7

Unlisted equity investments held at FVTOCI

Company	Principal activity	Country of incorporation	% of share capital held		Carrying amount	
			30 November 2025	1 December 2024	30 November 2025 £m	1 December 2024 £m
80 Acres Urban Agriculture Inc.	Vertical farming	United States of America	0.8%	2.1%	2.8	11.3
Inkbit Corporation	3D printing	United States of America	4.5%	4.5%	–	2.5
Oxa Autonomy Ltd	Autonomous vehicle technology	England and Wales	12.2%	12.2%	16.0	37.4
Paneltex Limited	Manufacturing refrigerated vehicles	England and Wales	–	25.0%	–	3.7
Sanctuary Cognitive Systems Corporation	Artificial intelligence	Canada	1.8%	1.8%	3.5	3.5
Wayve Technologies Limited	Autonomous vehicle technology	England and Wales	2.9%	2.9%	42.6	41.7
Unlisted equity investments held at FVTOCI					64.9	100.1

During the period, the Group's percentage shareholding in 80 Acres Urban Agriculture Inc. was diluted as a result of the completion of fundraising that the Group did not participate in.

During the period, the Group disposed of its investment in Paneltex Limited. The disposal formed part of the Group's planned exit strategy for the investment. Under the terms of the disposal, the Group received consideration made up of an up-front payment of £8.8m and will receive a further amount dependent on the results of Paneltex for the year ended 31 December 2025. The estimated value of the contingent consideration is £0.7m. The fair value of the investment on disposal was equal to the consideration, with no gain or loss on disposal. The cumulative fair value gain of £9.0m was transferred from fair value reserve to retained earnings following the disposal.

The investment in Paneltex Limited ("Paneltex") was not treated as an associate since the Group did not have significant influence over the company on the basis that it was unable to participate in the financial and operating policy decisions of Paneltex due to the position of the majority shareholder as Executive Managing Director. The relationship between the Group and the company was at arm's length.

Loans receivable held at amortised cost

Borrower	Principal amount	Coupon rate	Maturity date	Carrying amount	
				30 November 2025 £m	1 December 2024 £m
Ocado Retail Limited	£90.0m	SONIA +4%	August 2039	106.0	–
Infinite Acres Holding B.V.	US\$15.0m	12.5%	September 2024	–	12.9
Loans receivable held at amortised cost				106.0	12.9

The loan to Ocado Retail Limited comprises a £90.0m shareholder loan, maturing in August 2039 and bearing interest at SONIA plus 4% per annum, together with £16.0m of accrued interest. The provision for expected credit losses in the current year is immaterial.

The loan to Infinite Acres Holding B.V. was being repaid under a repayment plan at US\$1.0m per month. In August 2025, the Group reached an agreement with 80 Acres Urban Agriculture Inc., which following the Group's divestment in Infinite Acres became a guarantor to the loan, for a settlement of the outstanding balance of \$11.4m for US\$6.0m in cash and US\$5.4m in warrants over preferred stock in 80 Acres Urban Agriculture Inc. Refer to Note 4.3 for details of the warrants.

Contributions towards dilapidation costs receivable

Contributions towards dilapidation costs are due from the former tenant of two properties whose leases the Group took over in 2017, and will be paid when the dilapidation costs are incurred on expiry of the leases.

3.7 Inventories

Accounting policies

Inventories comprise goods held for resale and consumables (including fuel). Inventories are valued at the lower of cost (using the first-in-first-out basis) and net realisable value. Costs include all direct expenditure and other appropriate attributable costs incurred in bringing inventories to their present location and condition. Net realisable value represents the estimated selling price, less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. It also takes into account slow-moving, obsolete and defective inventory.

	30 November 2025 £m	1 December 2024 £m
Goods for resale	0.5	9.0
Consumables	31.4	30.8
Inventories	31.9	39.8

The provision for slow-moving, obsolete and defective stock as at 30 November 2025 is £7.4m (FY24: £0.7m).

3.8 Trade and other receivables

Accounting policies

Trade receivables are not interest bearing and are due on commercial terms. Trade receivables are recognised initially at their transaction price and subsequently measured at amortised cost using the effective interest method, less expected credit loss ("ECL").

The Group applies the simplified approach to measuring ECL, segmenting its trade receivables based on shared characteristics and recognising a loss allowance for the lifetime ECL for each segment of trade receivables.

The expected loss rates are based on the Group's historical credit losses, adjusted for reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Other receivables are also not interest bearing and are recognised initially at their fair value, which generally coincides with their transaction price, and subsequently at amortised cost, reduced by appropriate ECL.

3.8 Trade and other receivables continued

	30 November 2025 £m	1 December 2024 £m
Trade receivables, net of ECL allowance	53.6	58.9
Other receivables	14.3	65.6
Prepayments	48.0	53.3
Accrued income	26.4	8.6
Trade and other receivables	142.3	186.4
Disclosed as:		
Current	142.3	186.4
	142.3	186.4

The analysis of trade receivables by ageing, together with movements in the provision for ECL, are set out below:

	30 November 2025			1 December 2024		
	Gross £m	Provision £m	Net £m	Gross £m	Provision £m	Net £m
Not past due	45.2	–	45.2	39.6	–	39.6
Up to 180 days overdue	10.7	(2.3)	8.4	18.7	–	18.7
Past 180 days overdue	3.1	(3.1)	–	0.6	–	0.6
	59.0	(5.4)	53.6	58.9	–	58.9

	52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m
Balance at beginning of period	–	(12.5)
Provision for ECL of receivables	(5.4)	(2.1)
Uncollectible amounts written off	–	10.5
Recovery of amounts previously provided for	–	2.4
Transfer to disposal group classified as held for sale	–	1.7
Balance at end of period	(5.4)	–

Included in trade receivables and accrued income are £26.1m and £24.3m respectively (FY24: £47.9m and £6.4m) relating to contract balances outstanding for Solutions contracts. See Note 2.1 for more detail.

Included in other receivables is VAT receivable of £5.4m (FY24: £nil).

Included in other receivables in the prior period is £56.3m due from the AutoStore settlement which was all due within 12 months. The receivable was initially recognised at fair value of £180.4m using the income approach and subsequently measured at amortised cost. The balance was reduced by monthly instalments received and increased by the unwinding of the discounting as the receivable moved towards maturity. See Note 2.5 for further details on the settlement agreement.

The expected credit losses relating to accrued income and other receivables were £nil as at 30 November 2025 (FY24: £nil). Refer to Note 4.5 for the related discussion.

Refer to Note 5.4 for details on related party balances within trade and other receivables.

3.9 Cash and cash equivalents

Accounting policies

Cash and cash equivalents comprise cash at bank and in hand, money-market funds, and short-term deposits with banks with a maturity of three months or less at the date of acquisition. Cash and cash equivalents are classified as current assets on the Consolidated Balance Sheet. The carrying amount of these assets approximates to their fair value.

	30 November 2025 £m	1 December 2024 £m
Cash at bank and in hand	66.6	158.6
Money-market funds	618.0	504.9
Short-term deposits	55.4	69.0
Cash and cash equivalents as presented in the Consolidated Balance Sheet	740.0	732.5
Cash and cash equivalents of discontinued operations (Note 2.9)	–	39.0
Cash and cash equivalents as presented in the Consolidated Statement of Cash Flows	740.0	771.5

Of the Group's cash and cash equivalents, £0.9m (FY24: £1.0m) is held by the Group's captive insurance company to maintain its solvency requirements. A further £1.0m (FY24: £1.0m) is held by the Trustee of the Group's Employee Benefit Trust relating to the Sharesave Scheme for employees in Poland. These funds are restricted and are not available to circulate within the Group on demand.

3.10 Trade and other payables

Accounting policies

Trade and other payables are initially recognised at their transaction price, which is deemed to equal to their fair value, and subsequently at amortised cost, using the effective interest method.

	30 November 2025 £m	1 December 2024 £m
Trade payables	70.4	58.4
Taxation and social security	41.1	52.7
Accruals and other payables ¹	129.2	119.1
Deferred income	22.2	17.5
Trade and other payables	262.9	247.7
Disclosed as:		
Current	261.9	246.6
Non-current	1.0	1.1
	262.9	247.7

1. During the period, an amount of £2.1m has been reclassified from employee incentive schemes provision to accruals.

Accruals and other payables includes £50.1m of employment cost accruals (FY24: £45.9m) and £13.0m of capital project accruals (FY24: £10.7m).

The amount of pension payable in respect of defined contribution schemes at the end of the period is £3.9m (FY24: £4.2m).

3.11 Provisions

Accounting policies

Provisions are recognised on the Consolidated Balance Sheet when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be estimated reliably.

The amounts recognised as provisions are management's best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation and historical experience. Provisions are determined by discounting the expected future cash flows by a rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost in the Consolidated Income Statement.

Onerous contracts

Provisions for onerous contracts are recognised when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

Dilapidations

Provisions for dilapidations are made for properties and vehicles where there are obligations to return the assets to the condition and state they were in when the Group obtained the right to use them. Amounts are recognised on an asset-by-asset basis, and are based on the present value of future expected costs required to restore the Group's leased buildings and vehicles to their fair condition at the end of their lease terms.

Employee incentive schemes

Provisions for employee incentive schemes relate to employer social security contributions on taxable equity-settled schemes and cash-settled employee long-term incentive schemes. For all taxable schemes, the Group is liable to pay employer social security contributions upon exercise of the share awards.

Taxable schemes are the unapproved Executive Share Option Scheme ("ESOS"), the Ocado Group Value Creation Plan ("Group VCP"), the Long-Term Operating Plan, the Annual Incentive Plan ("AIP"), the Restricted Share Plan ("RSP") and the Performance Share Plan ("PSP"). For more details on these schemes, refer to Note 4.7.

Restructuring

A restructuring provision is recognised when the Group has developed a detailed formal plan and has raised a valid expectation in those affected that it will carry out the restructuring. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring.

	Onerous contracts £m	Dilapidations £m	Employee incentive schemes £m	Restructuring £m	Other £m	Total £m
Balance at 3 December 2023	6.6	25.3	4.1	3.9	0.9	40.8
Additional provision	3.4	0.2	3.6	0.4	0.5	8.1
Unwinding of discounting	–	1.3	–	–	–	1.3
Unused amounts reversed	(3.5)	–	(0.6)	–	–	(4.1)
Remeasurement of right-of-use assets	–	0.1	–	–	–	0.1
Used during the period	(2.3)	(0.1)	(1.3)	(1.6)	–	(5.3)
Transfer to disposal group classified as held for sale (Note 2.9)	–	(11.0)	(3.7)	(2.7)	–	(17.4)
Balance at 1 December 2024	4.2	15.8	2.1	–	1.4	23.5
Additional provision	0.6	12.0	–	–	–	12.6
Unwinding of discounting	–	0.8	–	–	–	0.8
Unused amounts reversed	–	(0.1)	–	–	–	(0.1)
Reclassification ¹	–	–	(2.1)	–	–	(2.1)
Used during the period	(0.9)	(0.1)	–	–	(0.2)	(1.2)
Balance at 30 November 2025	3.9	28.4	–	–	1.2	33.5

1. During the period, the employee incentive schemes provision has been reclassified to accrued liabilities within trade and other payables.

	Onerous contracts £m	Dilapidations £m	Employee incentive schemes £m	Restructuring £m	Other £m	Total £m
30 November 2025						
Current	3.9	12.4	–	–	1.0	17.3
Non-current	–	16.0	–	–	0.2	16.2
	3.9	28.4	–	–	1.2	33.5

	Onerous contracts £m	Dilapidations £m	Employee incentive schemes £m	Restructuring £m	Other £m	Total £m
1 December 2024						
Current	4.2	1.2	0.9	–	1.3	7.6
Non-current	–	14.6	1.2	–	0.1	15.9
	4.2	15.8	2.1	–	1.4	23.5

Onerous contracts

During the period, a provision of £0.6m was recognised (FY24: £3.4m) in relation to unavoidable costs expected to be incurred in exiting manufacturing contracts as a result of changes to design and production, and an amount of £0.9m (FY24: £2.3m) has been utilised following settlement of those obligations. Remaining amounts are expected to be utilised in the next 12 months.

Dilapidations

During the period, dilapidation provisions increased as a result of the unwinding of discount of £0.8m (FY24: £1.3m). In the current period, £0.1m has been utilised.

Property leases expire between 2026 and 2092, with contractual amounts due to be incurred at the end of the lease term.

3.11 Provisions continued

Leases for vehicles run for an average of five years, with the contractual obligation per vehicle payable at the end of the lease term. If a non-contractual option to extend individual leases is exercised by the Group, the contractual obligation remains the same but is deferred by six months.

Following the announcement that Kroger are to close three CFCs, a provision of £11.3m was recognised during the period for the estimated costs of dismantling and removing certain assets from the sites. This provision is expected to be utilised within the next 12 months.

Other provisions

Other provisions include amounts related to potential motor insurance claims and potential public liability claims where accidents have occurred but a claim has yet to be made.

3.12 Contingent liabilities

Accounting policies

Contingent liabilities are potential future cash outflows, where the likelihood of payment is considered more than remote but is not considered probable or cannot be measured reliably.

Claims and litigation

The Group has contingent liabilities in respect of other legal claims arising in the ordinary course of business, all of which the Group expects will either be covered by its insurance or will not have a material effect on the Group's Financial Statements.

Subsidiary audit exemptions

The following UK subsidiary undertakings are exempt from the requirements of the Companies Act 2006 (the "Act") relating to the audit of individual accounts by virtue of Section 479A of the Act:

- Ocado Ventures Holdings Limited (09887250)
- Ocado Ventures (80 Acres) Limited (12075378)
- Ocado Ventures (Myrmex) Limited (12774138)
- Ocado Ventures (Inkbit) Limited (12103334)
- Ocado Ventures (Oxbotica) Limited (12796767)
- Ocado Ventures (JFC) Limited (12035120)
- Ocado Ventures (Wayve) Limited (13536254)
- Ocado Ventures (Karakuri) Limited (11512054)
- Ocado Intelligent Automation Limited (14744957)
- 6 River Systems Limited (12070197)

Ocado Group plc will guarantee all outstanding liabilities that these subsidiaries are subject to as at the financial period ended 30 November 2025 in accordance with Section 479C of the Act, as amended by the Companies and Limited Liability Partnerships (Accounts and Audit Exemptions and Change of Accounting Framework) Regulations 2012. In addition, Ocado Group plc will guarantee any contingent and prospective liability that these subsidiaries are subject to.

Section 4 – Capital structure and financial instruments

4.1 Borrowings

Accounting policies

Borrowings are initially recorded at fair value, net of transaction costs. Subsequent to initial recognition, borrowings are stated at amortised cost, with any difference between cost and redemption value being recognised in the Consolidated Income Statement over the period to redemption using the effective interest method.

Convertible bonds are compound financial instruments, and so their liability and equity components are presented separately in accordance with IAS 32 "Financial Instruments: Presentation". At the date of issue, the liability component is valued by reference to a similar liability that does not have an associated equity component, and is recognised as borrowings. The difference between the proceeds received and the liability component is recognised in the convertible bonds reserve, directly in reserves. The liability and equity components are recorded net of transaction costs. The liability component is then held at amortised cost, with any difference between initial fair value and redemption value being recognised in the Consolidated Income Statement over the period to redemption using the effective interest method. The carrying amount of the equity component does not change until the liability component is redeemed through repayment or conversion into ordinary shares.

	30 November 2025 £m	1 December 2024 £m
Senior unsecured convertible bonds	612.7	703.1
Senior unsecured notes	873.5	678.8
Other borrowings	–	4.8
Borrowings	1,486.2	1,386.7
Disclosed as:		
Current	56.0	0.2
Non-current	1,430.2	1,386.5
	1,486.2	1,386.7

Senior unsecured convertible bonds and senior unsecured notes

Facility	Inception	Coupon rate	Maturity	Carrying amount	
				52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m
£600m senior unsecured convertible bonds	December 2019	0.875%	December 2025	56.0	167.2
£350m senior unsecured convertible bonds	June 2020	0.750%	January 2027	334.7	320.8
£500m senior unsecured notes	October 2021	3.875%	October 2026	–	223.6
£250m senior unsecured convertible bonds	August 2024	6.250%	August 2029	222.0	215.1
£450m senior unsecured notes	August 2024	10.500%	August 2029	456.4	455.2
£400m senior unsecured notes	May 2025	11.000%	June 2030	417.1	–

4.1 Borrowings continued

The £600.0m senior unsecured convertible bonds (the "2025 Bonds") were issued in December 2019, raising £592.1m, net of transaction fees. At the date of issue, the liability component was valued at £485.0m, with the remaining £107.1m recognised in the convertible bonds reserve. The bonds are convertible into ordinary shares of the Company at a conversion price of £17.93. The bonds are convertible at the option of the bondholders on any day up until 10 calendar days prior to maturity.

The £350.0m senior unsecured convertible bonds (the "2027 Bonds") were issued in June 2020, raising £343.4m, net of transaction fees. At the date of issue, the liability component was valued at £266.0m, with the remaining £77.4m recognised in the convertible bonds reserve. The bonds are convertible into ordinary shares of the Company at a conversion price of £26.46. The bonds are convertible at the option of the bondholders on any day up until 10 calendar days prior to maturity.

The £500.0m senior unsecured notes were issued in October 2021, raising £491.6m, net of transaction fees.

The £250.0m convertible bonds (the "2029 CB") raised £245.7m, net of transaction costs of £4.3m. The bonds are convertible into ordinary shares of the Company at a conversion price of £6.105. The bonds are convertible at the option of the bondholders on any day up until 10 calendar days prior to maturity. At the issuance date, the Group recognised both a financial liability and equity component at £211.7m and £38.3m respectively.

The £450.0m senior unsecured notes (the "2029 SUNs") raised £439.8m, net of transaction costs of £10.2m.

Refinancing

On 8 May 2025, the Group issued £300.0m of senior unsecured notes with a coupon rate of 11% per annum, maturing in 2030. Proceeds from the issuance were partly used to fund the partial early redemption of existing debt facilities.

Subsequently on 4 June 2025, the Group completed a further issuance of £100.0m senior unsecured notes under the same terms as the May issuance. The proceeds were used to partly repurchase existing debt. Both the £300.0m and £100.0m issuances were consolidated as a single new debt.

The new £400.0m senior unsecured notes (the "2030 SUNs") raised £391.0m, net of transaction costs of £9.0m.

Early partial redemption of convertible bonds and senior unsecured notes

Following the issue of the new £400m 2030 SUNs, the Group completed a tender process on 9 May 2025 and completed a further repurchase on 4 June 2025, resulting in the early partial redemption of some of its existing debt at between 97.4% and 98.6% of par, as set out in the table below:

Principal value of debt and tender consideration – current period	Prior to tender £m	Tender principal amounts £m	Remaining principal £m	Tender consideration £m
Convertible bonds (maturing 2025)	172.8	117.0	55.8	113.9
Senior unsecured notes (maturing 2026)	223.6	169.0	54.6	166.7
Total	396.4	286.0	110.4	280.6

On 11 November 2025, the Group redeemed the final £54.6m of the senior notes due in 2026 at par together with accrued interest.

In the prior year, following the issue of the £700.0m bonds, Ocado completed a tender process which resulted in an early partial redemption of some of its debt at 93% of par, as set out in the table below:

Principal value of debt and tender consideration – prior period	Prior to tender £m	Tender principal amounts £m	Remaining principal £m	Tender consideration £m
Convertible bonds (maturing 2025)	600.0	427.2	172.8	397.3
Senior unsecured notes (maturing 2026)	500.0	276.3	223.7	257.0
Total	1,100.0	703.5	396.5	654.3

The redemption of the notes meets the requirements of derecognition of the related financial liabilities. A gain on redemption of £4.1m (FY24: £43.6m) has been recorded within the Consolidated Income Statement and a reduction of £2.3m (FY24: £17.7m) has been recorded within the convertible bond reserve in the Consolidated Statement of Changes in Equity. Transaction costs incurred on the redemption amounted to £0.3m (FY24: £1.2m).

On 9 December 2025, the 2025 Convertible Bonds reached maturity and were redeemed in full. The Group repaid the principal amount of £55.8m together with accrued but unpaid interest of £0.2m, in accordance with the terms and conditions of the bonds. Following the redemption, the 2025 Bonds were cancelled and no bonds of this series remain outstanding.

In accordance with its financial strategy, Ocado plans to take steps to address its debt maturities prior to an instrument becoming current and continues to evaluate opportunities related to addressing the maturity profiles of its listed debt instruments (which may include liability management transactions).

Revolving credit facility

In June 2022, the Group entered into a three-year multi-currency revolving credit facility ("RCF") of £300m with a syndicate of international banks. During the prior period, the Group extended the maturity of the RCF to August 2027 (subject to addressing upcoming bond maturities). In the current period, the Group confirmed with the banking syndicate that the upcoming bond maturities had been adequately addressed. As at 30 November 2025, the facility remains undrawn, consistent with its status in the prior year. Interest is payable on amounts drawn at a margin of 2.25% over the applicable reference rate (dependent on the currency of the amounts drawn). The Group is subject to a springing covenant under this facility which is required to be met when drawing down and in subsequent quarters if a loan is outstanding.

Transaction costs of £0.4m relating to the amendment of the RCF were capitalised in the year and are being amortised in the Consolidated Income Statement on a straight-line basis over the remaining term of the RCF.

	Due in less than one year £m	Due in between one and two years £m	Due in between two and five years £m	Due in more than five years £m	Total £m
30 November 2025					
Senior unsecured convertible bonds	56.0	334.7	222.0	–	612.7
Senior unsecured notes	–	–	873.5	–	873.5
Revolving credit facility	–	–	–	–	–
Borrowings	56.0	334.7	1,095.5	–	1,486.2

	Due in less than one year £m	Due in between one and two years £m	Due in between two and five years £m	Due in more than five years £m	Total £m
1 December 2024					
Senior unsecured convertible bonds	–	167.2	535.9	–	703.1
Senior unsecured notes	–	–	678.8	–	678.8
Revolving credit facility	–	–	–	–	–
Other borrowings	0.2	1.1	0.2	3.3	4.8
Borrowings	0.2	168.3	1,214.9	3.3	1,386.7

The Group reviews its financing arrangements regularly. The senior unsecured notes and senior unsecured convertible bonds contain typical restrictions concerning dividend payments and additional debt and leases.

4.2 Movements in net debt*

	Notes	Cash movements				Non-cash movements			30 November 2025 £m
		1 December 2024 £m	Cash flows excluding interest £m	Interest received £m	Interest paid £m	Interest income/(charge) £m	Net new lease liabilities £m	Other £m	
Cash and cash equivalents	3.9	771.5	(54.9)	28.7	–	–	–	(5.3)	740.0
Liabilities from financing activities:									
Borrowings	4.1	(1,484.8)	(55.1)	–	75.3	(128.9)	–	107.3	(1,486.2)
Lease liabilities	3.4	(486.9)	42.9	–	20.7	(20.7)	(42.4)	184.2	(302.2)
Gross debt*		(1,971.7)	(12.2)	–	96.0	(149.6)	(42.4)	291.5	(1,788.4)
Net debt*		(1,200.2)	(67.1)	28.7	96.0	(149.6)	(42.4)	286.2	(1,048.4)

	Notes	Cash movements				Non-cash movements			1 December 2024 £m
		3 December 2023 £m	Cash flows excluding interest £m	Interest received £m	Interest paid £m	Interest income/(charge) £m	Net new lease liabilities £m	Other £m	
Cash and cash equivalents	3.9	884.8	(139.6)	30.5	–	–	–	(4.2)	771.5
Liabilities from financing activities:									
Borrowings	4.1	(1,462.1)	(26.8)	–	30.9	(84.9)	–	58.1	(1,484.8)
Lease liabilities	3.4	(497.8)	55.7	–	25.0	(25.0)	(45.0)	0.2	(486.9)
Gross debt*		(1,959.9)	28.9	–	55.9	(109.9)	(45.0)	58.3	(1,971.7)
Net debt*		(1,075.1)	(110.7)	30.5	55.9	(109.9)	(45.0)	54.1	(1,200.2)

* Gross debt and net debt are alternative performance measures. See Alternative Performance Measures on pages 270 and 273.

Other non-cash movements in cash and cash equivalents represent foreign exchange movements. Other non-cash movements in borrowings include the gain on early redemption of bonds of £4.1m (FY24: £43.6m), amounts recognised in equity in relation to the early redemption of convertible bonds of £(2.3)m (FY24: £(17.7)m) and new issuance of convertible bonds of £nil (FY24: £37.6m) and the derecognition of £105.6m as a result of loss of control of subsidiaries in the period (£100.9m ORL and £4.7m Jones Food Company). Other non-cash movements in lease liabilities includes foreign exchange of £(0.3)m (FY24: £0.2m) and the derecognition of £184.5m as a result of loss of control of subsidiaries in the period.

Net debt* is calculated as cash and cash equivalents less total debt (borrowings and lease liabilities). As at 3 December 2023 and 1 December 2024, Net debt* includes cash and cash equivalents, borrowings and lease liabilities relating to the disposal group. Balances and movements in respect of the disposal group are presented to allow reconciliation to the Consolidated Cash Flow Statement.

4.3 Derivative financial instruments

Accounting policies

Derivative financial instruments are initially recognised at fair value on the contract date, and are subsequently measured at their fair value at each reporting date. The method of recognising the resulting fair value gain or loss depends on whether or not the derivative is designated as a hedging instrument, and on the nature of the item being hedged. At 30 November 2025 and 1 December 2024, the Group's derivative financial instruments consisted of warrants to subscribe for additional shares of investee companies and commodity swap contracts, which are designated as cash flow hedges of highly probable transactions.

The Group documents at the inception of the hedge the relationship between hedging instruments and hedged items, the risk management objectives and strategy, and its assessment of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

This assessment is performed retrospectively at the end of each financial reporting period. Movements in the hedging reserve within reserves are shown in the Consolidated Statement of Comprehensive Income. The fair value of hedging derivatives is classified as current when the remaining maturity of the hedged item is less than 12 months.

The effective portion of changes in the fair value of derivatives that are designated as cash flow hedging instruments and qualify for hedge accounting is recognised in other comprehensive income. Amounts accumulated through other comprehensive income are recycled in the Consolidated Income Statement in the periods in which the hedged items affect profit or loss.

	30 November 2025 £m	1 December 2024 £m
Non-current assets		
Warrants	5.5	3.4
Current assets		
Warrants	0.8	–
Commodity swap contracts	0.3	0.1
Current liabilities		
Commodity swap contracts	–	(0.7)
Net derivative assets	6.6	2.8

Commodity swap contracts

The Group uses commodity swap contracts to hedge the cost of future purchases of diesel fuel to be used in the Logistics business. The cash flows are expected to occur within one year of the reporting date, and hedges cover 50% to 80% of expected risk.

The notional principal amounts of the outstanding commodity swap contracts were £10.5m (FY24: £10.5m). The weighted average strike price of the outstanding commodity swap contracts relating to the future purchase of fuel at the reporting date was 40.70 pence per litre of diesel (FY24: 47.49 pence per litre of diesel). The hedged highly probable forecast transactions are expected to occur at various dates during the next 12 months. The fair value movements in cash flow hedges resulted in a gain of £0.4m (FY24: £(0.6)m loss) for the period and a £0.5m gain (FY24: £0.1m gain) was reclassified from the cash flow hedge reserve to the Consolidated Income Statement on settlement of the swap contracts. The cumulative gain/(loss) held in the cash flow hedge reserve will be recognised in profit or loss in the periods during which the hedged forecast transactions affect the Consolidated Income Statement.

Throughout the period, all of the Group's cash flow hedges were effective, and there is, therefore, no ineffective portion recognised in profit or loss.

4.3 Derivative financial instruments continued

Warrants

Investee company	Expiry date	Carrying amount	
		30 November 2025 £m	1 December 2024 £m
80 Acres Urban Agriculture, Inc.	September 2026	0.8	3.4
	August 2030	5.5	–
Warrants		6.3	3.4

In August 2025, the Group entered into a settlement agreement under which the outstanding loan balance due from Infinite Acres, to which 80 Acres Urban Agriculture Inc. was a guarantor, was settled through a payment of US\$6.0m in cash and the issuance of US\$5.4m of warrants over preferred stock in 80 Acres Urban Agriculture, Inc.

Warrants are measured at fair value each year end, taking into account a variety of inputs, sensitivities and probabilities based on underlying forecasts and financial information of the investee company. Any fair value gains or losses on remeasurement are recognised through the Consolidated Income Statement.

4.4 Financial instruments

Accounting policies

Financial assets and financial liabilities are recognised on the Consolidated Balance Sheet when the Group becomes a party to the contractual provisions of the instruments. Financial instruments are derecognised from the Consolidated Balance Sheet when the contractual cash flows expire or when the Group no longer retains control of substantially all the risks and rewards under the instrument.

The Group classifies its financial assets using the following categories:

- Amortised cost.
- Fair value through profit or loss ("FVTPL").
- Fair value through other comprehensive income ("FVTOCI").

The classification depends on the characteristics of the contractual cash flows, and the Group's business model for managing them.

Refer to Note 3.8 for the Group's accounting policy for expected credit losses.

Financial liabilities are measured at amortised cost, except for derivatives that are measured at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments). Classification depends on the purpose for which the liability was acquired.

Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that gives a residual interest in the assets of the Group, after deducting all of its liabilities.

The Group has categorised its financial instruments as follows:

30 November 2025	Notes	Amortised cost £m	FVTPL £m	FVTOCI £m	Total £m
Financial assets					
Other financial assets	3.6	106.7	0.7	64.9	172.3
Trade receivables	3.8	53.6	–	–	53.6
Other receivables and accrued income ¹	3.8	35.3	–	–	35.3
Cash and cash equivalents	3.9	740.0	–	–	740.0
Derivative assets	4.3	–	6.6	–	6.6
Total financial assets		935.6	7.3	64.9	1,007.8
Financial liabilities					
Trade payables	3.10	(70.4)	–	–	(70.4)
Accruals and other payables ²	3.10	(79.0)	–	–	(79.0)
Borrowings	4.1	(1,486.2)	–	–	(1,486.2)
Lease liabilities	3.4	(302.2)	–	–	(302.2)
Derivative liabilities	4.3	–	–	–	–
Total financial liabilities		(1,937.8)	–	–	(1,937.8)

1 December 2024	Notes	Amortised cost £m	FVTPL £m	FVTOCI £m	Total £m
Financial assets					
Other financial assets	3.6	13.6	–	100.1	113.7
Trade receivables	3.8	58.9	–	–	58.9
Other receivables and accrued income ¹	3.8	74.2	–	–	74.2
Cash and cash equivalents	3.9	732.5	–	–	732.5
Derivative assets	4.3	–	3.5	–	3.5
Total financial assets		879.2	3.5	100.1	982.8
Financial liabilities					
Trade payables	3.10	(58.4)	–	–	(58.4)
Accruals and other payables ²	3.10	(73.2)	–	–	(73.2)
Borrowings	4.1	(1,386.7)	–	–	(1,386.7)
Lease liabilities	3.4	(311.7)	–	–	(311.7)
Derivative liabilities	4.3	–	(0.7)	–	(0.7)
Total financial liabilities		(1,830.0)	(0.7)	–	(1,830.7)

1. Excluded from the other receivables and accrued income balance compared with Note 3.8 is a VAT receivable balance of £5.4m (FY24: £nil), which is not a financial asset in scope of IFRS 9.

2. Excluded from the accruals and other payables balance compared with Note 3.10 is £50.1m (FY24: £45.9m) of employee cost accruals, which are not a financial instrument in scope of IFRS 9.

Derivative financial instruments are held at FVTPL, but where they are hedging instruments, related gains and losses are recognised in other comprehensive income.

4.4 Financial instruments continued

Fair value measurement of financial assets and liabilities

The Group uses the following hierarchy for determining and disclosing the fair value of its financial instruments:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly (level 2).
- Inputs for the assets or liabilities that are not based on observable market data (level 3).

Set out below is a comparison by category of carrying amounts and fair values of all financial instruments that are included in the Consolidated Financial Statements:

		30 November 2025		1 December 2024	
	Notes	Carrying amount £m	Fair value £m	Carrying amount £m	Fair value £m
Financial assets					
Other financial assets	3.6	172.3	172.3	113.7	113.7
Trade receivables	3.8	53.6	53.6	58.9	58.9
Other receivables and accrued income ¹	3.8	35.3	35.3	74.2	74.2
Cash and cash equivalents	3.9	740.0	740.0	732.5	732.5
Derivative assets	4.3	6.6	6.6	3.5	3.5
Total financial assets		1,007.8	1,007.8	982.8	982.8
Financial liabilities					
Trade payables	3.10	(70.4)	(70.4)	(58.4)	(58.4)
Accruals and other payables ²	3.10	(79.0)	(79.0)	(73.2)	(73.2)
Senior unsecured notes	4.1	(873.5)	(873.9)	(678.8)	(667.3)
Senior unsecured convertible bonds	4.1	(612.7)	(622.8)	(703.1)	(697.3)
Other borrowings	4.1	–	–	(4.8)	(4.8)
Derivative liabilities	4.3	–	–	(0.7)	(0.7)
Total financial liabilities		(1,635.6)	(1,646.1)	(1,519.0)	(1,501.7)

1. Excluded from the other receivables and accrued income compared with Note 3.8 is a VAT receivable balance of £5.4m (FY24: £nil), which is not a financial asset in scope of IFRS 9.

2. Excluded from the accruals and other payables balance compared with Note 3.10 is £50.1m (FY24: £45.9m) of employee cost accruals, which are not a financial instrument in scope of IFRS 9.

The fair values of other financial assets, trade receivables, other receivables and accrued income, cash and cash equivalents, trade payables and accruals and other payables are assumed to approximate to their carrying values, but for completeness are included in the above analysis.

The fair values of the senior unsecured notes and senior unsecured convertible bonds are determined based on the quoted price in the active market.

The fair values of all other financial assets and liabilities have been calculated using discounted cash flows or the probability expected return method or the option pricing model.

Financial assets and liabilities held at fair value have been valued as follows:

30 November 2025	Notes	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Financial assets held at fair value					
Contingent consideration receivable		–	–	0.7	0.7
Unlisted equity investments	3.6	–	–	64.9	64.9
Derivative assets	4.3	–	1.1	5.5	6.6
Total financial assets held at fair value		–	1.1	71.1	72.2
Financial liabilities held at fair value					
Derivative liabilities	4.3	–	–	–	–
Total financial liabilities held at fair value		–	–	–	–

1 December 2024	Notes	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Financial assets held at fair value					
Unlisted equity investments	3.6	–	–	100.1	100.1
Derivative assets	4.3	–	0.1	3.4	3.5
Total financial assets held at fair value		–	0.1	103.5	103.6
Financial liabilities held at fair value					
Derivative liabilities	4.3	–	(0.7)	–	(0.7)
Total financial liabilities held at fair value		–	(0.7)	–	(0.7)

During the current and prior period, there were no transfers between level 1 and level 2 fair value measurements, nor were there transfers from or to level 3.

Changes in the fair values of financial instruments categorised in level 3 are as follows:

	Notes	Contingent consideration receivable £m	Unlisted equity investments £m	Loans receivable £m	Derivative assets £m	Total £m
Balance at 3 December 2023		29.4	82.7	0.5	3.3	115.9
Recognised/(derecognised) during the period	3.6	–	10.5	(0.5)	(10.0)	–
Cash paid/(received)		(1.6)	10.0	–	–	8.4
(Losses)/gains recognised in profit or loss	2.5, 2.6	(27.8)	–	–	10.1	(17.7)
Losses recognised in other comprehensive income	4.6	–	(3.1)	–	–	(3.1)
Balance at 1 December 2024		–	100.1	–	3.4	103.5
Recognised/(derecognised) during the period	3.6	0.7	(9.5)	–	4.3	(4.5)
(Losses)/gains recognised in profit or loss	2.5, 2.6	–	–	–	(1.2)	(1.2)
Losses recognised in other comprehensive income	4.6	–	(25.6)	–	–	(25.6)
Balance at 30 November 2025		0.7	65.0	–	6.5	72.2

4.4 Financial instruments continued

The following table provides information about how the significant fair values of financial instruments categorised in level 3 are determined:

Description	Valuation techniques and key inputs	Significant unobservable inputs	Sensitivity of the fair value measurement to input
Unlisted equity investments – Oxa Autonomy	Probability weighted expected return method Forecast revenue, revenue multiples, exit date, discount rate and probabilities	- Discount rate 30% - Exit date - Probabilities of expected revenue in five different scenarios	- An increase/decrease in the discount rate by 5% decreases/increases the fair value by £5.1m and £6.9m respectively. - An increase/decrease in the exit date by one year decreases/increases the fair value by £5.2m and £4.2m respectively.
Unlisted equity investments – Wayve Technologies	Option pricing model Volatility, risk-free interest rate and exit date	- Volatility 40% - Exit date	- An increase/decrease in the volatility of 10% increases/decreases the fair value by £0.5m. - An increase/decrease in the exit date by one year increases/decreases the fair value by £0.8m and £1.4m respectively.

For more details on the other financial assets and derivative financial assets, refer to Notes 3.6 and 4.3 respectively.

4.5 Financial risk management

Overview

The Group's financial instruments comprise cash and cash equivalents, trade and other receivables and payables, borrowings, lease liabilities, derivatives and unlisted investments. The main financial risks faced by the Group relate to the risk of default by counterparties following financial transactions, to the availability of funds for the Group to meet its obligations as they fall due, and to fluctuations in interest and foreign exchange rates.

The management of these risks is set out below:

Credit risk

The Group's exposure to credit risk arises from holdings of cash and cash equivalents, trade and other receivables, and derivative assets. The carrying amounts of these financial assets, as set out in Note 4.4, represent the maximum credit exposure. No collateral is held as security against these assets.

Management does not believe that the credit risk of any financial instrument has increased significantly since its initial recognition.

Cash and cash equivalents

The Group's exposure to credit risk on cash and cash equivalents is managed by using banks and financial institutions with the appropriate geographical presence and suitable credit ratings ranging from BBB to AAA. Money market investments are made in accordance with internal treasury policies and the funds invested in have AAA ratings by either Moody's, Fitch or S&P.

Trade and other receivables

Trade and other receivables that are financial instruments at the reporting date comprise amounts due from Solutions customers and Logistics customers, which are considered of a good credit quality. The Group recognises expected credit losses in respect of amounts due from customers and monies due from suppliers.

For Solutions customers, amounts due from each customer are treated on a case-by-case basis, depending on the credit risk assigned to the counterparty, the amount outstanding, and the length of time to or from the due date. Further, where a customer is known to be in financial difficulty, the Group considers the need for an increased or specific provision compared with historical averages.

The expected credit losses relating to Logistics customers are immaterial.

The Group's other receivables held at amortised cost are considered to have low credit risk, and the loss allowance, if any, is limited to 12 months' expected losses. These are considered to be low credit risk as they have a low risk of default and the debtor has the capacity to meet its contractual obligations in the near term.

The Group's definition of default varies for Solutions customers which are treated on a case-by-case basis, and the definition of default varies.

Receivables are written off when there is no realistic prospect of recovery. This is generally the case when the Group determines that the counterparty does not have sufficient assets or sources of income to repay the relevant amounts. However, receivables that have been written off may still be subject to enforcement activity. The recovery of an amount previously written off is recognised as a gain in the Consolidated Income Statement.

Refer to Note 3.8 for movements in the provision for ECL of trade and other receivables during the period.

Liquidity risk

The Group has adequate cash resources to manage the short-term working capital needs of the business. The Group regularly reviews its financing arrangements to ensure an adequate level of headroom is maintained. For further details of the review see the Viability Statement on page 97.

The Group monitors its liquidity requirements to ensure it has sufficient cash to meet operational needs. Furthermore, the Group utilises its cash resources which are either held in bank accounts, short term deposits or highly liquid money market funds to manage its short-term liquidity. For further details, see Note 4.8.

The table below analyses the Group's financial liabilities based on the period remaining to the contractual maturity dates at the reporting date. The amounts disclosed in the contractual cash flows are gross and undiscounted, and include future interest payments, so will not necessarily reconcile to the carrying amounts.

30 November 2025	Notes	Carrying amount £m	Contractual cash flows				
			Total £m	Due in less than one year £m	Due in between one and two years £m	Due in between two and five years £m	Due in more than five years £m
Trade payables	3.10	70.4	70.4	70.4	–	–	–
Accruals and other payables ¹	3.10	79.0	79.0	78.2	0.8	–	–
Borrowings ²	4.1	1,486.2	1,986.6	170.3	458.5	1,357.8	–
Lease liabilities	3.4	302.2	454.8	48.2	43.9	92.4	270.3
		1,937.8	2,590.8	367.1	503.2	1,450.2	270.3

4.5 Financial risk management continued

1 December 2024	Notes	Carrying amount £m	Total £m	Contractual cash flows			
				Due in less than one year £m	Due in between one and two years £m	Due in between two and five years £m	Due in more than five years £m
Trade payables	3.10	58.4	58.4	58.4	–	–	–
Accruals and other payables ¹	3.10	73.2	73.2	72.4	0.8	–	–
Borrowings	4.1	1,386.7	1,787.3	75.7	471.4	1,240.2	–
Lease liabilities	3.4	311.7	473.8	46.3	41.7	97.5	288.3
Derivative financial liabilities	4.3	0.7	0.7	0.7	–	–	–
		1,830.7	2,393.4	253.5	513.9	1,337.7	288.3

1. Employee cost accruals of £50.1m (FY24: £45.9m) have been excluded from the accruals and other payables balance compared with Note 3.10 as they are not a financial instrument in scope of IFRS 9.

Currency risk

The Group has exposure to foreign currency risk through trade receivables, trade payables and lease liabilities denominated in foreign currencies and a portion of its cash and cash equivalents.

Foreign currency trade receivables arise principally on amounts invoiced under Solutions contracts and foreign currency trade payables arise principally on purchases of plant and machinery. Trade receivables and payables arise principally in Australian Dollars, Canadian Dollars, Euros, Japanese Yen, Korean Republic Won, Swedish Krona, Sterling and US Dollars. Bank accounts are maintained in these foreign currencies in order to minimise the Group's exposure to fluctuations in foreign currencies relating to current and future revenue, salaries and purchases of plant and equipment.

The table below shows the Group's sensitivity to changes in foreign exchange rates on its financial instruments denominated in foreign currencies:

	30 November 2025		1 December 2024	
	Increase/ (decrease) in income £m	Increase/ (decrease) in equity £m	Increase/ (decrease) in income £m	Increase/ (decrease) in equity £m
10.0% appreciation of above foreign currencies against sterling	2.0	–	6.0	–
10.0% depreciation of above foreign currencies against sterling	(2.0)	–	(0.6)	–

During the period, the currencies to which the Group is exposed appreciated and depreciated against sterling by between 10.9% and (8.7)%. Given these historical movements, a 10.0% appreciation or depreciation of foreign currencies is deemed reasonably likely to occur, and so has been used for the above analysis. The analysis assumes that all other variables remain constant.

Interest rate risk

The Group is exposed to interest rate risk on its variable rate cash and cash equivalents and other borrowings. The Group's interest rate risk policy seeks to minimise finance charges and volatility by structuring the interest rate profile into a diversified portfolio of fixed rate and variable rate financial assets and liabilities.

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments was as follows:

	30 November 2025 £m	1 December 2024 £m
Fixed rate instruments		
Financial assets	156.0	80.8
Financial liabilities	(1,788.3)	(1,698.4)
Variable rate instruments		
Financial assets	690.0	663.5
Financial liabilities	–	–

Sensitivity analysis

Based on the Group's variable rate instruments existing at the end of the period, a 1% increase and 1% decrease in interest rates would result in an increase of £6.9m and a decrease of £6.9m in profit, respectively (FY24: based on 2% increase and 2% decrease in interest rates, an increase of £13.3m and a decrease of £13.3m in profit, respectively).

4.6 Share capital and reserves

Accounting policy

Equity instruments issued by the Group are recorded as the proceeds received, net of direct issue costs.

Share capital and share premium

At the reporting date, the number of ordinary shares available for issue under the Block Listing Facilities was 11,236,362 (FY24: 9,713,238). These ordinary shares will only be issued and allotted when the shares under the relevant share plan have vested, or the share options have been exercised. They are, therefore, not included in the total number of ordinary shares outstanding below.

The movements in called-up share capital and share premium are set out below:

	Ordinary shares million	Share capital £m	Share premium £m
Balance at 3 December 2023	828.4	16.6	1,942.9
Issue of ordinary shares	4.0	0.1	1.7
Allotted in respect of share option schemes	0.9	–	2.9
Balance at 1 December 2024	833.3	16.7	1,947.5
Issue of ordinary shares	5.2	0.1	1.4
Allotted in respect of share option schemes	0.5	–	1.1
Balance at 30 November 2025	839.0	16.8	1,950.0

Included in the total number of ordinary shares outstanding above are 10,645,284 (FY24: 10,511,575) ordinary shares held by the Group's Employee Benefit Trust (see Note 4.7). The ordinary shares held by the Trustee of the Group's Employee Benefit Trust pursuant to the Joint Share Ownership Scheme ("JSOS"), and the linked Jointly Owned Equity ("JOE") awards under the Ocado Group Value Creation Plan ("Group VCP") are treated as treasury shares on the Consolidated Balance Sheet. These ordinary shares have voting rights but these have been waived by the Trustee (although the Trustee may vote in respect of shares that have vested and remain in the Trust). The number of allotted, called-up and fully paid shares, excluding treasury shares, at the end of each period differs from that used in the basic earnings per share calculation in Note 2.8, since the basic loss per share is calculated using the weighted average number of ordinary shares in issue during the period, excluding treasury shares.

4.6 Share capital and reserves continued

Treasury shares reserve

The treasury shares reserve arose when the Group issued equity share capital under its JSOS. In 2019, the Group issued share capital relating to the linked JOE awards under the Group VCP. The shares under both plans are held in trust by the Trustee of the Group's Employee Benefit Trust. Treasury shares cease to be accounted for as such when they are sold outside the Group or the interest is transferred in full to the participant pursuant to the terms of the JSOS and Group VCP. Participants' interests in unexercised shares held by participants are not included in the calculation of treasury shares. See Note 4.7 for more information on the JSOS and Group VCP.

Other reserves

The movements in other reserves are set out below:

	Other reserves						
	Reverse acquisition reserve £m	Convertible bonds reserve £m	Merger reserve £m	Translation reserve £m	Fair value reserve £m	Hedging reserve £m	Total £m
Balance at 3 December 2023	(116.2)	184.5	6.2	5.1	11.1	(0.1)	90.6
Net loss arising on cash flow hedges	–	–	–	–	–	(0.5)	(0.5)
Foreign exchange gain/(loss) on translation of foreign subsidiaries	–	–	–	(20.6)	–	–	(20.6)
Loss on equity investments designated as at fair value through other comprehensive income	–	–	–	–	(3.1)	–	(3.1)
Tax on loss on equity investments	–	–	–	–	(3.1)	–	(3.1)
Issue of convertible bonds	–	37.6	–	–	–	–	37.6
Partial redemption of convertible bonds	–	(17.7)	–	–	–	–	(17.7)
Balance at 1 December 2024	(116.2)	204.4	6.2	(15.5)	4.9	(0.6)	83.2
Net gain arising on cash flow hedges	–	–	–	–	–	0.9	0.9
Foreign exchange gain/(loss) on translation of foreign subsidiaries	–	–	–	(31.2)	–	–	(31.2)
Loss on equity investments designated as at fair value through other comprehensive income	–	–	–	–	(25.6)	–	(25.6)
Tax on loss on equity investments	–	–	–	–	12.9	–	12.9
Transfer of investment valuation reserve on disposal	–	–	–	–	(9.0)	–	(9.0)
Partial redemption of convertible bonds	–	(2.3)	–	–	–	–	(2.3)
Balance at 30 November 2025	(116.2)	202.1	6.2	(46.7)	(16.8)	0.3	28.9

Reverse acquisition reserve

The acquisition by the Company of the entire issued share capital in 2010 of Ocado Holdings Limited was accounted for as a reverse acquisition under IFRS 3 "Business Combinations". Consequently, the previously recognised book values and assets and liabilities have been retained, and the consolidated financial information for the period to 30 November 2025 has been presented as if the Company had always been the parent company of the Group.

Convertible bonds reserve

The convertible bonds reserve contains the equity components of convertible bonds issued by the Group, net of apportioned transaction costs. The carrying amounts of the equity components will not change until the liability components are redeemed through repayment or conversion into ordinary shares.

Refer to Note 4.1 for further details on the senior unsecured convertible bonds issued by the Group.

Merger reserve

The merger reserve comprises shares issued as consideration for Haddington Dynamics Inc.

Translation reserve

The translation reserve comprises cumulative foreign exchange differences on the translation of foreign subsidiaries.

Fair value reserve

The fair value reserve comprises cumulative changes in the fair value of assets and liabilities recognised through other comprehensive income.

Hedging reserve

The hedging reserve comprises cumulative gains and losses on movements in the Group's hedging arrangements (see Note 4.3).

4.7 Share options and other equity instruments**Accounting policies****Employee benefits**

Employees (including Directors) of the Group receive part of their remuneration in the form of share-based payments, whereby, depending on the scheme, employees render services in exchange for rights over shares ("equity-settled transactions") or entitlement to future cash payments ("cash-settled transactions").

The cost of equity-settled transactions with employees is measured, where appropriate, with reference to the fair value of the equity instruments at the date on which they are granted. Where options need to be valued, an appropriate valuation model is applied. The expected lives used in the models have been adjusted, based on management's best estimates, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The cost of cash-settled transactions, including the cost of associated employer social security contributions on certain taxable equity-settled transactions, is measured with reference to the fair value of the amounts payable, which is taken to be the closing price of the Company's shares at the measurement date. Until a liability is settled, it is remeasured at the end of each reporting period and at the date of settlement, with any changes in fair value being recognised in the Consolidated Income Statement for the relevant period. For more details, see Note 3.10.

The cost of equity-settled transactions is recognised, along with a corresponding increase in equity, over the periods in which the service and performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the "vesting date"). The cost of associated employer taxes is recognised, along with a corresponding provision for the expected cash settlement, over the vesting period.

At each reporting date, the cumulative expense recognised for equity-settled transactions reflects the extent to which the vesting period has elapsed, and the number of awards that, in the opinion of management, will ultimately vest. Management's estimates are based on the best available information at that date.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

4.7 Share options and other equity instruments continued

Share options and other equity instruments

The total expense for the period relating to all share-based payment transactions is as follows:

	52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m
Executive Share Option Scheme	(1.1)	0.3
Joint Share Ownership Scheme	–	–
Sharesave Scheme	5.9	4.5
Share Incentive Plan	3.0	2.7
Ocado Group Value Creation Plan	–	2.1
Performance Share Plan	2.7	1.4
Annual Incentive Plan	6.4	4.4
Employee Share Purchase Plan	0.6	0.8
Ocado Restricted Share Plan	20.6	20.8
Consultant Option Plan	0.3	0.3
Deferred Consideration Shares	0.4	0.4
Total expense	38.8	37.7
Of which:		
Equity-settled expense	37.6	37.2
Cash-settled expense	1.2	0.5
Total expense	38.8	37.7

The Group had the following schemes in operation during the financial period:

(a) Executive Share Option Scheme ("ESOS")

The Group's Executive Share Option Scheme ("ESOS") was established in 2001 and is an equity-settled share option scheme approved by HMRC. Options have also been granted under the terms of HMRC's schedule, which are not approved, and also under the terms of the Internal Revenue Service, which are both qualified and non-qualified. All share awards under the ESOS are equity-settled, apart from employer's NIC due on unapproved ESOS awards, which are treated as cash-settled.

Under the ESOS, the Group or the trustees of an employee trust may grant options over shares of the Company to eligible employees and may impose performance targets or any further conditions determined to be appropriate on the exercise of an option. In most cases, any performance target must be measured over a period of at least three years.

With the exception of replacement options, the vesting period for the ESOS is three years. If the options remain unexercised after a period of 10 years from the date of grant or the employee leaves the Group, the options expire (subject to a limited number of exceptions).

In 2021, on acquisition of a subsidiary, its existing unvested options were cancelled and replaced by options of the Company granted under the ESOS. Replacement options vested in three equal instalments on the first three anniversaries of the closing date of acquisition, subject to the option holder's continued employment within the Group.

Details of the movement of the number of share options outstanding during each period are as follows:

	52 weeks ended 30 November 2025		52 weeks ended 1 December 2024	
	Number of share options	Weighted average exercise price (£)	Number of share options	Weighted average exercise price (£)
Outstanding at beginning of period	1,257,945	8.80	1,497,431	8.67
Granted during period	101,250	3.60	–	–
Forfeited during period	(94,793)	8.89	(185,172)	9.49
Exercised during period	(40,434)	2.57	(54,314)	3.08
Outstanding at end of period	1,223,968	8.56	1,257,945	8.80
Exercisable at end of period	1,118,776	9.02	1,093,248	8.33

At the reporting date, the Group had 991,765 (FY24: 1,003,184) approved options outstanding and 232,203 (FY24: 254,761) unapproved options outstanding. At the end of the period, the range of exercise prices for approved options outstanding was £2.56 to £25.08 (FY24: £2.56 to £25.08) and for unapproved options outstanding was £2.56 to £14.47 (FY24: £2.56 to £14.47).

The weighted average remaining contractual life for the ESOS share options outstanding as at 30 November 2025 was 3.6 years (FY24: 4.2 years).

For exercises during the period, the weighted average share price at the date of exercise was £3.20 (FY24: £4.87).

In determining the fair value of the share options granted during the period, the Black Scholes option pricing model was used with the following inputs:

	52 weeks ended 30 November 2025
Weighted average share price	£3.60
Weighted average exercise price	£3.60
Expected volatility	60.0%
Weighted expected life, years	3.0
Weighted average risk-free interest rate	3.8%
Expected dividend yield	0.0%

The expected volatility was determined by considering the historical performance of the Company's shares. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

(b) Joint Share Ownership Scheme ("JSOS")

The JSOS is an executive incentive scheme that was introduced to incentivise and retain the Executive Directors and senior managers of the Group ("Participants"). It is a share ownership scheme permitting a Participant to benefit from the increase (if any) in the value of a number of ordinary shares of the Company ("Shares") over specified threshold amounts. To acquire an interest, a Participant enters into a joint share ownership agreement with Ocorian Limited, Trustee of the Employee Benefit Trust ("Trustee"), whereby the Participant and the Trustee jointly acquire the Shares and agree that once all vesting conditions have been satisfied, the Participant is awarded a specific number of Shares equivalent to the benefit achieved, or at their discretion, when the Shares are sold, the Participant has a right to receive a proportion of the sale proceeds insofar as the value of the Shares exceeds the threshold amount.

4.7 Share options and other equity instruments continued

At the reporting date, the Participants and Trustee held separate beneficial interests in 1,163,924 (FY24: 1,163,924) ordinary shares, which represents 0.1% (FY24: 0.1%) of the issued share capital of the Company. Of these shares, 627,486 (FY24: 627,486) are held by the Employee Benefit Trust on an unallocated basis.

Details of the movement of the number of allocated interests in shares during the current and prior periods are as follows:

	52 weeks ended 30 November 2025		52 weeks ended 1 December 2024	
	Number of interests in shares	Weighted average exercise price (£)	Number of interests in shares	Weighted average exercise price (£)
Outstanding at beginning of period	536,438	2.12	563,738	2.24
Exercised during period	–	–	(27,300)	2.28
Outstanding at end of period	536,438	2.12	536,438	2.12
Exercisable at end of period	536,438	2.12	536,438	2.12

(c) Sharesave Scheme

The Sharesave Scheme ("SAYE") is an HMRC-approved scheme that is open to all UK employees of the Group. Under the scheme, members save a fixed amount each month for three years. At the end of the three-year period, they are entitled to use these savings to buy shares of the Company at 90% of the market value at launch date.

At the reporting date, employees of the Company's subsidiaries held 2,923 (FY24: 3,400) contracts in respect of options over 7,883,974 shares (FY24: 5,048,971).

Details of the movement of the number of Sharesave options outstanding during the current and prior periods are as follows:

	52 weeks ended 30 November 2025		52 weeks ended 1 December 2024	
	Number of share options	Weighted average exercise price (£)	Number of share options	Weighted average exercise price (£)
Outstanding at beginning of period	5,048,971	4.37	4,759,371	4.98
Granted during period	7,817,647	2.21	3,360,234	4.02
Forfeited during period	(4,979,704)	3.90	(3,045,613)	4.92
Exercised during period	(2,940)	2.21	(25,021)	4.45
Outstanding at end of period	7,883,974	2.53	5,048,971	4.37
Exercisable at end of period	28,450	2.27	41,446	5.02

(d) Share Incentive Plan

The Share Incentive Plan ("SIP") is an HMRC-approved scheme that provides all United Kingdom employees, including Executive Directors, the opportunity to receive and invest in the Company's shares. All SIP shares are held in a SIP Trust, administered by Solium Trustee (UK) Limited.

There are two elements to the plan: the Buy As You Earn ("BAYE") arrangement and the Free Share Award.

Under the BAYE arrangement, participants can purchase shares of the Company ("Partnership Shares") each month using contributions from pre-tax pay, subject to an upper limit. For every seven shares purchased, the Company gifts the participant one free share (a "Matching Share"). Eligible employees are those with three months' service.

Under the Free Share Award, shares are given to eligible employees, as a proportion of their annual base pay, subject to a maximum. Eligible employees are those with six months' service at the grant date.

Partnership shares can be withdrawn from the Plan Trust at any time, but Matching Shares and Free Shares are subject to a three-year holding period, during which continuous employment within the Group is required. The Matching Shares and Free Shares will be forfeited if any corresponding Partnership Shares are removed from the Plan Trust within this three-year period, or if the participant leaves the Group.

Outstanding shares held under the SIP at the beginning and end of the period can be reconciled as follows:

	Partnership Shares	Matching Shares	Free Shares	Total
Outstanding at 1 December 2024	937,033	132,233	2,756,771	3,826,037
Awarded during period	537,889	76,600	1,417,900	2,032,389
Forfeited during period	(994)	(25,861)	(378,423)	(405,278)
Released during period	(282,036)	(14,234)	(225,093)	(521,363)
Outstanding at 30 November 2025	1,191,892	168,738	3,571,155	4,931,785
Unrestricted at 30 November 2025	1,191,892	39,810	753,028	1,984,730

	Partnership Shares	Matching Shares	Free Shares	Total
Outstanding at 3 December 2023	706,125	99,510	1,866,812	2,672,447
Awarded during period	410,068	58,248	1,296,221	1,764,537
Forfeited during period	–	(15,568)	(261,629)	(277,197)
Released during period	(179,160)	(9,957)	(144,633)	(333,750)
Outstanding at 1 December 2024	937,033	132,233	2,756,771	3,826,037
Unrestricted at 1 December 2024	937,033	30,751	548,921	1,516,705

(e) Annual Incentive Plan

Under the Annual Incentive Plan ("AIP"), awards are granted annually in the form of nil-cost options over shares of the Company and conditional awards of shares to the Executive Directors and selected members of senior management. The number of share awards granted is dependent on performance against targets and subject to threshold and maximum conditions (refer to the Directors' Remuneration Report on pages 133 to 158. Nil-cost options vest in full three years from grant date, with a further two-year holding period for the Executive Directors only, during which time they cannot be sold. Conditional awards vest over a period of four years from grant date. An award lapses if a participant ceases to be employed by the Group before the vesting date.

Outstanding share awards under the AIP at the beginning and end of the period can be reconciled as follows:

	52 weeks ended 30 November 2025	52 weeks ended 1 December 2024
Outstanding at beginning of period	2,376,505	1,550,109
Granted during period	2,483,461	991,203
Lapsed during period	(90,899)	(27,624)
Released during period	(273,943)	(137,183)
Outstanding at end of period	4,495,124	2,376,505
Vested at end of period	239,800	347,944

4.7 Share options and other equity instruments continued

The expense recognised in a given financial year relates to all unvested AIP awards granted in prior periods, and also to awards yet to be granted for the current period. The performance period for the 2025 AIP is the 52 weeks ended 30 November 2025. The expectation of meeting the 2025 AIP performance targets was taken into account when calculating this expense.

(f) Employee Share Purchase Plan

The Employee Share Purchase Plan ("SPP") is a non-UK "all-employee" share purchase plan under which eligible employees are awarded options ("SPP Options") over shares of the Company. SPP Options are granted at the beginning of a specific offering period, which will not normally exceed 24 months. Participants enrol in the SPP by authorising payroll deductions from their salary during the relevant offering period.

At the end of an offering period, employees are entitled to use these savings to buy shares of the Company at 90% of the market value on the date of grant or at the end of the offering period, whichever is lower. During the period, employees purchased 485,988 (FY24: 867,108) shares of the Company at an exercise price of £1.97 (FY24: £3.13).

At the reporting date, employees of the Group held 509 (FY24: 784) contracts in respect of granted SPP Options.

There were nil SPP Options exercisable at the reporting date (FY24: nil).

(g) Ocado Restricted Share Plan

The Ocado Restricted Share Plan ("RSP") is used for two key purposes:

- (a) to allow all-employee Free Share Awards outside the United Kingdom, similar to the Group's Share Incentive Plan; and
- (b) to give the Group the flexibility to make Discretionary Share Awards.

RSP Free Share Awards are conditional awards of shares granted to eligible non-UK employees, as a proportion of their annual base pay. Eligible employees are those with six month's service at the grant date. Awards are subject to a three-year vesting period.

RSP Discretionary Share Awards can either be nil-cost options over shares of the Company or conditional awards of shares. These awards may be granted subject to performance conditions, and an additional holding period following vesting. The vesting period and profile are award specific.

Unvested RSP awards will lapse upon a participant ceasing to hold office or employment within the Group.

Outstanding share awards under the RSP at the beginning and end of the period can be reconciled as follows:

	52 weeks ended 30 November 2025			52 weeks ended 1 December 2024		
	RSP Free Shares	RSP Discretionary Shares	Total	RSP – Free Shares	RSP – Discretionary Shares	Total
Outstanding at beginning of period	543,593	7,931,511	8,475,104	309,796	6,178,711	6,488,507
Granted during period	295,743	7,620,730	7,916,473	313,971	4,747,284	5,061,255
Forfeited during period	(114,098)	(1,667,386)	(1,781,484)	(66,195)	(863,940)	(930,135)
Released during period	(67,808)	(2,999,679)	(3,067,487)	(13,979)	(2,130,544)	(2,144,523)
Outstanding at end of period	657,430	10,885,176	11,542,606	543,593	7,931,511	8,475,104
Vested at the end of period	4,094	36,774	40,868	1,396	393,050	394,446

(h) Consultant Option Plan

Under the rules of the Consultant Option Plan, options over shares of the Company can be granted to non-employees, both individuals and companies engaged to provide services to the Group.

The option exercise price is determined with reference to the closing share price of the shares on the day of, or day prior to issuance. The options vest over a range of 15 months to three years depending on the award, and may be exercised once and in full anytime during a three-year exercise period.

Any unvested options will lapse on cessation of the engagement to provide services to the Group.

Outstanding share awards under the Consultant Option Plan at the beginning and end of the period can be reconciled as follows:

	52 weeks ended 30 November 2025	52 weeks ended 1 December 2024
Outstanding at beginning of period	773,602	465,000
Granted during period	50,000	510,327
Forfeited during period	–	(201,725)
Outstanding at end of the period	823,602	773,602
Exercisable at end of period	263,275	263,275

(i) Performance Share Plan

Under the Performance Share Plan ("PSP"), awards are granted annually to the Executive Directors and selected members of senior management. PSP awards can either be nil-cost options over shares of the Company, conditional awards of shares or forfeitable awards of shares.

The PSP award consists of a base award, with a relative Total Shareholder Return ("TSR") multiplier on the vesting outcome of the base award. The level of vesting of base awards granted is dependent on performance against targets over a three-year performance period commencing from the beginning of the financial year of grant and subject to threshold and maximum conditions. For details of the performance targets for the PSP, refer to the Directors' Remuneration Report on pages 133 to 158.

PSP awards will vest three years from grant date, with a further two-year holding period for the Executive Directors only, during which time they cannot be sold. Awards will normally be exercisable until the day before the tenth anniversary of the grant date and will lapse if a participant ceases to be employed by the Group before the vesting date.

The fair value of PSP awards granted in the current period was £16.1m (FY24: £13.8m). The expectation of meeting the performance targets was taken into account when calculating the expense to be spread over the three-year period. In determining the fair value of the PSP awards granted in the current period, a Monte Carlo model was used with the following inputs:

	30 November 2025	1 December 2024
Date of grant	28 March 2025	16 May 2024
Share price at grant	£2.94	£3.60
Exercise price	Nil	Nil
Expected volatility	60.0%	60.0%
Expected life, years	3.0	3.0
Risk-free interest rate	4.04%	4.15%
Expected dividend yield	0.0%	0.0%

4.7 Share options and other equity instruments continued

Outstanding share awards under the PSP at the beginning and end of the period can be reconciled as follows:

	52 weeks ended 30 November 2025	52 weeks ended 1 December 2024
Outstanding at beginning of period	7,711,500	–
Granted during period	6,633,681	7,711,500
Forfeited during period	(65,814)	–
Outstanding at end of the period	14,279,367	7,711,500
Exercisable at end of period	–	–

4.8 Capital management

The Board's objective is to maintain an appropriate balance of debt and equity financing to enable the Group to continue as a going concern, to sustain future development of the business, and to maximise returns to shareholders and benefits to other stakeholders.

The Board closely manages trading capital, defined as net assets, plus net debt*.

Net debt* is calculated as cash and cash equivalents, less gross debt (borrowings and lease liabilities as shown on the Consolidated Balance Sheet). The Group's net assets at the reporting date were £1,561.3m (FY24: £1,171.2m), and it had net debt* of £1,048.4m (FY24: net debt £1,200.2m). Refer to Note 4.2 for further detail.

The main areas of capital management revolve around working capital and compliance with externally imposed financial covenants. The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, and to allow the Group to grow, whilst operating with sufficient headroom within its covenants. The components of working capital management include monitoring inventory turnover, age of inventory, age of receivables, receivables days, payables days, Balance Sheet re-forecasting, period projected profit or loss, weekly cash flow forecasts and daily cash balances. Major investment decisions are based on reviewing the expected future cash flows, and all major capital expenditure requires approval by the Board. There were no changes in the Group's approach to capital management during the period.

In May and June 2025, the Group successfully completed a refinancing generating gross proceeds of £400.0m (refer to Note 4.1 for details).

The Group reviews its financing arrangements regularly. Throughout the period, the Group has complied with all covenants imposed by lenders.

Given the Group's commitment to expand the business and the investment required to complete future CFCs, the declaration and payment of a dividend is not part of the short-term capital management strategy of the Group.

At the reporting date, the Group's undrawn facilities and cash and cash equivalents were as follows:

	Notes	30 November 2025 £m	1 December 2024 £m
Total facilities available		1,805.8	1,751.1
Facilities drawn down		(1,505.8)	(1,451.1)
Undrawn facilities		300.0	300.0
Cash and cash equivalents	3.9	740.0	732.5
Undrawn facilities and cash and cash equivalents		1,040.0	1,032.5

4.9 Cash generated from operations

A reconciliation from profit/(loss) before tax to cash generated from operations is as follows:

	Notes	52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m
Cash flows from operating activities			
Profit/(loss) before tax		409.7	(374.5)
Adjustments for:			
• Revenue recognised from long-term contracts	2.1	(97.3)	(34.7)
• Depreciation, amortisation and impairment losses	2.3	417.3	465.5
• Property, plant and equipment write-off		–	0.2
• (Gain)/loss on disposal of property, plant & equipment		(0.1)	1.0
• Gain on deconsolidation of Ocado Retail	2.5	(782.6)	–
• Loss on deconsolidation of Jones Food Company	2.5	23.0	–
• Litigation settlement income and interest unwind	2.5	(2.1)	(11.4)
• Other non-cash adjusting items	2.5	–	15.4
• Share of results of joint venture and associate	3.5	13.5	(0.3)
• Movement of provisions		15.2	1.3
• Net finance cost ¹	2.6	114.1	28.7
• Share-based payments charge	4.7	38.8	37.2
Changes in working capital			
• Cash received from contract liabilities (upfront fees)		65.0	97.8
• Cash received from Kroger letter of credit		113.4	–
• Movement of inventories		(1.7)	0.3
• Movement of trade and other receivables		34.3	16.5
• Movement of trade and other payables		21.8	(10.5)
Cash generated from operations		382.3	232.5

1. Excludes £2.1m (FY24: £11.4m) interest unwind on AutoStore litigation settlement, which is included within litigation settlement income and interest unwind.

Section 5 – Other notes

5.1 Related undertakings

In accordance with Section 409 of the Companies Act 2006, a full list of related undertakings, their countries of incorporation, and the effective percentage of equity owned at the reporting date is disclosed below. All undertakings are indirectly owned by the Company unless otherwise stated.

Name	Country of incorporation	Principal activity	Share class	% of share capital held
Haddington Dynamics II LLC	United States of America ²	Technology	Ordinary shares	100.0%
JLJ Rentco Ltd	United Kingdom ⁴	Non-trading company	Ordinary shares	63.6%
Jones Food Company Limited	United Kingdom ⁴	Non-trading company (in administration)	Ordinary shares	63.6%
Karakuri Limited	United Kingdom ⁵	Non-trading company (in administration)	Preference shares	26.3%
Kindred Inc.	United States of America ²	Technology	Ordinary shares	100.0%
Kindred Systems II Inc. [†]	Canada ⁶	Holding company	Ordinary shares	100.0%
Last Mile Technology Limited	United Kingdom ³	Non-trading company	Ordinary shares	100.0%
MHE JVCo Limited	United Kingdom ³	Leasing	"B" shares	50.0%
Myrmex Inc	United States of America ²	Technology	Ordinary shares	100%
O'Logistics SAS	France ⁷	Business services	Ordinary shares	50.0%
Ocado Bulgaria EOOD	Bulgaria ⁸	Technology	Ordinary shares	100.0%
Ocado Central Services Limited	United Kingdom ³	Business services	Ordinary shares	100.0%
Ocado Holdings Limited [†]	United Kingdom ³	Holding company	Ordinary shares	100.0%
Ocado Innovation Limited [†]	United Kingdom ³	Technology	Ordinary shares	100.0%
Ocado Intelligent Automation Limited [†]	United Kingdom ³	Business services	Ordinary shares	100.0%
Ocado Operating Limited	United Kingdom ³	Logistics and distribution	Ordinary shares	100.0%
Ocado Polska Sp. z o.o.	Poland ⁹	Technology	Ordinary shares	100.0%
Ocado Retail Limited	United Kingdom ¹⁰	Retail	Ordinary shares	50.0%
Ocado Solutions Australia Pty Limited	Australia ¹¹	Business services	Ordinary shares	100.0%
Ocado Solutions Canada Inc.	Canada ¹²	Business services	Ordinary shares	100.0%
Ocado Solutions France SAS	France ¹³	Business services	Ordinary shares	100.0%
Ocado Solutions Japan K.K.	Japan ¹⁴	Business services	Ordinary shares	100.0%
Ocado Solutions Korea Limited	South Korea ¹⁵	Business services	Ordinary shares	100.0%
Ocado Solutions Limited [†]	United Kingdom ³	Business services	Ordinary shares	100.0%
Ocado Solutions Polska sp z o.o.	Poland ¹⁶	Business services	Ordinary shares	100.0%
Ocado Solutions Spain S.L.	Spain ¹⁷	Business services	Ordinary shares	100.0%
Ocado Solutions Sweden AB	Sweden ¹⁸	Business services	Ordinary shares	100.0%
Ocado Solutions (US) ProCo LLC	United States of America ²	Business services	Ordinary shares	100.0%
Ocado Solutions USA Inc.	United States of America ²	Business services	Ordinary shares	100.0%
Ocado Spain S.L.U.	Spain ¹⁷	Technology	Ordinary shares	100.0%
Ocado Sweden AB	Sweden ¹⁹	Technology	Ordinary shares	100.0%
Ocado US Holdings Inc. [†]	United States of America ²	Holding company	Ordinary shares	100.0%

Name	Country of incorporation	Principal activity	Share class	% of share capital held
Ocado Ventures Holdings Limited [†]	United Kingdom ³	Holding company	Ordinary shares	100.0%
Ocado Ventures (80 Acres) Limited	United Kingdom ³	Holding company	Ordinary shares	100.0%
Ocado Ventures (Inkbit) Limited	United Kingdom ³	Holding company	Ordinary shares	100.0%
Ocado Ventures (JFC) Limited	United Kingdom ³	Holding company	Ordinary shares	100.0%
Ocado Ventures (Karakuri) Limited	United Kingdom ³	Holding company	Ordinary shares	100.0%
Ocado Ventures (Myrmex) Limited	United Kingdom ³	Holding company	Ordinary shares	100.0%
Ocado Ventures (Oxbotica) Limited	United Kingdom ³	Holding company	Ordinary shares	100.0%
Ocado Ventures (Wayve) Limited	United Kingdom ³	Holding company	Ordinary shares	100.0%
Oxford US LLC	United States of America ²	Non-trading company	Ordinary shares	100.0%
6 River Systems LLC	United States of America ²	Technology	Ordinary shares	100.0%
6 River Systems Ltd	United Kingdom ³	Non-trading company	Ordinary shares	100.0%
6 River Systems GmbH	Germany ¹	Non-trading company (in liquidation)	Ordinary shares	100.0%

[†] Interest held directly by Ocado Group plc.

The registered offices of the above companies are as follows:

1. c/o TMF Deutschland AG, Wiesenhutenstr. 11, 60328 Frankfurt am Main, Germany
2. 251 Little Falls Drive, New Castle, Wilmington, DE, 19808, United States of America
3. Buildings One & Two Trident Place, Mosquito Way, Hatfield, Hertfordshire, United Kingdom, AL10 9UL
4. 14 Belle Vue Street, Filey, England, YO14 9HY
5. RSM Restructuring Advisory LLP, 25 Farringdon Street, London, United Kingdom, EC4A 4AB
6. Suite 1700, Park Place, 666 Burrard Street, Vancouver BC, V6C 2X8, Canada
7. 1 cours Antoine Guichard, 42000 Saint-Etienne, France
8. 7th Floor, 13 Henrik Ibsen Street, Lozenets District, Sofia 1407, Bulgaria
9. HighFive Building 4, Pawia 21 St., 31-154, Kraków, Poland
10. Apollo Court 2 Bishop Square, Hatfield Business Park, Hatfield, Hertfordshire, United Kingdom, AL10 9EX
11. Suite 1, Level 11, 66 Goulburn Street, Sydney, NSW 2000
12. Suite 1300, 1969 Upper Water Street, McInnes Cooper Tower-Purdy Wharf, Halifax, NS B3J 3R7, Canada
13. 3-5 Rue Saint-Georges, 75009 Paris, France
14. Hibiya Fort Tower 10F, 1-1-1 Nishi Shinbashi, Minato-Ku, Tokyo, Japan
15. 2nd floor, Lotte Mart Songpa branch, 80 Joongdae-ro, Songpa-gu, Seoul
16. ul. Grzybowska 2 lok 29, 00-131, Warsaw, Poland
17. calle Badajoz 112, 08018, Barcelona, Spain
18. Mälarvägen 30, 196 37 Kungsängen, Sweden
19. Mälarvarvsbacken 8, 117 33, Stockholm, Sweden

The Group has effective control over the financial and operating activities of the Ocado Cell in Atlas Insurance PCC Limited, an insurance company incorporated in Malta and, therefore, consolidates the Ocado Cell in its Financial Statements.

5.2 Non-controlling interests

Accounting policies

Non-controlling interests are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Non-controlling interests

The proportion of equity interest held by non-controlling interests is provided below:

Name	Country of incorporation ¹	30 November 2025 %	1 December 2024 %
Ocado Retail Limited ("ORL")	United Kingdom	n/a	50.0%
Jones Food Company Limited ("JFC")	United Kingdom	n/a	45.4%

1. The entity's place of business is the same as its country of incorporation.

On 6 April 2025, the Group transferred control of ORL to Marks & Spencer plc ("M&S") under the terms of the Shareholder Agreement. As a result, the Group ceased to consolidate ORL from 7 April 2025, in line with IFRS 10.

On 7 April 2025, JFC went into administration. The Group determined that the appointment of administrators resulted in the loss of control of JFC. As a result, the Group ceased to consolidate JFC from 7 April 2025, in accordance with IFRS 10.

No dividends were paid to non-controlling interests during the current or prior period.

5.3 Commitments

Capital commitments

Contracts placed for future capital expenditure but not provided for in the Consolidated Financial Statements are as follows:

	30 November 2025 £m	1 December 2024 £m
Property, plant and equipment	93.9	179.3
Internally generated intangibles	8.4	–
Capital commitments	102.3	179.3

Of the total capital expenditure committed at the end of the period, £91.4m relates to new CFCs (FY24: £158.4m), £1.0m to existing CFCs (FY24: £0.7m) and £9.3m to technology projects (FY24: £19.5m).

5.4 Related party transactions

Key management personnel

Only members of the Board (the Executive and Non-Executive Directors) are recognised as being key management personnel. It is the Board that has responsibility for planning, directing and controlling the activities of the Group. The aggregate emoluments of key management personnel are as follows:

	52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m
Salaries and other short-term employee benefits	4.1	3.8
Post-employment benefits	0.1	0.1
Share-based payments	2.7	3.2
Aggregate emoluments	6.9	7.1

Further information on the remuneration of Directors and Directors' interests in ordinary shares of the Company is disclosed in the Directors' Remuneration Report on pages 133 to 158.

There were no related party transactions with key management personnel during the current or prior periods. At the reporting date, no amounts were owed by key management personnel to the Group (FY24: £nil). During the period, there were no other material transactions or balances between the Group and its key management personnel or members of their close family.

Joint venture

MHE JVCo Limited

The following transactions were carried out with MHE JVCo:

	52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m
Dividend received from MHE JVCo	0.8	2.8
Reimbursement of supplier invoices paid on behalf of MHE JVCo	1.5	1.4
Lease liability additions of assets from MHE JVCo	0.7	1.2
Capital element of lease liability instalments paid to MHE JVCo	2.1	5.6
Capital element of lease liability instalments due to MHE JVCo	0.2	0.2
Interest element of lease liability instalments accrued or paid to MHE JVCo	0.9	1.0

During the period, the Group incurred lease instalments (including interest) of £3.2m (FY24: £6.8m) to MHE JVCo. Of the lease instalments incurred, £1.7m (FY24: £3.4m) was recovered directly from Wm Morrison Supermarkets Limited in the form of other income.

Included within trade and other receivables is a balance of £0.1m (FY24: £0.8m) due from MHE JVCo, which primarily relates to capital recharges.

Included within trade and other payables is a balance of £0.3m (FY24: £0.3m) due to MHE JVCo.

Included within lease liabilities is a balance of £11.0m (FY24: £12.4m) due to MHE JVCo.

5.4 Related party transactions continued

Associate

Ocado Retail Limited

From 7 April 2025, Ocado Retail Limited ("ORL") ceased to be a subsidiary of the Group and has since been accounted for as an associate. The Group retains significant influence over ORL and therefore classifies it as a related party in accordance with IAS 24. Prior to 7 April 2025, the results of ORL were consolidated within the Group for which relevant intercompany transactions had been eliminated. Accordingly, no comparative related party amounts are presented. The following transactions were carried out with ORL, a company incorporated in the United Kingdom in which the Group holds a 50% interest:

	34 weeks ended 30 November 2025 £m
Sales of goods and services	551.1
Purchases of goods and services	2.0
Interest income charged on loans due from ORL	5.1
Interest income charged on net investment in leases	9.5
Amounts received in relation to net investment in leases	10.2
Revenue recognised on CFC upfront design fees (contract liabilities)	(2.2)

Included within trade and other receivables is a balance of £39.0m owed by ORL, of which £14.2m is accrued income. Included within trade and other payables is a balance of £0.6m owed to ORL.

Included within net investment in leases is a balance of £138.8m owed by ORL.

Included within other financial assets is a £106.0m balance owed by ORL, comprising a £90.0m shareholder loan maturing in August 2039 with interest accruing at SONIA plus 4% per annum and £16.0 million of accumulated interest.

Parent guarantee

ORL entered into a £30.0m revolving credit facility on 9 May 2024, of which £nil was drawn as at 30 November 2025. The Group, along with Marks & Spencer plc, jointly guarantee the facility.

No other transactions that require disclosure under IAS 24 "Related Party Disclosures" have occurred during the period.

5.5 Post-Balance Sheet events

Update on Kroger Partnership

On 18 November 2025, The Kroger Co. ("Kroger") announced plans to optimise its Customer Fulfilment Centers ("CFCs") network, resulting in the closure of three operational CFCs in January 2026.

Subsequently on 5 December 2025, the Group announced that it had entered into a settlement agreement with Kroger under which Kroger would make a one-off cash payment of US\$350.0m to compensate Ocado following Kroger's decision to close the 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.

The payment will be accounted for as variable consideration, allocated to the relevant CFCs, and recognised as revenue in FY26, to the extent it is highly probable that a significant reversal of revenue will not occur.

The closure of the three live sites will reduce the Group's fee revenue in FY26 by c.\$50.0m. The decision to not proceed with the CFC in Charlotte, North Carolina, will result in the Group recognising revenue of c.£19.0m on the release of contract liabilities currently held on the balance sheet and recognising an impairment in relation to Property, Plant and Equipment of c.£25.0m in FY26.

Update on Sobeys Partnership

On 29 January 2026, the Group announced that, following an assessment of e-commerce demand in key markets, Sobeys had decided to close its CFC in Calgary, Alberta. The Group received compensation of £18.5m for the closure of the CFC on 2 February 2026.

The compensation will be accounted for as variable consideration and recognised as revenue in FY26.

The closure of the CFC is expected to reduce the Group's fee revenue by c.£7m in FY26.

Update on Wayve

On 25 February 2026, Wayve Technologies announced it had raised \$1.2 billion in a Series D investment round, bringing its post-money valuation to \$8.6 billion. 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.

Company Balance Sheet

as at 30 November 2025

	Notes	30 November 2025 £m	1 December 2024 £m
Non-current assets			
Investments	3.1	750.1	790.0
Amounts due from subsidiaries	3.2	3,055.6	3,127.4
		3,805.7	3,917.4
Current assets			
Other receivables		2.7	4.0
Cash and cash equivalents	3.3	0.2	0.4
		2.9	4.4
Total assets		3,808.6	3,921.8
Current liabilities			
Trade and other payables	3.4	(23.1)	(24.9)
Provisions	3.5	–	(0.8)
Borrowings	4.1	(56.0)	–
		(79.1)	(25.7)
Net current liabilities		(76.2)	(21.3)
Non-current liabilities			
Provisions	3.5	–	(1.0)
Borrowings	4.1	(1,430.2)	(1,381.9)
		(1,430.2)	(1,382.9)
Net assets		2,299.3	2,513.2
Equity			
Share capital	4.2	16.8	16.7
Share premium	4.2	1,950.0	1,947.5
Merger reserve		6.2	6.2
Convertible bonds reserve		202.1	204.4
Retained earnings		124.2	338.4
Total equity		2,299.3	2,513.2

The Company's loss for the period was £251.8m (FY24: £45.3m).

The notes on pages 262 to 268 form part of these Financial Statements.

The Company Financial Statements on pages 260 to 268 were authorised for issue by the Board of Directors and signed on its behalf by:

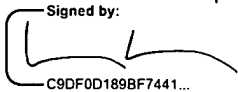
Tim Steiner

Chief Executive Officer

Ocado Group plc

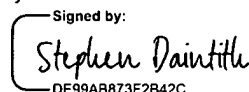
Company number: 07098618 (England and Wales)

26 February 2026

Signed by:

C9DF0D189BF7441...

Stephen Daintith

Chief Financial Officer

Signed by:

DE99AB873F2B42C...

Company Statement of Changes in Equity

for the 52 weeks ended 30 November 2025

	Notes	Share capital £m	Share premium £m	Merger reserve £m	Convertible bonds reserve £m	Retained earnings £m	Total £m
Balance at 3 December 2023		16.6	1,942.9	6.2	184.5	346.5	2,496.7
Loss for the period						(45.3)	(45.3)
Total comprehensive expense for the period		-	-	-	-	(45.3)	(45.3)
<i>Transactions with owners</i>							
- Issue of ordinary shares	4.2	0.1	1.7	-	-	-	1.8
- Allotted in respect of share option schemes	4.2	-	2.9	-	-	-	2.9
- Share-based payments charge	2.2	-	-	-	-	37.2	37.2
- Partial redemption of convertible bonds	4.1	-	-	-	(17.7)	-	(17.7)
- Issue of convertible bonds	4.1	-	-	-	37.6	-	37.6
Total transactions with owners		0.1	4.6	-	19.9	37.2	61.8
Balance at 1 December 2024		16.7	1,947.5	6.2	204.4	338.4	2,513.2
Loss for the period		-	-	-	-	(251.8)	(251.8)
Total comprehensive expense for the period		-	-	-	-	(251.8)	(251.8)
<i>Transactions with owners</i>							
- Issue of ordinary shares	4.2	0.1	1.4	-	-	-	1.5
- Allotted in respect of share option schemes	4.2	-	1.1	-	-	-	1.1
- Share-based payments charge	2.2	-	-	-	-	37.6	37.6
- Partial redemption of convertible bonds	4.1	-	-	-	(2.3)	-	(2.3)
Total transactions with owners		0.1	2.5	-	(2.3)	37.6	37.9
Balance at 30 November 2025		16.8	1,950.0	6.2	202.1	124.2	2,299.3

The notes on pages 262 to 268 form part of these Financial Statements.

Notes to the Company Financial Statements

for the 52 weeks ended 30 November 2025

Section 1 – Basis of preparation

1.1 General information

Ocado Group plc ("Company") is incorporated in the United Kingdom and registered in England and Wales. The Company is the parent and the ultimate parent of the Group. The address of its registered office is Buildings One & Two Trident Place, Mosquito Way, Hatfield, Hertfordshire, United Kingdom, AL10 9UL. The financial period represents the 52 weeks ended 30 November 2025. The prior financial period represents the 52 weeks ended 1 December 2024.

1.2 Basis of preparation

The Company meets the definition of a qualifying entity under FRS 100 "Application of Financial Reporting Requirements" issued by the Financial Reporting Council ("FRC"). Accordingly, these Financial Statements are prepared in accordance with FRS 101 and the Companies Act 2006 (the "Act") for all periods presented.

The Financial Statements are presented in pounds sterling, rounded to the nearest hundred thousand unless otherwise stated. They have been prepared under the historical cost convention, except for certain financial instruments and share-based payments that have been measured at fair value.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, impairment of assets, share-based payments and related party transactions. The Company has also taken advantage of the exemption in relation to disclosure of the possible impact of the application of a new IFRS that has been issued but is not yet effective. Where required, equivalent disclosures are given in the Consolidated Financial Statements of the Group.

The Directors consider it appropriate to adopt the going concern basis of accounting in preparing the Financial Statements of the Company. Further details of the Group's considerations are provided in the Group Viability Statement and Going Concern and Viability Statements on page 95.

The Directors have taken advantage of the exemption available under Section 408 of the Companies Act 2006 and not presented an income statement or a statement of comprehensive income for the Company alone.

New standards, amendments and interpretations adopted by the Company

The Company has considered the following new standards, interpretations and amendments to published standards that are effective for the Company for the period beginning 2 December 2024, and concluded either that they are not relevant to the Company or that they would not have a significant effect on the Company's Financial Statements other than on disclosures:

		Effective date
IAS 1	Non-current Liabilities with Covenants (amendments)	1 January 2024
IAS 1	Classification of liabilities as Current or Non-current	1 January 2024
IFRS 7	Financial Instruments: <i>Disclosures – Supplier Finance Arrangements</i> (amendments)	1 January 2024
IFRS 16	Lease Liability in a Sale and Leaseback (amendments)	1 January 2024

New standards, amendments and interpretations not yet adopted by the Company

The following new standards, interpretations and amendments to published standards and interpretations that are relevant to the Company have been issued but are not effective for the period beginning 2 December 2024, and have not been adopted early:

		Effective date
IAS 21	Lack of Exchangeability – <i>The Effects of Changes in Foreign Exchange Rates</i> (amendments)	1 January 2025
IFRS 7	Classification and Measurement of Financial Instruments (amendments)	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027

Accounting policies

Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or, where items are remeasured, at the dates of the remeasurements. Foreign exchange gains or losses resulting from the settlement of such transactions, and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the Income Statement.

Income tax

Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity respectively.

Current tax is the expected tax payable on the taxable income for the period, calculated using tax rates enacted by the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Share-based payments

The issuance by the Company to its subsidiaries of a grant over the Company's shares, represents additional capital contributions by the Company in its subsidiaries. An additional investment in subsidiaries results in a corresponding increase in shareholders' equity. The additional capital contribution is based on the fair value of the grant issued, allocated over the underlying grant's vesting period.

1.3 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Company's Financial Statements requires the use of certain judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Judgements and estimates are evaluated regularly, and represent management's best estimates based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, events or actions may mean that actual results ultimately differ from those estimates, and the differences may be material.

Critical accounting judgements

Critical accounting judgements are those that the Company has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the Financial Statements.

There are no critical accounting judgements noted for the period.

Key estimation uncertainties

Key areas of estimation uncertainty are the key assumptions concerning the future and other data points at the reporting date that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next period.

Amounts due from subsidiaries

The Company uses estimates of future cash flows in assessing whether amounts due from subsidiaries are impaired. The Company performed an impairment review as at the reporting date and has recognised a provision for expected credit losses of £75.0m (FY24: £15.0M) in the current year. The £75.0m ECL provision from the prior period remains as at the reporting date. A decrease in estimate of future cash inflows could lead to a material reduction in carrying value within the next 12 months.

Section 2 – Results for the period

2.1 Operating results

During the period, the Company obtained audit services from its auditor, Deloitte LLP, amounting to £0.1m (FY24: £0.1m).

2.2 Employee information

The Company does not incur direct staff costs as the Group's employees are employed by its subsidiaries.

For information on share-based payments, refer to Note 4.7 of the Consolidated Financial Statements.

Section 3 – Assets and liabilities

3.1 Investments

Accounting policies

Investments in subsidiaries are carried at cost, less any impairment in value. Where the recoverable amount of an investment is less than its carrying amount, impairment is recognised. Impairment reviews are undertaken whenever there is an indication of impairment, and at least once a year.

	30 November 2025			1 December 2024		
	Cost £m	Impairment £m	Total £m	Cost £m	Impairment £m	Total £m
Opening investments	923.4	(133.4)	790.0	885.9	–	885.9
Impairment	–	(78.5)	(78.5)	–	(133.4)	(133.4)
Contributions to subsidiaries in respect of share-based payments	38.6	–	38.6	37.5	–	37.5
Closing investments	962.0	(211.9)	750.1	923.4	(133.4)	790.0

At the reporting date, the Company's net assets exceeded its market capitalisation, which was considered an indicator of impairment. Accordingly, management performed an impairment assessment. During the period, the Company recognised total impairment losses of £78.5m, of which £69.6m relates to the investment in Kindred Systems II Inc., which was written down to £nil.

In the prior period, the Company recognised a total impairment loss of £133.4m on its investment in Haddington Dynamics Inc (£13.8m), Ocado Finco 1 Limited (£86.3m) and Ocado Finco 2 Limited (£33.3m). Each of the investments had been written down to £nil.

A list of subsidiaries held by the Company is disclosed in Note 5.1 to the Consolidated Financial Statements.

Share-based payments relating to awards to employees are recognised as a capital contribution in the Company with the relating expense recognised within the relevant subsidiary, in accordance with IFRS 2 "Share-based Payment". For details of the share-based payments that have increased the Company's investments, see Note 4.7 to the Consolidated Financial Statements.

3.2 Amounts due from subsidiaries

Accounting policies

Amounts due from subsidiaries are stated at amortised cost less provision for expected credit losses. These balances are considered low credit risk and therefore, the Company measures the provision at an amount equal to 12-month expected credit losses.

	30 November 2025 £m	1 December 2024 £m
Amounts due from subsidiaries, net of expected credit losses	3,055.6	3,127.4

During the period, the Company has recognised a further £75.0m expected credit loss (FY24: £15.0m). The £25.0m ECL provision from the prior period remains as at the reporting date.

The amounts due from subsidiaries are unsecured, have no fixed date of repayment and are repayable on demand. Whilst the amount is repayable on demand, no expectation exists that the balance will be recovered within 12 months of the period end date and as such has been classified as non-current.

3.3 Cash and cash equivalents

Accounting policies

Cash and cash equivalents comprise cash at bank and in hand and are classified as current assets on the Balance Sheet. The carrying amount of these assets approximates to their fair value.

	30 November 2025 £m	1 December 2024 £m
Cash at bank and in hand	0.2	0.4
Cash and cash equivalents	0.2	0.4

3.4 Trade and other payables

Accounting policies

Trade and other payables are initially recognised at their transaction price, which is deemed to equal their fair value, and subsequently at amortised cost, using the effective interest method.

	30 November 2025 £m	1 December 2024 £m
Amounts due to subsidiaries	18.2	18.2
Accruals and other payables	4.9	6.7
Trade and other payables	23.1	24.9

Amounts due to subsidiaries are unsecured, generally interest free, have no fixed date of repayment and are repayable on demand. As such, these balances have been recorded as current.

3.5 Provisions

Accounting policies

Employee incentive schemes

Provisions for employee incentive schemes relate to employer social security contributions on taxable equity-settled schemes. For all unapproved schemes, the Company is liable to pay employer social security contributions upon exercise of the share awards.

Taxable schemes are the unapproved Executive Share Option Scheme ("ESOS"), the Ocado Group Value Creation Plan ("VCP"), the Long-Term Operating Plan, the Annual Incentive Plan ("AIP") and the Restricted Share Plan ("RSP"). For more details on these schemes, refer to Note 4.7 of the Consolidated Financial Statements.

	Employee incentive schemes £m
Balance at 3 December 2023	2.3
Charged to Income Statement	
– Additional provision	0.9
– Unused amounts reversed	(0.6)
Used during period	(0.8)
Balance at 1 December 2024	1.8
Reclassification ¹	(1.8)
Balance at 30 November 2025	–

1 During the period, the employee incentive schemes provision has been reclassified to accrued liabilities within trade and other payables.

Provisions for employee incentive schemes as at 1 December 2024 can be analysed as follows:

	£m
Current	0.8
Non-current	1.0
	1.8

Section 4 – Capital structure and financing costs

4.1 Borrowings

Facility	Inception	Coupon rate	Maturity	Carrying amount	
				30 November 2025 £m	1 December 2024 £m
£600m senior unsecured convertible bonds	December 2019	0.875%	December 2025	56.0	167.2
£350m senior unsecured convertible bonds	June 2020	0.750%	January 2027	334.7	320.8
£500m senior unsecured notes	October 2021	3.875%	October 2026	–	223.6
£250m senior unsecured convertible bonds	August 2024	6.250%	August 2029	222.0	215.1
£450m senior unsecured notes	August 2024	10.500%	August 2029	456.4	455.2
£400m senior unsecured notes	May 2025	11.000%	June 2030	417.1	–
Borrowings				1,486.2	1,381.9
Disclosed as:					
Current				56.0	–
Non-current				1,430.2	1,381.9
				1,486.2	1,381.9

Please refer to Note 4.1 and Note 4.2 of the Consolidated Financial Statements for details.

4.2 Share capital and premium

Accounting policies

Refer to Note 4.6 of the Consolidated Financial Statements. The movements in called-up share capital and share premium are set out below:

	Ordinary shares million	Share capital £m	Share premium £m
Balance at 3 December 2023	828.4	16.6	1,942.9
Issue of ordinary shares	4.0	0.1	1.7
Allotted in respect of share option schemes	0.9	–	2.9
Balance at 1 December 2024	833.3	16.7	1,947.5
Issue of ordinary shares	5.2	0.1	1.4
Allotted in respect of share option schemes	0.5	–	1.1
Balance at 30 November 2025	839.0	16.8	1,950.0

4.3 Capital management

The Board's objectives and policies for the Company are consistent with those of the Group. Full details are provided in Note 4.8 to the Consolidated Financial Statements.

Section 5 – Other notes

5.1 Related party transactions

Key management personnel

Only members of the Board (the Executive and Non-Executive Directors) are recognised as being key management personnel. It is the Board that has responsibility for planning, directing and controlling the activities of the Company. The Executive and Non-Executive Directors did not receive any remuneration for their services to the Company.

Directors' interests in ordinary shares of the Company are disclosed in the Directors' Remuneration Report on page 133.

During the period, there were no transactions between the Company and its key management personnel or members of their close family. At the reporting date, key management personnel did not owe the Company any amounts.

Subsidiaries

The entity has taken advantage of the exemption permitted by FRS 101 not to disclose related party transactions with entities that are wholly owned by the Company.

5.2 Post-Balance Sheet events

There have been no post-balance sheet events requiring disclosure in these Financial Statements.

Additional Information

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Alternative Performance Measures

The Group assesses its performance using a variety of alternative performance measures ("APMs"), which are not defined under IFRS and are, therefore, termed "non-GAAP" measures. These measures provide additional useful information on the underlying trends, performance and position of the Group. The APMs used are:

- Adjusting items;
- Adjusted EBITDA;
- Adjusted EBITDA margin;
- Adjusted EPS;
- Gross debt and external gross debt;
- Net debt;
- Pro-forma income statement and cash flow statement;
- Underlying cash flow.

Definitions of these APMs, together with reconciliations of these APMs with the nearest measures prepared in accordance with IFRS are presented below. The APMs used may not be directly comparable with similarly titled measures used by other companies.

Adjusting items

The Consolidated Income Statement separately identifies trading results before adjusting items. Adjusting items are items that are considered to be significant due to their size/nature, not in the normal course of business or are consistent with items that were treated as adjusting in the prior periods or that may span multiple financial periods. They have been classified separately in order to draw them to the attention of the readers of the Financial Statements, and facilitate comparison with prior periods to assess trends in the financial performance more readily.

The Directors believe that presentation of the Group's results in this way is important for understanding the Group's financial performance. This presentation is consistent with the way that financial performance is measured by management and reported to the Board.

The Group applies judgement in identifying items of income and expense that are recognised as adjusting to help provide an indication of the Group's underlying business. In determining whether an event or transaction is adjusting in nature, management considers quantitative as well as qualitative factors such as the frequency or predictability of occurrence.

Examples of items that the Group considers adjusting include corporate reorganisations, material litigation, and any other material costs outside of the normal course of business as determined by management.

The Group has adopted a three-columned approach to the Consolidated Income Statement to aid clarity and allow users of the Financial Statements to understand more easily the performance of the underlying business and the effect of adjusting items.

Adjusting items are disclosed in Note 2.5 to the Consolidated Financial Statements.

Adjusted EBITDA

In addition to measuring its financial performance based on operating profit, the Group measures performance based on Adjusted EBITDA. The Group has reviewed its definition of adjusted EBITDA in light of the deconsolidation of ORL and has amended the definition to be the Group's earnings before depreciation, amortisation, impairment, net finance cost, taxation, share of profit/loss of joint ventures and associates, adjusting items and excluding the results of discontinued operations. EBITDA is a common measure used by investors and analysts to evaluate the operating financial performance of companies.

The Group considers Adjusted EBITDA to be a useful measure of its operating performance because it approximates the underlying operating cash flow by eliminating depreciation and amortisation. Adjusted EBITDA is not a direct measure of liquidity, which is shown by the Consolidated Statement of Cash Flows, and needs to be considered in the context of the Group's financial commitments.

Adjusted EBITDA reconciliation

	Notes	52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m
Operating loss before results of joint venture and associate		(257.7)	(336.9)
Adjustments for:			
Adjusting items ¹	2.5	24.3	34.7
Amortisation of intangible assets	3.2	125.0	145.9
Impairment of intangible assets	3.2	11.3	5.9
Depreciation of property, plant and equipment	3.3	218.5	195.6
Impairment of property, plant and equipment	3.3	27.3	36.8
Depreciation of right-of-use assets	3.4	29.3	28.7
Impairment of right-of-use-assets	3.4	–	1.0
Adjusted EBITDA		178.0	111.7

1 Adjusting items include a £4.7m (FY24: £nil) impairment charge on goodwill as a result of the loss of control of JFC and £nil (FY24: £1.6m) impairment charges in respect of property, plant and equipment.

The financial performance of the Group's segments is measured based on adjusted EBITDA, as reported internally. A reconciliation of the adjusted EBITDA of the Group with the adjusted EBITDA by segment is disclosed in Note 2.2 of the Consolidated Financial Statements.

Adjusted EBITDA margin

Adjusted EBITDA margin is calculated as the adjusted EBITDA divided by revenues.

Adjusted EBT

Adjusted EBT is calculated as earnings before tax and adjusting items.

Adjusted EPS

Adjusted EPS is calculated as earnings after tax attributable to owners of the Group before adjusting items divided by the weighted average number of shares on issue for the relevant financial period. This measure is reported as it is one of the metrics contained within the Group's Performance Share Plan ("PSP"). A reconciliation of Adjusted EPS to basic EPS is presented in Note 2.8.

Gross debt and external gross debt

Gross debt is calculated as borrowings and lease liabilities as disclosed in Note 4.2 of the Consolidated Financial Statements.

External gross debt is calculated as gross debt less lease liabilities payable to joint ventures of the Group. External gross debt is a measure of the Group's indebtedness to third parties which are not considered related parties of the Group.

A reconciliation of gross debt with external gross debt is set out below:

	Notes	30 November 2025 £m	1 December 2024 £m
Gross debt	4.2	1,788.4	1,971.7
Lease liabilities payable to joint ventures	3.4	(11.0)	(12.4)
External gross debt		1,777.4	1,959.3

Net debt

Net debt is calculated as cash and cash equivalents of the Group, less gross debt.

Net debt is a measure of the Group's net indebtedness which provides an indicator of the overall strength of the Consolidated Balance Sheet. It is also a single measure that can be used to assess the combined effect of the Group's cash position and its indebtedness.

The most directly comparable IFRS measure is the aggregate of borrowings and lease liabilities (current and non-current) and cash and cash equivalents. A reconciliation of these measures with net debt can be found in Note 4.2 to the Consolidated Financial Statements.

Pro-forma income statement and cash flow

Pro-forma financial information presents the results of the Group as if ORL had been equity accounted for the entirety of the relevant financial period and is presented to aid users in understanding the Group's underlying financial performance for continuing operations (Technology Solutions and Logistics) and to enable consistent comparison of current and historical results. The income statement and cash flow statement for FY25 and FY24 have been re-presented as if ORL had been equity accounted from the start of the financial period. This APM replaces the Total Group metric used in FY24, which presented the results of the Group including discontinued operations to provide a comparison to historical performance on a consistent basis.

Pro-forma income statement

	FY25 as reported (pre-adjusting items) £m	Pro-forma adjustments ¹ £m	FY25 pro-forma £m	FY24 as reported (pre-adjusting items) £m	Pro-forma adjustments ¹ £m	FY24 pro-forma £m
Revenue	1,361.5	–	1,361.5	1,214.5	–	1,214.5
Operating costs ²	(1,594.9)	–	(1,594.9)	(1,516.7)	–	(1,516.7)
Operating loss before results of joint venture and associate	(233.4)	–	(233.4)	(302.2)	–	(302.2)
Share of results of joint venture and associate	(8.0)	(5.5)	(13.5)	0.3	(24.3)	(24.0)
Operating loss	(241.4)	(5.5)	(246.9)	(301.9)	(24.3)	(326.2)
Finance income	39.4	6.3	45.7	30.4	19.1	49.6
Finance costs	(146.7)	–	(146.7)	(98.6)	–	(98.6)
Other finance gains and losses	(5.3)	0.1	(5.2)	10.0	–	10.0
(Loss)/profit before tax	(354.0)	0.9	(353.1)	(360.1)	(5.2)	(365.2)

1 Pro-forma adjustments made to reflect the accounting treatment of ORL as an investment in associate include:

- showing the Group's 50% share of the results of ORL (before adjusting items) in the Share of results of joint venture and associate for the full accounting period;
- reflecting loan interest receivable on the shareholder loan between the Group and ORL in finance income rather than being eliminated on consolidation;
- reflecting interest income from net investment in leases for assets leased from Ocado Group to ORL in finance income rather than being eliminated on consolidation; and
- reflecting the Group's 50% share of ORL's adjusting items for the full accounting period (rather than as fully consolidated whilst under Ocado Group control).

2 Operating costs include depreciation and amortisation of £411.4m (FY24: £413.9m).

Pro-forma cash flow

£m	FY25 as reported	Pro-forma adjustments	FY25 pro-forma	FY24 as reported	Pro-forma adjustments	FY24 pro-forma
Adjusted EBITDA ¹	199.8	(21.7)	178.0	153.0	(41.3)	111.7
Cash received from contract liabilities (upfront fees)	65.0	–	65.0	97.8	1.4	99.2
Proceeds from letter of credit	113.4	–	113.4	–	–	–
Other working capital movements ²	54.4	(33.9)	20.5	6.3	11.3	17.6
Finance costs paid	(96.0)	3.4	(92.6)	(55.9)	9.7	(46.2)
Corporation taxation paid	(3.0)	–	(3.0)	(7.7)	–	(7.7)
Adjusting items ³	31.4	5.6	37.0	70.8	12.3	83.1
Other non-cash items ⁴	(23.3)	(7.1)	(30.4)	4.6	(9.8)	(5.2)
Operating cash flow	341.6	(53.7)	287.9	268.9	(16.4)	252.5
Capital expenditure	(378.3)	5.0	(373.3)	(399.4)	6.0	(393.4)
Dividend from joint venture	0.8	–	0.8	2.8	–	2.8
Net proceeds from interest-bearing loans and borrowings ⁵	55.1	–	55.1	26.8	–	26.8
Repayment of lease liabilities	(42.9)	9.7	(33.2)	(55.7)	23.1	(32.6)
Net proceeds from share issues	2.6	–	2.6	4.6	–	4.6
Other investing and financing activities ⁶	63.1	9.8	72.9	42.9	24.3	67.2
Cash outflow from deconsolidation of subsidiary	(68.2)	68.2	–	–	–	–
Movement in cash and cash equivalents (excl. FX changes)	(26.2)	39.0	12.8	(109.1)	37.0	(72.1)
Effect of changes in FX rates	(5.3)	–	(5.3)	(4.2)	–	(4.2)
Movement in cash and cash equivalents (incl. FX changes)	(31.5)	39.0	7.5	(113.3)	37.0	(76.3)
Cash and cash equivalents at beginning of period	771.5	(39.0)	732.5	884.8	(76.0)	808.8
Cash and cash equivalents at end of period	740.0	–	740.0	771.5	(39.0)	732.5

The proforma cash flow statement above is in a format consistent with the cash flow reported in the Financial Review on page 40. Unless otherwise noted, the line items above come directly from the Consolidated Statement of Cash Flows or Note 4.9 of the Consolidated Financial Statements.

1. Adjusted EBITDA as reported includes discontinued operations adjusted EBITDA of £21.7m

2. Total of movements in inventories, trade and other payables and trade and other receivables in Note 4.9

3. Total of cash receipts from Autostore settlement and cash outflow for Finance, HR and Retail IT system transformation costs and organisational restructuring costs (Note 2.5)

4. Total of revenue recognised from long-term contracts, share based payments, movement in provisions and gain/(loss) on asset disposals and asset write offs in Note 4.9.

5. Total of proceeds from borrowings, transaction costs on issue of borrowings and repayment of borrowings in the Consolidated Cash Flow Statement

6. Total of interest received, purchase/disposal of unlisted equity investments, loans repaid by investee companies, and proceeds from net investment in leases in the Consolidated Cash Flow Statement

Underlying cash flow

Underlying cash flow is the movement in cash and cash equivalents excluding the impact of adjusting items, costs of financing, proceeds from the disposal of assets held for sale, cash received in respect of contingent consideration, acquisition of subsidiaries, purchase of unlisted equity investments and foreign exchange movements. A reconciliation of the movement in cash and cash equivalents to underlying cash flow is detailed within the Financial Review.

Five-Year Summary

The table below set out the five-year summary of key financial and non-financial data for the Group

	52 weeks ended 30 November 2025 £m	52 weeks ended 1 December 2024 £m	53 weeks ended 3 December 2023 £m	52 weeks ended 27 November 2022 £m	52 weeks ended 28 November 2021 £m
Financial data – Continuing operations¹					
Revenue	1,381.7	1,214.6	1,122.1	–	–
Adjusted EBITDA*	178.0	111.7	46.4	–	–
Financial data – Discontinued operations¹					
Revenue	767.9	1,941.4	1,702.9	–	–
Adjusted EBITDA*	21.7	41.3	7.8	–	–
Non-financial data					
Scope 1 emissions (tCO ₂ e) ²	108,631	103,947	93,293	96,386	94,912
Scope 2 emissions (market based) (tCO ₂ e) ²	712	850	887	815	1,385
Total employees ³	21,367	20,261	18,869	19,744	19,347

¹ Continuing operations represents Technology Solutions and Logistics. Discontinued operations represents the Retail business and related inter-segment eliminations.

² Ocado Group has adopted the operational control approach to define our reporting boundary. Where Ocado Group does not have operational control over ORL's activities, emissions are excluded from our Scope 1 and 2 reporting.

³ As at 30 November 2025. Excludes ORL employees.

Non-financial basis of reporting

Our non-financial reporting is calculated using an operational control boundary. Metrics have been calculated in line with the financial reporting year ending 30 November 2025 ("FY25"), unless otherwise stated. We apply a 5% materiality threshold for restating key prior-year non-financial metrics.

Restatements during the year

This year, we have changed our methodology for Scope 3.1 and 3.2 emissions. We now recognise spend at the invoice date rather than the payment date, to provide closer alignment with the accruals basis used in our financial reporting. We have restated FY24 and FY23 comparatives to align with this new methodology. We have also restated our FY24 comparative and FY23 baseline for Scope 3 emissions per £m revenue to exclude ORL revenue now that ORL has been deconsolidated from our financial reporting. This year, we have changed our methodology for '% of spend with suppliers with EcoVadis Bronze medal or higher' to include total group procurement spend, rather than procurement spend from our Technology Operations supply chain only. We have restated our FY24 comparative to align with this new methodology.

Independent Limited Assurance

ERM Certification and Verification Services Limited ("ERM CVS") was engaged by the Directors of Ocado Group to provide limited assurance, in accordance with ISAE 3000 (Revised) and ISAE 3410 for greenhouse gas emissions, for selected metrics.

ERM CVS' full assurance scope and opinion can be found on pages 278-279.

Metric	Calculation Methodology
GHG emissions (Scope 1, 2 & 3)	Our GHG emissions have been calculated in line with the GHG Protocol: A Corporate Accounting and Reporting Standard (revised edition), developed by the World Resources Institute/World Business Council for Sustainable Development. Ocado has selected the operational control approach to define our reporting boundary, meaning that GHG emissions relating to ORL controlled activities are excluded from the Group footprint. Refer to the Ocado Group "Basis of Reporting" document on our website at https://www.ocadogroup.com/sustainability/policies-and-disclosures for more information relating to the methodologies, emission factors, inclusions and exclusions.
Total energy (MWh)	The total energy consumption metric is calculated as the sum of all energy consumed from both renewable and non-renewable sources across the sites within our operational control boundary. All consumption volumes (e.g. kWh, litres) are converted to a standard unit of Megawatt-hours (MWh) for aggregation. Any unit conversions are performed based on the conversion factors published by the Department for Business Energy & Industrial Strategy (BEIS).
Total renewable energy used (MWh)	For more information relating to our methodologies for capturing data on: (1) Purchased electricity (grid-supplied); (2) On-site electricity (solar panels, anaerobic digestion); (3) Stationary combustion (e.g., natural gas for heating, diesel used for back-up generators); and (4) Mobile combustion (e.g., diesel, petrol, CNG-biomethane blend for fleet), refer to the Ocado Group "Basis of Reporting" document on our website at https://www.ocadogroup.com/sustainability/policies-and-disclosures . The following energy sources are considered to be 'renewable' for the purposes of the 'Total renewable energy used' metric: (1) Purchased electricity (grid-supplied) that is backed by Renewable Energy Certificates (RECs); (2) On-site electricity generated from renewable sources, e.g. from solar panels, anaerobic digestion; (3) Biofuels, e.g. HVO biodiesel.
Scope 1 and 2 emissions per 100,000 orders (tonnes of CO₂e per 100,000 orders)	Using the results of our total Scope 1 and Scope 2 GHG emissions calculations, we divide the Group's emissions by the combined number of orders fulfilled by Ocado Logistics for both Ocado Retail Limited and Morrisons. Orders are defined as those that have been picked for delivery and exclude orders that have been canceled by customers prior to picking. Orders are classified as picked once their individual and available eaches have been scanned and picked. We calculate an intensity ratio using both market-based and location-based Scope 2 emissions.
Scope 3 emissions per £m in revenue	Using the results of our total Scope 3 emissions calculations, we divide the Group's emissions by total Group revenue to determine the carbon intensity of our value chain. Revenue is defined as total Group revenue as reported in our financial statements.

Non-financial basis of reporting continued

Metric	Calculation Methodology
Technology Solutions Employee Net Promoter Score (eNPS)	We measure eNPS using Peakon, our employee listening tool. eNPS is calculated based on responses to standardised questions with feedback captured from employees across Technology Solutions. We have disclosed the eNPS score as at 30 November 2025 within the Sustainability Report. The eNPS used for the purposes of the Annual Incentive Programme linked to executive remuneration is a mean average of eNPS scores at the end of each of the four quarters of FY25.
% reduction in GHG emissions per van drop	As Ocado does not operate delivery fleets directly for all partners included in this metric, our methodology is limited to emissions reductions underpinned by projected route data calculated in OSP rather than actual vehicle emissions. The calculation is based on the theoretical reduction in average miles driven per delivery ("miles per drop" or "MPD"). We use the assumption that a reduction in miles driven directly correlates to a reduction in GHG emissions (i.e. a 5% reduction in estimated miles driven per drop equates to a 5% reduction in GHG emissions per drop). All data used in our calculations is sourced from internal Ocado data lakes. Estimated miles per drop as at November 2024 have been used as our baseline to calculate any reductions to date. GHG emissions reduction is calculated as: $1 - (\text{MPD as at year end} / \text{Baseline MPD as at November 2024})$.
Total waste, waste sent to landfill, MHE waste generated, end-of life MHE recycled	We use an operational control approach to calculate all waste-related metrics. Waste data is primarily sourced from actual waste disposal invoices and declaration forms provided by waste management contractors. Where direct data is unavailable, we apply estimation methods based on average waste tonnage and waste generation profile per square footage of the relevant site type. All known waste streams are included and classified by disposal method such as recycling, anaerobic digestion, incineration with energy recovery, or landfill. Our "waste to landfill" metric is calculated as waste sent to landfill (tonnes) divided by total operational waste generated (tonnes). We define "zero waste to landfill" as less than 0.5% of total waste sent to landfill, acknowledging unavoidable leakage due to operational complexity. MHE waste includes bots, grids, and associated peripherals, and is disaggregated into relevant categories such as metal, waste electrical and electronic equipment (WEEE), batteries, and other components. Our MHE recycling metric is calculated as total end-of-life MHE recycled (tonnes) divided by total MHE waste (tonnes). Waste from construction and demolition has been separated from operational waste and reported in a different line item.
ORL food waste per tonne of food sold	Food waste is measured as a percentage of total food handled for the year. Our food waste percentage is calculated as the total tonnes of food waste incurred divided by the sum of total tonnes of food product sold, total tonnes of food redistributed, and total tonnes of food waste incurred. We define food waste as inedible or unsold edible food not redistributed, disposed of via anaerobic digestion ("AD") or incineration. Food waste disposed of through incineration includes an estimated adjustment to account for non-food contamination within food waste bins. Food product sales are the total tonnage of food products sold, excluding packaging weight. Food redistribution is edible surplus food that cannot be sold as intended but is redistributed internally (canteens) or externally (Company Shop, charities).
Ocado Code training completion	The Ocado Code training completion rate covers all salaried employees from Technology Solutions and Ocado Logistics. It is calculated as the proportion of employees who have completed the training out of those required to do so and is based on data from Ocado's learning management system. Employees on long-term leave or who have left before the year end are excluded. New joiners are only included if their required completion date falls within the reporting period. We have disclosed the training completion percentage as at 30 November 2025.
% of spend with suppliers with EcoVadis Bronze medal or higher	Supplier sustainability ratings are sourced directly from EcoVadis. A supplier qualifies if it holds a valid EcoVadis Bronze, Silver, Gold or Platinum medal during the reporting period. If a supplier's rating expires or is pending renewal, its last known rating within the period is used. Total spend with qualifying suppliers between 2 December 2024 and 30 November 2025 is aggregated to give the numerator of this metric. Spend data is obtained from Ocado's procurement and finance systems. The denominator of this metric is calculated as total Group Procurement Spend between 2 December 2024 and 30 November 2025, less intercompany transactions and taxes payable.

Metric	Calculation Methodology
% of high-risk suppliers with social audit and no critical nonconformances	High-risk suppliers are identified through Ocado's internal risk assessment criteria. A supplier qualifies if they have completed a valid social audit and have no critical non-conformances. Audit data is sourced from recognised international standards nominated by Ocado. These standards are either SMETA, BSCI, SA8000 or RBA audits. Total spend with qualifying high-risk suppliers between 2 December 2024 and 30 November 2025 is aggregated to give the numerator of this metric. Spend data is obtained from Ocado's procurement and finance systems. The denominator of this metric is calculated as total procurement spend with all high-risk suppliers between 2 December 2024 and 30 November 2025. The metric is reported as at the end of the reporting period and is subject to data availability, supplier participation and audit validity.
Senior manager ethnicity and gender diversity	The diversity data set includes all full-time and part-time employees on permanent or fixed-term contracts across the UK and international locations. This includes employees on long-term leave and is based on the headcount for Technology Solutions and Ocado Logistics. Employees are included regardless of tenure. Diversity information is self-reported at the start of employment via Ocado's HR management system. Employees have the option to not declare or not consent to data being used for reporting purposes. This classification can be updated at any time. "Prefer Not to Say" and undeclared figures are excluded from our reporting calculations. Senior management is defined as the first level of management directly reporting to the CEO and these managers' immediate direct reports, excluding admin support roles. Excluded from the data are agency workers, consultants and third-party staff not directly employed by Ocado. Diversity metrics have been disclosed as at 30 November 2025.
Material disruptions due to extreme weather events	For the purposes of this metric, a "material disruption" is defined as an event with financial consequences above £250,000 that is significant enough to trigger an insurance claim during the financial year. These events include damage and disruptions. Equipment, such as MHE, and the loss of fees due to disruptions at partner sites are also included in this definition. The scope for this metric is all spokes, Zooms, offices, Customer Fulfilment Centres ("CFCs") and sites that Ocado has operational control over and is responsible for insurance.
CFC Electricity consumption (kWh/ 100 eaches)	This is calculated using the total electricity consumption (kWh) for UK CFCs (i.e. excluding spoke and Zoom sites). Electricity consumption is divided by the total number of eaches (a single product item) the UK CFCs have picked for Ocado Retail and Morrisons during the financial year.
% of van fleet utilising zero emissions technology	Our Zero-Emission Vehicle ("ZEV") fleet percentage is based on the fleet of Ocado Retail Limited and Morrisons vans that we operate. It is calculated by dividing the total number of ZEVs operated by the total number of Ocado Retail Limited and Morrisons vans we operate. We have disclosed the ZEV fleet percentage as at 30 November 2025.
% of spend with suppliers that have emission reduction targets	Total supplier spend consists of supplier spend within our Technology Operations supply chain, which is predominantly related to spend on grids, bots, totes, peripherals, and installations. This ensures focus has been placed on the procurement, installation and provision of our MHE and OSP. Suppliers with emission reduction targets are considered those that have set emission reduction targets (internal or public) to achieve net zero or to reduce Scope 1, 2, or 3 emissions. We have disclosed the % of spend with suppliers that have emission reduction targets as at 30 November 2025.
Cost of carbon taxation on raw material	Cost of carbon taxation includes all carbon taxes that have been levied on Ocado Group during the financial year. We define carbon taxes as any tax that has been based on the amount of Greenhouse Gases ("GHGs") emitted to produce goods or on the carbon content of goods.

Independent Limited Assurance Report



ERM Certification and Verification Services Limited ("ERM CVS") was engaged by Ocado Central Services Ltd ("Ocado") to provide limited assurance in relation to the Selected Information set out below and presented in the Ocado Annual Report and Accounts 2025 (the "Report").

Engagement summary

Scope of our assurance engagement	Whether the following Selected Information for FY25, as indicated by a Δ symbol is fairly presented in the Report, in all material respects, in accordance with the reporting criteria. Our assurance engagement does not extend to information in respect of earlier periods or to any other information included in the Report.
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Selected Information	• Total Scope 1 GHG emissions [Metric tonnes CO₂e] • Total Scope 2 GHG emissions (location-based) [Metric tonnes CO₂e] • Total Scope 2 GHG emissions (market-based) [Metric tonnes CO₂e] • Total Scope 1 + Total Scope 2 (location-based) GHG emissions intensity [Metric tonnes CO₂e per 100,000 orders] • Total Scope 1 + Total Scope 2 (market-based) GHG emissions intensity [Metric tonnes CO₂e per 100,000 orders] • Total Scope 3 GHG emissions (consisting of categories 1-7, 13 and 15 only) [Metric tonnes CO₂e] • Total Scope 3 GHG emissions intensity (consisting of categories 1-7, 13 and 15 only) [tCO₂e per £ in revenue†] • Reduction in GHG emissions per van drop (Ocado Retail Limited) [%] • Reduction in GHG emissions per van drop (Kroger) [%] • Reduction in GHG emissions per van drop (Aeon) [%] • Total Renewable energy used [MWh] • Renewable energy used [%] • Employee Engagement Score (eNPS) for Ocado Technology Solutions [Average of Quarterly eNPS scores] † Our testing of the revenue value used in this metric was limited to confirming its consistency with figures recorded in systems that were audited separately as part of Ocado's 2025 Financial Statements. We did not perform further procedures over the underlying financial reporting systems or values.
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Reporting period FY25 (52-week year: 2nd December 2024 to 30th November 2025)

Reporting criteria	• Ocado's Basis of Reporting (available at: https://www.ocadogroup.com/sustainability/policies-and-disclosures) • The GHG Protocol Corporate Accounting and Reporting Standard (WBCSD/WRI Revised Edition 2015) for Scope 1 and 2 GHG emissions • The GHG Protocol Scope 2 Guidance (An amendment to the GHG Protocol Corporate Standard (WRI 2015) for Scope 2 GHG emissions • The Corporate Value Chain (Scope 3) Accounting and Reporting Standard (WBCSD/WRI 2011) for Scope 3 GHG emissions
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Assurance standard and level of assurance	We performed a limited assurance engagement, in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' and in accordance with ISAE 3410 for Greenhouse Gas data issued by the International Auditing and Assurance Standards Board. The procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
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Respective responsibilities	Ocado is responsible for preparing the Report and for the collection and presentation of the information within it, and for the designing, implementing and maintaining of internal controls relevant to the preparation and presentation of the Selected Information. ERM CVS' responsibility is to provide a conclusion to Ocado on the agreed assurance scope based on our engagement terms with Ocado, the assurance activities performed and exercising our professional judgement.
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Our conclusion

Based on our activities, as described below, nothing has come to our attention to indicate that the Selected Information for FY25 is not fairly presented in the Report, in all material respects, in accordance with the reporting criteria.

Our assurance activities

Considering the level of assurance and our assessment of the risk of material misstatement of the Selected Information a multi-disciplinary team of sustainability and assurance specialists performed a range of procedures that included, but was not restricted to, the following:

- Evaluating the appropriateness of the reporting criteria for the Selected Information;
- Interviewing management representatives responsible for managing the Selected Information;
- Interviewing relevant staff to understand and evaluate the management systems and processes (including internal review and control processes) used for collecting and reporting the Selected Information;
- Reviewing of a sample of qualitative and quantitative evidence supporting the Selected Information at a corporate level;
- Performing an analytical review of the year-end data submitted by all locations included in the consolidated FY25 group data for the Selected Information which included testing the completeness and mathematical accuracy of conversions and calculations, and consolidation in line with the stated reporting boundary;
- Conducting visit to Ocado facility in Dordon, UK to further understand site operations and local reporting systems and controls;
- Evaluating the conversion and emission factors and assumptions used; and
- Reviewing the presentation of information relevant to the assurance scope in the Report to ensure consistency with our findings.



26 February 2026
London, United Kingdom

**ERM Certification and Verification
Services Limited**

 www.ermcvs.com

 post@ermcvs.com

The limitations of our engagement

The reliability of the Selected Information is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information. It is important to understand our assurance conclusions in this context.

Our independence, integrity and quality control

ERM CVS is an independent certification and verification body accredited by UKAS to ISO 17021:2015. Accordingly, we maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our quality management system is at least as demanding as the relevant sections of ISQM-1 and ISQM-2 (2022).

ERM CVS applies a Code of Conduct and related policies to ensure that its employees maintain integrity, objectivity, professional competence and high ethical standards in their work. Our processes are designed and implemented to ensure that the work we undertake is objective, impartial and free from bias and conflict of interest. Our certified management system covers independence and ethical requirements that are at least as demanding as the relevant sections of the IESBA Code relating to assurance engagements.

ERM CVS has extensive experience in conducting assurance on environmental, social, ethical and health and safety information, systems and processes, and provides no consultancy related services to Ocado in any respect.

Glossary

2024 Directors' Remuneration Policy or 2024 Policy – the Directors' Remuneration Policy which was approved by shareholders at the 2024 Annual General Meeting.

Active customer – a customer who has shopped with Ocado Retail Limited at Ocado.com within the previous 12 weeks.

Adjusting items – items that are considered significant due to their size/nature, are not in the normal course of business or are consistent with items treated as adjusting in the prior periods or may span multiple financial periods. These have been classified separately to draw them to the attention of the reader of the Financial Statements.

AEON – AEON Co., Ltd., a company incorporated in Japan, whose registered office is at 1-5-1 Nakase, Mihama-ku, Chiba-shi, Chiba, 261-8515.

AGM – the Annual General Meeting of the Company, which will be held on 28 April 2026 at 1 pm at Buildings One & Two Trident Place, Mosquito Way, Hatfield, Hertfordshire, AL10 9UL.

AI – Artificial Intelligence.

AIP – the Annual Incentive Plan for the Executive Directors and selected senior managers.

Alcampo – Alcampo S.A., a company incorporated in Spain under registered company number C.I.F. A-28581882 whose registered office is at Madrid, c/ Santiago Compostela Sur, s/n (Edificio de Oficinas la Vaguada), CP.28029 Madrid.

American Depositary Receipts – securities that have been created to permit United States investors to hold shares in non-United States companies and, in a Level 1 programme, to trade them on the over-the-counter market in the United States of America.

AMR – Autonomous Mobile Robot.

Articles – the Articles of Association of the Company.

ASRS – Automated Storage Retrieval Systems.

Auchan Polska – Auchan Polska Sp. z o.o., a company incorporated in Poland, whose registered office is at ul. Puławska 46, 05-500 Piaseczno.

Autofreezer – automated management of inventory in the freezer.

AutoStore – AutoStore Technology AS, a company incorporated in Norway, whose registered office is at Stokkastrandvegen 85, 5578, Nedre Vats, Rogaland, Norway.

Auto Frame Load or AFL – the part of the MHE that transfers delivery totes which have been filled with products ordered by a customer from the picking operation into delivery frames.

Average basket value – the average amount shoppers spend in one transaction.

Average live modules – the weighted average number of modules that were fully installed and available for use by our client partners during the period.

Average orders per week – the average number of orders per week processed within CFCs for Ocado Retail Limited.

Average selling price or ASP – product sales divided by total eaches.

Board – the Board of Directors of the Company or its subsidiaries from time to time as the context may require.

Bon Preu – Bon Preu SA, a company incorporated in Spain, whose registered office is at Carrer C, 17, 08040 Barcelona.

BRC – British Retail Consortium.

CBAM – Carbon Border Adjustment Mechanism.

Client – a client of Ocado Group that has purchased warehouse automation products and services offered to non-grocery customers.

CO₂e or tCO₂e – the amount of the different Green House Gases, expressed in terms of the equivalent global warming potential as carbon dioxide (usually expressed as a weight in tonnes).

Code – the UK Corporate Governance Code published by the FRC in 2018, or the 2024 Code.

Coles – Coles Supermarkets Australia Pty Ltd, a company incorporated in Australia, whose registered office is at 800 Toorak Road, Hawthorn East, VIC 3123.

Companies Act – the Companies Act 2006.

Company – Ocado Group plc, a company incorporated in England and Wales with company number 07098618, whose registered office is at Buildings One & Two Trident Place, Mosquito Way, Hatfield, Hertfordshire, United Kingdom, AL10 9UL.

Contribution – Technology Solutions revenue less Technology Solutions direct operating costs.

Contribution margin – Technology Solutions contribution divided by Technology Solutions revenue.

Corporate website – www.ocadogroup.com.

CSRD – the EU Corporate Sustainability Reporting Directive.

Customer Fulfilment Centre or CFC – a dedicated, highly automated warehouse used for the operation of the business.

DE&I – Diversity, Equity and Inclusion.

Deloitte – Deloitte LLP, the Group's statutory auditor and advisor in respect of non-audit services.

Direct operating costs (% of live sales capacity) – the direct costs of running our OSP CFC estate within Technology Solutions. Direct operating costs include engineering, cloud and other technology direct costs.

Directors – the Directors of the Company, whose names and biographies are set out on pages 102 to 105, or the Directors of the Company's subsidiaries from time to time as the context may require.

Disclosure Guidance and Transparency Rules or DTR – the disclosure guidance and transparency rules made under Part VI of the Financial Services and Markets Act 2000 (as amended).

DNED – the Designated Non-Executive Director for Workforce Engagement.

DMA – double materiality assessment.

DP8 – customer deliveries per standardised eight-hour shift.

Each – An "each" refers to a single unit of product.

EBT – Employee Benefit Trust.

EBT Trustee – the Trustee from time to time of the Employee Benefit Trust, currently Ocorian Limited.

eNPS – employee Net Promoter Score.

EPS – earnings per share.

ERM – Enterprise Risk Management.

ESG – Environmental, Social, and Governance.

ESRS – European Sustainability Reporting Standards.

Executive Committee – the executive team whose names and biographies can be found on our website at www.ocadogroup.com.

Executive Directors – Tim Steiner and Stephen Daintith.

FCA – Financial Conduct Authority.

Financial period – the 52-week period, or 53-week period where relevant, ending on the Sunday closest to 30 November.

Financial year or FY – see financial period.

FMCG – Fast-Moving Consumer Goods.

FRC – Financial Reporting Council.

GAAP – Generally Accepted Accounting Principles.

GDPR – General Data Protection Regulation.

GHG – greenhouse gases.

Gross liquidity – cash and cash equivalents plus unused availability of revolving credit facility.

Group – Ocado Group plc, its subsidiaries, significant undertakings and affiliated companies under its control or common control.

Groupe Casino or Casino – Casino Guichard Perrachon SA, a company incorporated in France, whose registered office is at 24 Rue de la Montat, Saint-Etienne.

HACCP – Hazard Analysis & Critical Control Point.

HMRC – His Majesty's Revenue and Customs.

HSFE – means Health, Safety, Fire and Environment.

IAS – International Accounting Standards.

ICA – ICA Gruppen AB, a company incorporated in Sweden, whose registered office is at Svetsarvägen 16, Solna.

ICE – internal combustion engine.

IFRIC – International Financial Reporting Standards Interpretations Committee.

IFRS – International Financial Reporting Standards.

ILO – the International Labour Organization.

IROs – impacts, risks and opportunities.

ISA (UK & Ireland) – International Standard on Auditing in the United Kingdom and Ireland.

ISF – in-store fulfilment.

Jones Food Company or Jones Food or JFC – Jones Food Company Limited, a company incorporated in England and Wales with company number 10504047, whose registered office is at RSM Restructuring Advisory LLP, 25 Farringdon Street, London, EC4A 4AB.

KPI – Key Performance Indicator.

Kroger – The Kroger Co., a company incorporated in the United States of America, whose registered office is at 1014 Vine Street, Cincinnati, Ohio.

LGV – large goods vehicle.

Listing Rules – the UK Listing Rules made by the FCA under Part VI of the Financial Services and Markets Act 2000 (as amended).

LoC – Letter of Credit.

Lotte Shopping or Lotte – Lotte Shopping Co., Ltd, a company incorporated and registered in the Republic of Korea with registered number 5298500774 whose registered office is at Lotte World Tower, 26th floor, 300, Olympic Street, Songpagu, Seoul, Republic of Korea.

Marks & Spencer or M&S – Marks & Spencer Group plc, a company incorporated in England and Wales with company number 04256886, whose registered office is at Waterside House, 35 North Wharf Road, London, W2 1NW, or one of its subsidiaries.

McKesson or McKesson Canada – McKesson Canada Corporation, a company incorporated in Canada and whose registered office is at 4705 Dobrin Street, Montreal, Quebec, H4R 2P7.

MHE – Material Handling Equipment.

MHE JVCo – MHE JVCo Limited, a company incorporated in England and Wales with company number 08576462, jointly owned by Ocado Holdings and Morrisons, whose registered office is at Buildings One & Two Trident Place, Mosquito Way, Hatfield, Hertfordshire, United Kingdom, AL10 9UL.

Morrisons – Wm Morrison Supermarkets Limited, a company incorporated in England and Wales with company number 00353949, whose registered office is at Hilmore House, Gain Lane, Bradford, West Yorkshire, BD3 7DL.

Morrisons.com – Morrisons' online retail business.

MWh – megawatt-hour.

Net finance cost – finance costs less finance income. Finance costs are composed primarily of interest on borrowings and lease liabilities. Finance income is composed principally of bank interest.

Net Zero – a target to completely negate greenhouse gases produced by an organisation, predominantly through the actual reduction of the emissions, but with a small amount covered by other methods such as offsetting.

Net Zero Roadmap or Net Zero Programme – the key programmes of work needed for the business to achieve Net Zero GHG emissions.

Non-Executive Directors – the Non-Executive Directors of the Company whose names and biographies are set out on pages 102 to 105.

Notice of Meeting – the Notice of the Company's AGM.

NOx – nitrous oxide.

NPS – Net Promoter Score.

Number of modules live – modules that are fully installed and available for use by our partners.

Ocado.com – the Group's online retail business serviced from the Ocado.com website and excludes the Zoom by Ocado business.

OGRP – On-Grid Robotic Pick.

Ocado Re:Imagined or Re:Imagined – a series of innovations and changes to the technology powering our Ocado Smart Platform (OSP).

Ocado Retail Limited, Ocado Retail or ORL – Ocado Retail Limited, a joint venture between Ocado Holdings Limited and Marks and Spencer Holdings Limited, which is incorporated in England and Wales, and whose registered office is at Apollo Court, 2 Bishop Square, Hatfield Business Park, Hatfield, Hertfordshire, United Kingdom, AL10 9NE.

Ocado Smart Platform or OSP – the end-to-end solution for operating online in the grocery market, which has been developed by the Group.

OECD – the Organisation for Economic Co-operation and Development.

Operating costs – all costs incurred in the continuing operations of the group.

Panda – Panda Retail Company, a company incorporated in Saudi Arabia, whose registered office is at Ash Shati Dist, Taha Khusaifan Street, Jeddah.

Participants – eligible staff who participate in one of the Group's employee share schemes.

Partner – a client of Ocado Group that has purchased Ocado Smart Platform or part of OSP to deliver their operations.

PM – particulate matter.

PSP – Performance Share Plan.

PwC – PricewaterhouseCoopers LLP, the Group's external advisor on remuneration.

QBRs – Quarterly Business Reviews.

RCF – revolving credit facility.

RECs – renewable energy certificates.

ROI – return on investment.

RSP – Restricted Share Plan.

Senior unsecured notes or notes – the Company's offerings of £500m senior secured notes due in 2026, £450m senior secured notes due in 2029, and of £400m senior secured notes due in 2030.

Senior unsecured convertible bonds or convertible bonds – the Company's offerings of £600m senior unsecured convertible bonds due in 2025 at a coupon of 0.875% and an issue price of 100.0%, of £350m senior unsecured convertible bonds due in 2027 at a coupon of 0.750% and an issue price of 100.0%, and of £250m senior unsecured convertible bonds due in 2029 at a coupon of 6.500% and an issue price of 100%.

Shareholder – a holder of ordinary shares of the Company.

SID – Senior Independent Director.

SIP – Share Incentive Plan.

SPP – Employee Share Purchase Plan.

SONIA – Sterling Overnight Index Average.

SOC – System and Organisation Controls, as defined under the Association of International Certified Professional Accountants Trust Services Principles and Criteria.

Sobeys – Sobeys Inc., a wholly owned subsidiary of Empire Company Limited incorporated in Canada, whose registered office is at 115 King Street, Stellarton, Nova Scotia.

Spoke – the trans-shipment sites used for the intermediate handling of customers' orders.

STEM – Science, Technology, Engineering and Maths.

Stem time – the time from when a driver leaves the CFC/spoke until the driver makes the first delivery.

Substitution – an alternative product provided in place of the original product ordered by a customer.

SUNS – Senior Unsecured Notes.

TCFD – the Task Force on Climate-related Financial Disclosures.

TSR – Total Shareholder Return, the growth in value of a shareholding over a specified period, assuming that dividends are reinvested to purchase additional units of the stock.

UNGP – the UN Guiding Principles on Business and Human Rights.

UPH – average units picked per labour hour.

USDAW – the Union of Shop, Distributive and Allied Workers.

VCP – Value Creation Plan.

Webshop – the customer-facing internet-based virtual shop accessible via the website www.ocado.com.

WRAP – the Waste & Resources Action Programme.

ZEVs – Zero-Emission Vehicles.

Zoom by Ocado or Zoom – the Group's immediacy delivery offering.

Shareholder Information

Analysis of share register at 30 November 2025

By type of holder	Total no. of holdings	Percentage of holders	Total no. of shares	Percentage of issued share capital
Non-Corporate bodies	931	62.78	2,176,524	0.26
Institutions and others	552	37.22	836,899,797	99.74
By size of holding				
1 – 500	556	37.49	92,685	0.01
501 – 1,000	167	11.26	127,199	0.02
1,001 – 10,000	404	27.24	1,414,404	0.17
10,001 – 100,000	179	12.07	6,641,242	0.79
Over 100,000	177	11.94	830,800,791	99.01
Total	1,483	100.00	839,076,321	100.00

The Company's Annual General Meeting 2026

The AGM will be held on 28 April 2026 at 1.00 pm at the Company's registered office, Buildings 1 & 2, Trident Place, Hatfield, Hertfordshire, AL10 9UL. Further details can be found in the Notice of Meeting sent to shareholders; also available on our website: www.ocadogroup.com/investors/shareholder-centre/shareholder-information.

Shareholder queries

Please contact our Registrar, Computershare, directly for all enquiries about your shareholding:

- Online: www.investorcentre.co.uk (you will need your shareholder reference number which can be found on your share certificate)
- By telephone: 0370 707 1080 (Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open 8.30 am to 5.30 pm GMT, Monday to Friday excluding public holidays in England and Wales.)
- By post: Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZZ, United Kingdom.

Electronic shareholder communication

We encourage our shareholders to opt for electronic communications.

If you would like to receive notifications by email, you can register for an account via the Investor Centre: www.investorcentre.co.uk, or you can notify our registrars by post by writing to Computershare using the address above. Please note that if you hold your shares corporately or in a CREST account, you are not able to use the Investor Centre to inform us of your preferred method of communication.

ADR Administration

Ocado Group plc operates an American Depositary Receipts programme. ADRs are traded on the over-the-counter market under the symbol OCDDY. One ADR represents two ordinary Ocado shares. BNY maintains the Company's ADR register. If you have any enquiries about your holding of Ocado ADRs, you should contact BNY Shareowner Services, 150 Royall St., Suite 101 Canton, MA 02021. Telephone: 1-866-269-2377 (US toll free), international callers: +1 201-680-6825. Alternatively visit www.adrbny.com or email shrrelations@cpushareownerservices.com

Financial calendar

26 February 2026	FY25 Full Year Results
28 April 2026*	Annual General Meeting
16 July 2026*	FY26 Half Year Ocado Group Results
25 February 2027*	FY26 Full Year Ocado Group Results

* Dates are provisional and subject to change

Company information

Registered office:	Buildings One & Two Trident Place Mosquito Way Hatfield Hertfordshire United Kingdom AL10 9UL
Company number:	07098618
Company Secretary:	Mollie Stoker
Independent Auditor:	Deloitte LLP 1 New Street Square London EC4A 3HQ

Warning about share fraud

Shareholders should be aware that they may be targeted by certain organisations offering unsolicited investment advice or the opportunity to buy or sell worthless or non-existent shares. Should you receive any unsolicited calls or documents to this effect, you are advised not to give out any personal details or to hand over any money without ensuring that the organisation is authorised by the United Kingdom Financial Conduct Authority ("FCA") and doing further research.

If you are unsure or think you may have been targeted, you should report the organisation to the FCA. For further information, please visit the FCA's website at www.fca.org.uk/consumers/share-bond-and-boiler-room-scams, use the contact form at www.fca.org.uk/contact#contact-form or call the FCA consumer helpline on 0800 111 6768 if calling from the United Kingdom or +44 20 7066 1000 if calling from outside the United Kingdom.

Share price information

The Company's ordinary shares are listed on the London Stock Exchange. The price of the Company's shares is available on the corporate website at www.ocadogroup.com. This is supplied with a 15-minute delay to real time.

Forward-looking Statements

Certain statements in this Annual Report are forward-looking statements. Forward-looking statements can be identified by the use of forward-looking terminology, including words such as “aims”, “anticipates”, “believes”, “expects”, “intends”, “plans”, “projects”, “targets”, “may”, “will” or “should”, or, in each case, their negative or other variations, or comparable terminology. Such statements are based on current expectations, forecasts and assumptions that the Directors consider reasonable as at the date of approval of this Annual Report and are subject to a number of risks and uncertainties that could cause actual events or results to differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements appear in a number of places throughout this Annual Report and include statements regarding the intentions, beliefs or current expectations of the Directors concerning, amongst other things, the Group’s results of operations, financial condition, liquidity, prospects, growth, objectives, strategies and the markets in which the Group operates. Nothing in this Annual Report should be construed as a profit forecast. All forward-looking statements in this Annual Report are made by the Directors in good faith based on the information and knowledge available to them as at the date of approval of this Annual Report. Persons receiving this Annual Report should not place undue reliance on forward-looking statements. Except as required by applicable law, regulation or accounting standard, the Group undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events, future developments or otherwise.

All intellectual property rights in the content and materials in this Annual Report vests in and are owned absolutely by Ocado unless otherwise indicated, including in respect of or in connection with but not limited to all trademarks and the Report’s design, text, graphics, its selection and arrangement.



**CARBON
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CBP034874



The paper is Carbon Balanced with World Land Trust, an international conservation charity, who offset carbon emissions through the purchase and preservation of high conservation value land.

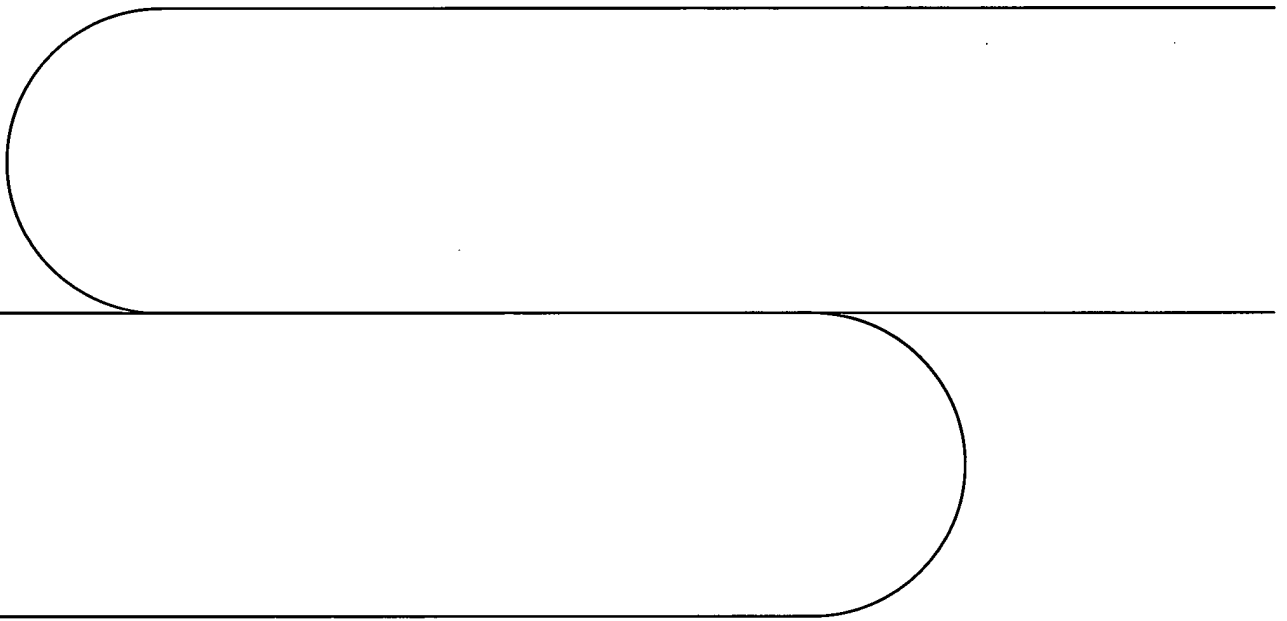
Through protecting standing forests, under threat of clearance, carbon is locked in that would otherwise be released. These protected forests are then able to continue absorbing carbon from the atmosphere, referred to as REDD (Reduced Emissions from Deforestation and forest Degradation). This is now recognised as one of the most cost-effective and swiftest ways to arrest the rise in atmospheric CO₂ and global warming effects. Additional to the carbon benefits is the flora and fauna this land preserves, including a number of species identified at risk of extinction on the IUCN Red List of Threatened Species.

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The FSC® label on this report ensures responsible use of the world's forest resources.

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