

# Modern Slavery Act Statement 2023



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This statement by Ocado Group plc and its subsidiaries, Ocado Central Services Limited, Ocado Operating Limited, Ocado Innovation Limited, and Ocado Solutions Limited, has been published in accordance with Section 54 of the Modern Slavery Act 2015, for the financial year of 52 weeks ending 03 December 2023. It has been approved by the Boards of Ocado Group plc, Ocado Central Services Limited, Ocado Operating Limited, Ocado Innovation Limited, and Ocado Solutions Limited; and signed on their behalf by

**Neill Abrams**  
**Group General Counsel and Company Secretary**

Ocado Group plc  
02 February 2024

Ocado Group plc is committed to respecting and supporting the internationally recognised human rights encapsulated in the Universal Declaration of Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. Throughout our operations, we seek to prevent the infringement of human rights and commit to addressing any adverse human rights impacts we identify as prescribed by the UN Guiding Principles on Business and Human Rights. We support the elimination of all forms of forced and compulsory labour and support the protection of labour rights that promote safe and secure working environments for all workers.

We take all allegations of human rights abuse seriously and will not tolerate such practices in our operations or our supply chains. To report incidents of suspected misconduct, such as dangerous, fraudulent, illegal or unethical conduct taking place within Ocado Group's organisation we have a Speak Up service. This confidential service is operated by independent third party specialist, Navex Global. Speak Up allows anyone to report a concern by telephone or website, at any time of the day or night throughout the year by:

By calling the relevant number listed in our Whistleblowing Policy<sup>1</sup>.



Through the following website:  
[ocado.ethicspoint.com](https://ocado.ethicspoint.com)



# Our organisation structure and supply chains

## Our Group

We are a technology-led, global software and robotics platform business, with a strong retail heritage. Our organisation is divided into a number of subsidiaries that make up the Ocado Group. We are headquartered in Hatfield, United Kingdom and have satellite offices in Australia, Bulgaria, Canada, France, Greece, Japan, Poland, Singapore, Spain, Sweden and the United States.

Our Ocado Logistics division, the principal activity of Ocado Operating Limited, provides third-party logistics and other services to Ocado Retail Ltd (a joint venture between Ocado Group plc and Marks & Spencer plc) and Wm Morrison Supermarkets Ltd.

Our Technology Solutions division, the principal activity of Ocado Innovation Limited and Ocado Solution Limited, is responsible for our software and robotics platform business providing the Ocado Smart Platform (OSP), a managed service to leading grocery retailers around the world, with partnerships across North America, Europe, Asia and Australasia. Technology Solutions is also responsible for our Ocado Intelligent Automation (OIA) business, dedicated to selling our robotics and mechanical handling equipment technology to complex, high volume warehouse environments in non-grocery markets.

The principal activities of Ocado Central Services Limited are to provide central and head office services to the members of the Ocado Group, including finance, legal and HR services.

## Revenue of reporting Ocado Group plc subsidiaries:

£1,005.6m  
Ocado Operating Ltd

£761.4m  
Ocado Central Services Ltd

£58.7m  
Ocado Innovation Ltd

£48.6m  
Ocado Solutions Ltd





## Our organisation structure and supply chains continued

### Our People

We have nearly 19,000 employees and over 2,800 agency workers based across 4 continents and 13 countries working with our 12 partners. The majority of these workers are based in the UK, with smaller specialised teams based internationally. As new people come on board it's important that we communicate what life is like at Ocado Group. We introduce the values, culture and principles that we live by, and help establish our standards of conduct. To deliver these key messages consistently, we have our Global Onboarding Programme which outlines our Global Employee Handbook and Code of Conduct. Ensuring the health, safety and wellbeing of our workers is a key priority for us. We monitor our progress in these areas on a continuous basis, using an array of feedback mechanisms, when assessing our people's wellbeing.

In Ocado Logistics we take an approach appropriate to its industry, reflecting the high turnover rate in the workforce and physical demands of working in a warehouse logistics environment. It is essential that our leaders understand their roles, are equipped with the necessary training, behaviours, skills, and resources to effectively manage a team. This includes both operational and people management, equipping them with the skills to provide support to our employees throughout their journey.

We remain focused on the capabilities of our new starters. New joiners undergo a comprehensive 13-week settling-in period, with tapered responsibilities and targets, and additional support from management teams. Our aim is to develop and provide products and services that consider the whole person, improving the understanding and

accessibility of existing products and services, and listening to our workers when evolving how we support their health and wellbeing.

In 2023 we signed the Leadership Pledge coordinated by the Global Business Collaboration for Better Workplace Mental Health and joined the MindForward Alliance. In addition, we launched a new wellbeing programme, providing both proactive and reactive wellbeing support to our workers, including counselling. Over 1250 employees have registered on the site, which has in turn managed 131 Employee Assistance Programme cases. Furthermore, we developed our Mental Health Champion Framework, an internal global network of individuals to enable peer to peer support, adding 11 new champions globally for Technology Solutions and 78 for Logistics.



### Our Supply Chain

Our direct supplier partners are largely based in the UK, USA and the EU. Our supply chain includes suppliers who **(1) operate in their own facilities that contribute to manufacturing our products, and (2) suppliers that provide outsourced services and products that support our operations, including logistics providers.**

Our Responsible Sourcing Programme is directed towards our Technology Solutions manufacturing and non-manufacturing suppliers. We adopt a risk-based approach to identify, mitigate, monitor, and prevent labour and human rights risks.

# Our policies in relation to slavery and human trafficking



## Code of conduct

Our Code of Conduct underpins our expanding business by emphasising the principles guiding our actions. It encapsulates our mission, values, and company policies for our employees. The Code was updated this year to reflect our new values and emphasises the importance of complying with our minimum standards and expectations and speaking up if any wrongdoing is observed.



## Whistleblowing policy

We are dedicated to fostering a culture of openness and transparency within our organisation. We have a Whistleblowing programme, known internally as “Speak Up” to facilitate whistleblowing without fear of retaliation. This initiative allows employees and third parties to report concerns confidentially through phone or online channels 24/7.



## Governance

Our ESG Committee defines and oversees the responsible business strategy and ensures it is successfully implemented. The Committee is chaired by our Group General Counsel, Neill Abrams, with additional sponsorship by our Chief Financial Officer, Stephen Daintith. The Committee comprises leaders from across the business who are key to Ocado’s strategic and operational success. It meets quarterly in a decision-making capacity and reports directly to the Board.



## Procurement Policy

This new policy sets out the principles that need to be considered when buying goods or services on behalf of Ocado. This ensures that we have consistency and integrity when carrying out procurement activities and that adequate legal, financial, ethical & regulatory compliance considerations are applied when selecting suppliers to partner with.



## Human rights policy

Sets out our requirements for all persons working for us or on our behalf, in any and all capacity. Provisions in this policy include; the prohibition of all forced and compulsory labour, the prohibition of child labour, the right to freedom of association and collective bargaining, and that working hours, wages and deductions comply with national laws. In FY23 we began the process of updating this policy, using third party expertise. The updated policy will launch in FY24.

The Committee is supported by a cross-functional working group, collaborating with business area leaders, to drive key priorities forward, including responsible sourcing, and when necessary adjust plans in response to new challenges or opportunities that emerge.



## Supplier code of conduct

The new Group-wide supplier Code of Conduct was developed in FY23 to ensure uniform compliance and high standards from all our suppliers. The requirements for suppliers incorporate international labour and human rights principles, referencing forced labour, and aligns to the Responsible Business Alliance industry standards.



## Anti-bribery policy

The policy and our public-facing Anti-Bribery Statement reiterate our zero-tolerance approach to bribery and outlines the standards we expect of those associated with us. The policy also details how to report and record gifts and hospitality and is supported with practical guidance. We updated our Anti-Bribery Policy this year to align with the launch of our new Procurement Policy.

# Our due diligence processes

In line with our new Procurement Policy, which applies to anyone with the authority to spend money on behalf of Ocado, new suppliers are required to complete a standard pre-qualification questionnaire to ensure that legal, financial, ethical & regulatory compliance considerations are applied when selecting suppliers. This includes a Supplier Compliance Statement that contains information about the supplier's policy or procedures relating to modern slavery.

## Technology Supply Chain

Our responsible sourcing programme is focused on our Technology Solutions manufacturing supply chain and suppliers of key product categories that go into building our automation technology. We have adopted a range of processes and assessments to conduct labour and human rights due diligence on high risk suppliers. These include introductory meetings with our responsible sourcing team, pre-qualification questionnaires and documentation requests, internal risk categorisation, and being able to demonstrate that they meet the minimum standards set out in our Supplier Code of Conduct.

Our responsible sourcing programme's auditing protocol and strategy follows an annual social auditing process for suppliers identified as high risk. These audits must be carried out by an approved independent third party organisation and be unannounced or semi-announced with a four week window. We accept 4-Pillar SMETA, Amfori BSCI, SA8000, and Responsible Business Alliance (RBA) audits.

## Ocado Logistics Workers

In the UK, the majority of the workers in our warehouse and distribution operations are recruited directly by us, however when we do hire agency workers we do so through trusted suppliers. Our key recruitment partners are Siamo Recruitment, Job&Talent, and Staffline Recruitment; who are members of the Association of Labour Providers, a not-for-profit trade association promoting responsible recruitment and good practice. When recruiting workers directly in-house, we undertake the appropriate right-to-work due diligence and 'imposter' checks, in line with requirements outlined by the Home Office. We monitor workers for irregular or concerning working patterns, such as excessive requests for overtime. When a concern is raised about a worker, we include a welfare check as part of our initial assessment, to give workers an opportunity to raise any issues and discuss what additional support we can provide.

## Construction Projects

We require our construction suppliers to provide evidence that they manage the right-to-work eligibility of their contractual employees, including subcontractors, in each country as part of our General Instructions for Contractors. Furthermore, that their workers receive health & safety training relevant to their work; and that their workers hold valid construction competency cards, such as the Construction Skills Certification Scheme in the UK. This provides confidence that workers on our sites are safeguarded during their recruitment.





# Our risk assessment and management

We recognise that Modern Slavery poses a potential risk to several key sectors that are vital to how we operate as a business. These sectors are **(1) warehousing and distribution in our UK logistics operations, (2) our and our client's construction projects, (3) and the manufacturing and sourcing of electronic components that go into our automation technology.** The high number of temporary, seasonal, or agency workers in these sectors present inherent risks, such as language barriers, illegal recruitment fees, underpayments or withheld wages, excessive or forced overtime, accommodation and transport being provided by potential third party exploiters.

To help us monitor the inherent risks in our supply chain, our responsible sourcing programme utilises the widely recognised EcoVadis evaluation tool to provide increased visibility and insights into supplier performance on human rights, ethics and supply chain management. As we screen our suppliers for risk, we are building a clearer image of the working conditions for workers in our global technology supply chain. This year we have selected and invited over 100 suppliers to undergo a full EcoVadis assessment as part of our ongoing responsible sourcing screening programme.

Over 2023, an analysis of pre-qualification assessments and social audits, integral components of our responsible sourcing screening process, identified key supply chain risks. These include indicators of forced labour, potential human rights risks linked to

critical raw materials, and challenges in cascading responsible sourcing requirements to the upstream supply chain, including visibility of tier 2 manufacturing sites.

To increase visibility, we have progressed our efforts to map the lower tiers of our technology supply chain, which we acknowledge is a crucial step in our efforts to minimise our impact on adverse labour and human rights risks, including forced labour. This year, we continued our mapping project using SupplyShift and have made progress targeting suppliers deemed as high-risk using metrics such as geographical location, site type, industry, and materials type. Based on our findings, we have tasked several key direct suppliers to prioritise mapping their supply chains down to raw material source.

## Our Key Performance Indicators To Measure Effectiveness of Steps Being Taken

During the reporting year we were made aware of an alleged incident of modern slavery, involving a recently retired employee, who had previously worked at one of our UK based Customer Fulfilment Centres. Concerns were raised directly to the police, that the employee had been coerced by a third party, including having their wages withheld; and this was subsequently brought to our attention by the authorities. Our internal findings suggest no fault or wrongdoing on our part, however it has reinforced the importance of increasing awareness of this social

issue and the reporting mechanisms available to our employees. We have supported the police with their documentation requests to help facilitate their ongoing investigation regarding the alleged victim and any suspected third party individual(s).

No additional incidents of modern slavery were reported through our whistleblowing "Speak Up" channels. We are committed to reviewing and strengthening our organisation's training, reporting and remediation mechanisms throughout our value chain.

In our technology supply chain, via our Responsible Sourcing screening process, we have declined one supplier for failing to comply with our zero-tolerance policy as outlined in our Code of Conduct. Furthermore, we have rejected a manufacturing site affiliated with another supplier due to its failure to meet the standards specified in our Supplier Code of Conduct.

# Our training on modern slavery and trafficking

In the previous financial year we developed and implemented a modern slavery awareness training course within our own business. During FY23 a further 1,380 employees have completed and passed the training, bringing the total number of completions to over 8,900 since launching the course in 2022. Furthermore, we continued to issue anti-bribery training to our staff, with more than 7,600 completing the training course in the reporting period.

In addition to our training programmes we ran a series of internal awareness campaigns this year around compliance topics; including Anti-Bribery, Whistleblowing and our Code of Conduct, to ensure our employees were aware of how to spot the signs and report their concerns of any unethical behaviour within our organisation.

## Partnerships and Collaboration

We are members of techUK, a trade organisation with approximately 1,000 member companies from the tech sector across the UK. We actively engage with their responsible business conduct group, focusing on human rights and environmental supply chain due diligence, ESG reporting, international labour laws and responsible sourcing of materials and minerals.

We are active members of Business for Social Responsibility (BSR). This year they have continued to provide tailored support on our responsible sourcing programme strategy, and remain a platform to engage with industry peers on shared challenges through working group forums. Over the last year, our Responsible Sourcing team has engaged in meaningful collaboration with BSR, leveraging their expertise on business and human rights. Together, we have developed an internal Risk Screening Matrix for labour and human rights that aligns with industry best practices. Our quarterly meetings have been dedicated to horizon scanning of incoming human rights due diligence and social compliance regulatory requirements. We are actively scanning and preparing for upcoming supply chain regulatory requirements to ensure our processes remain compliant and forward-thinking.

## Key actions taken in FY23

- Launched a new Procurement Policy that covers legal, financial, ethical & regulatory compliance considerations when selecting suppliers.
- Launched a new Group-wide Supplier Code of Conduct, ensuring uniform compliance and high standards from all our suppliers.
- Launched a Responsible Sourcing Standard Operating Procedure in Technology Solutions for onboarding new suppliers, assessing potential risks and their ability to meet our labour standards and human rights requirements as outlined in the Supplier Code of Conduct.
- Developed and implemented the Ocado Responsible Sourcing Audit Requirements for high risk suppliers in our technology supply chain.
- Increased transparency of our direct and tier 2 supply chain in higher risk geographies using SupplyShift mapping tool and engaging with key Technology Solutions suppliers.
- Incorporated responsible sourcing aspects into quarterly business reviews with strategic suppliers in our technology supply chain.
- Developed a supplier scorecard which scores suppliers' efforts at meeting our Responsible sourcing requirements. This is monitored and updated quarterly, incentivising supplier-driven continuous improvement and ongoing performance evaluation.



This statement sets out the steps taken by Ocado Group plc, Ocado Central Services Limited, and Ocado Operating Limited, and Ocado Innovation Limited; all of which fall within the scope of section 54 of the UK Modern Slavery Act 2015 and related regulations.



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