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OCADO GROUP PLC  
GOVERNANCE FRAMEWORK

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## 1. Corporate Governance Statement

This document provides an overview of the corporate governance structures, principles, policies and practices of Ocado Group plc (the “Company”, together with its subsidiaries “Ocado Group” or the “Group”) that enable the effective discharge of its corporate governance responsibilities, known as the Governance Framework.

## 2. Corporate Governance Framework - Overview

The Ocado Group Board is mindful of the importance of good corporate governance and the role it plays in supporting the long-term success and sustainability of the business. It provides a structure for decisions to be made in order to direct, oversee and control operations.

This document explains how the Company and the Group as a whole, are organised to enable the effective discharge of its corporate governance responsibilities, including those in the UK Corporate Governance Code.

The principal decision-making body is the Company’s Board of Directors (“Board”). The Board is responsible for setting the strategic direction of the Group, establishing the Group’s purpose and values and taking a leading role in laying the foundations of the Group’s culture. Having an effective corporate governance framework supports the Board in the delivery of the Group’s strategy and supports long-term sustainable success. Three Board committees support the Board: the Audit Committee, the People Committee and the Remuneration Committee.

This document sets out some of the Company’s key Board documents and the terms of reference for the Board and its Committees. The Group Committee Structure is also included, to show how decisions are made within the Company and relevant reporting lines.

Maintaining good governance is essential to support the delivery of the Group’s strategic objectives, and to ensure that the business is run well for the benefit of all stakeholders and sustainable long-term value. A good governance structure is not static and as the Group grows and develops the Board continues to monitor the framework so it remains appropriate to the business.

The governance framework embeds our values into the policies and processes of the Group and therefore helps to strengthen the corporate culture. The framework of Board and management committees and clearly stated levels of authority create clear lines of accountability and effective oversight. This also facilitates timely decision-making at the correct level.

The Company’s governance framework is derived from its place of incorporation and listings. Ocado Group plc is registered in England and Wales and is listed on the London Stock Exchange. The Company has a sponsored level 1 American Depositary Receipt program with The Bank of New York Mellon as depositary bank; Senior Unsecured Notes listed on the Irish Stock Exchange and traded on the Global Exchange Market, due 2029; and also has four Convertible Bonds listed on the unregulated open market of the Frankfurt Stock Exchange, due 2025, 2026, 2027 and 2029 respectively.

## 3. Division of Responsibilities

The Board Division of Responsibilities document sets out the role and main responsibilities of each Board role. The document requires a division of responsibilities between the Chair, who has responsibility for running the Board, and the Chief Executive Officer, who has responsibility for running the Company’s business, supported by the Company’s two regular management meetings, the Executive Group and the Technology Solutions Leadership Group. In addition, there are a number of other roles occupied by Board members that each have a distinct purpose and responsibilities, including the Senior Independent Director and the Designated Non-Executive Director.

For further information on the Board Division of Responsibilities, please click [here](#).

## 4. Schedule of Matters Reserved for the Board

The Board exercises all powers, authorities and discretions of the Company but delegates day-to-day responsibility to the Chief Executive Officer. The Board has also delegated those matters it considers suitable to the Board Committees, which are contained in each Committee's terms of reference (as set out below). The schedule of matters reserved specifically for the decision of the Board ("Board Reserved Matters") are those matters that are required to be, or in the interest of the company to be, decided by the Board. Each of the Board and the Board committees perform their duties for all of the Company and its subsidiaries unless stated otherwise.

For further information on the Board Reserved Matters, please click [here](#).

## 5. Ocado Group Committees and Company Structure

Ocado's Board has three Board committees to which certain tasks are delegated: the Audit Committee, the People Committee and the Remuneration Committee. The membership of each Committee is determined with the terms of reference for the Committee. No one other than the Committee chair and its members are entitled to be present at Committee meetings. Others may attend by invitation. The members of each Committee consist solely of non-executive directors and the current composition of each Committee can be found here. When deciding the Chair and members of its Committees, the Board ensures that Committee membership is appropriate and regularly refreshed and seeks to ensure that undue reliance is not placed on particular individuals.

The Board ensures that its Committees have sufficient resource to undertake their duties, including access to the services of the Group Company Secretary as required. Each Committee has the authority to seek any information that it requires from any officer or employee of the Company or its subsidiaries.

Details on the Committees' responsibilities can be found within their terms of reference, which have been approved by the Board and are discussed below.

Ocado also has a number of management level committees to which authority is delegated by the Board and its Committees. Typically, an executive director is a member of each of these committees, who often acts as the chair. The terms of reference for each management level committee is briefly described in sections 9 to 17.

The Group has three distinct segments which are: UK Retail, Logistics, and Technology Solutions. The UK Retail segment relates to the Ocado Retail joint venture. The Logistics segment provides the IT platform, CFCs and logistics services for our customers in the UK – Ocado Retail Limited and WM Morrison Supermarkets Ltd. Finally, the Technology Solutions segment provides end-to-end retail solutions to corporate customers globally. Each segment has its own management team.

The overall structure of the Group is a listed entity (Ocado Group plc), with a number of subsidiaries in a number of countries. These subsidiary entities can be broadly grouped into:

- A number of global Ocado development centres;
- 'Ocado Solutions' entities to support the ongoing development and employ Ocado employees internationally where Ocado Solutions partnerships have been signed;
- Central support and core holding entities and non-operating Ocado holding entities;
- 'Ocado Ventures' holding entities, incorporated to hold a number of key strategic investments; and
- Haddington Dynamics, Kindred Systems and Myrmex, three robotics companies wholly acquired by the Group.

These international companies will also be supported by formal governance procedures.

Each entity has its own board. These entities are currently in differing stages of maturity and accordingly have complementary governance arrangements to best support their specific needs.

## 6. People Committee

The People Committee is a Committee of the Ocado Group Board, from which it derives its authority and to whom it regularly reports.

The People Committee is comprised of all the non-executive directors of Ocado Group. A majority of the members should be independent non-executive directors. The Committee meets at least twice a year and at such other times as required.

The Committee Chair is appointed by the Board, who should be either the Chair of the Board or an independent non-executive director.

Some of the major roles of the People Committee are to:

- Regularly review the structure, size and composition of the Board (including the combination of skills, experience, diversity, independence and knowledge) and make recommendations to the Board with regard to any changes;
- Consider succession planning for Ocado's Directors and senior management, so as to maintain and appropriate balance of skills, experience, diversity and knowledge on the Board and within the Company, and leading the process for Board appointments by identifying candidates and nominating for the approval of the Board, as and when required by the Board;
- Carry out an annual evaluation of the Board's performance, composition and diversity, assessing how members work together to achieve objectives, and reviewing the time required from non-executive directors, assessing whether enough time is being spent to sufficiently fulfil their duties; and
- Review various employee and workforce engagement-related policies and practices.

For further information on the People Committee's Terms of Reference, please click [here](#).

## 7. Audit Committee

The Audit Committee is a Committee of the Ocado Group Board, from which it derives its authority and to whom it regularly reports.

The Audit Committee is composed of at least three members, comprising solely of independent non-executive directors. At least one member will have recent and relevant financial experience and competence in accounting or auditing.

The Committee Chair is appointed by the Board. The Committee meets at least three times a year, at appropriate times in the reporting and audit cycle.

The Audit Committee assists the Board in fulfilling its oversight responsibilities, some of its main functions are:

- To monitor the integrity of the Company's financial statements and any announcements relating to the Company's financial performance, including its annual and half-yearly reports;
- To review the Company's internal controls and the systems of internal control and risk management; and
- To recommend appointment of and maintain an appropriate relationship with the Company's external auditors, and to review the independence, objectivity and effectiveness of the audit process.

For further information on the Audit Committee's Terms of Reference, please click [here](#).

## 8. Remuneration Committee

The Remuneration Committee is a Committee of the Ocado Group Board, from which it derives its authority and to whom it regularly reports.

The Remuneration Committee is composed of at least three independent non-executive directors.

The Committee Chair is appointed by the Board and must have served on a remuneration committee for at least 12 months. The Committee shall meet at least twice yearly at appropriate times in the reporting and remuneration cycle.

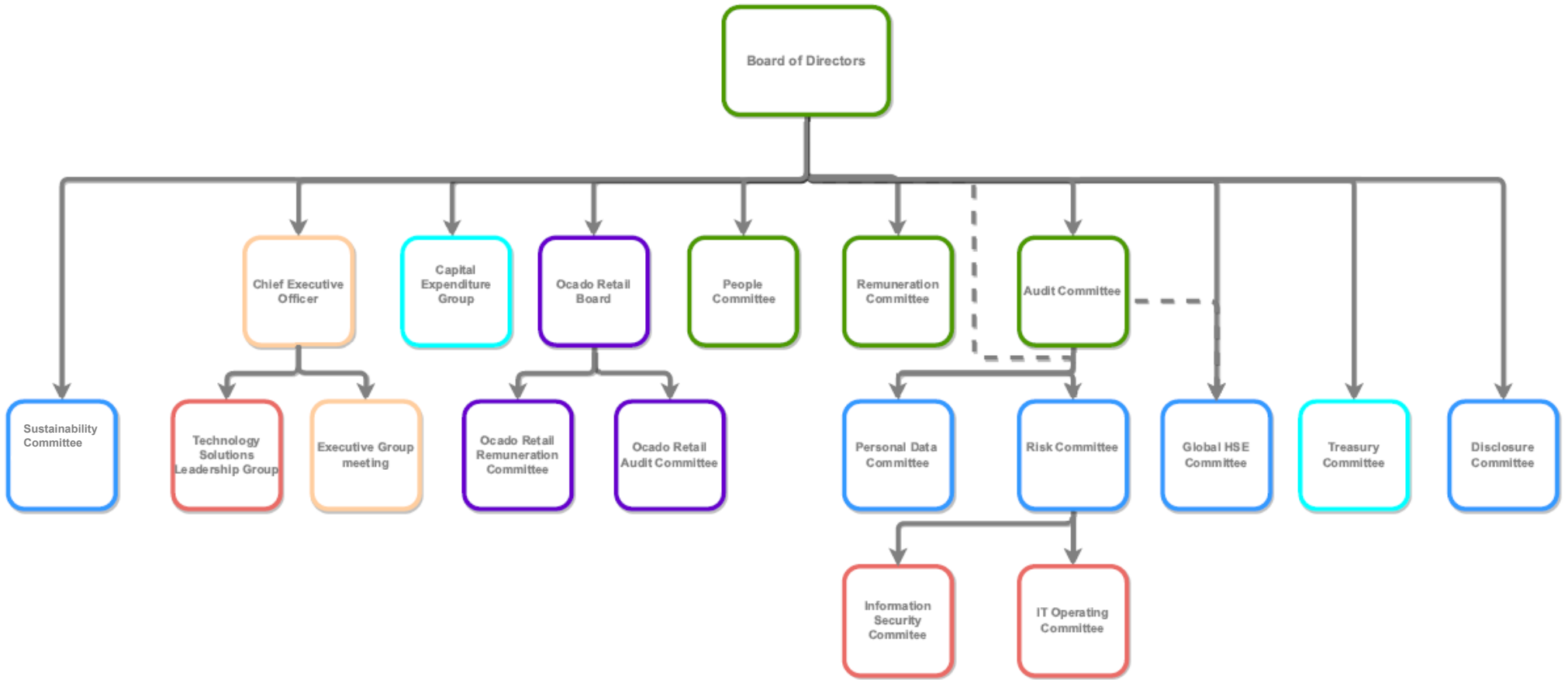
Some of the major roles of the Remuneration Committee, as delegated by the Board, are to:

- Determine the policy for Directors' remuneration and to set remuneration for the CEO, Chair, Executive Directors, Company Secretary and senior management;
- Approve the design of, and determine targets for, any performance related pay schemes for executive directors operated by the Group and approve the total annual payments made under such schemes; and
- Review the design of all new share incentive schemes and significant changes to such schemes for approval by the Board and shareholders.

For further information on the Remuneration Committee's Terms of Reference, please click [here](#).

The below diagram displays the Group Committee Structure, including the Company's key governance committees. It shows how decisions are made within the Company and relevant reporting lines.

## 9. Group Committee Structure



Company Key:   = Board Committees     = GRC     = Joint Venture     = Executive     = Finance     = Technology