

Dame Sara Thornton Independent Anti-Slavery Commissioner 5th Floor, Globe House 89 Eccleston Square London, SW1V 1PN

Sent via email: sara.thornton@iasc.independent.gov.uk

16 March 2021

Dear Sara

Firstly, I would like to thank you greatly for sharing this report which gives a stark insight into the terrible incident that Operation Fort uncovered within the UK. Ocado Group takes modern slavery and human trafficking seriously and we constantly strive to improve in this regard. As Group General Counsel and Company Secretary, and Executive Director responsible for modern slavery action I would like to respond to your letter on behalf of our CEO, Mr. Tim Steiner.

Ocado Group has seen the biggest changes to how we operate as a business, since our founding twenty years ago. As you may be aware in 2019 we sold a 50% share in our subsidiary company, Ocado Retail Limited, to Marks and Spencer plc (M&S). Ocado Retail (which runs the Ocado.com grocery business) now operates as a joint venture between Ocado Group and M&S, and operates at arms-length from its two shareholders. I believe this in no way diminishes the commitment to the responsible sourcing of consumer goods, but strenthgens the knowledge and resources available to Ocado to tackle modern slavery challenges.

The Ocado Retail supply chain is different to every other UK supermarket, in that we rely on another supermarket to do a significant amount of our sourcing for us, especially for our fresh produce and protein products. At the time of Operation Fort our sourcing relationship was with Waitrose, we believe that they are a leader in ethical sourcing, notwithstanding the case identified in Operation Fort. This sourcing relationship is now with M&S, similarly a leader in ethical sourcing and human rights. For Ocado branded products, Ocado Retail continues to be a SEDEX member and audits their supply chain for labour standards through independent third-party providers.

Ocado Group continues to provide the Infrastructure, technology, distribution and warehousing services to Ocado Retail. In this regard, we are exploring our own strategy options for safeguarding our supply chain from the risks of modern slavery and human trasfficking. With the current challenges of COVID-19, we have continued to support our frontline workers with a 10% pay bonus during the height of the pandemic and we introduced new health and safety protocols and mental health support systems for all employees (we were one of the first companies to provide regular Covid testing for all employees working in our CFCs, vehicles and offices during the pandemic). In 2020 we held a series of both modern slavery and policy working groups, and will continue to build on this work during 2021.

Ocado Group plc

On review of the Maturity Framework, I believe we are "Meeting Basic Expectation" with a strong drive to move towards "Evolving Good Practice". In recent years we have implemented a global "Speak Up" whistleblowing hotline; we have trained our employees about our shared ethics and values through commitment to our Code of Conduct, and how they should report potential issues; we have educated suppliers through our sponsorship of excellent organisations like Stronger Together and Food Network for Ethical Trade; and have have continued to evidence our actions through our annual modern slavery statements, and will continue to do so.

Finally, I would like to confirm that Ocado Group remains open to continued dialogue and engagement in this area to help support meaningful change. Also, I have full confidence in Mel Smith, CEO of Ocado Retail, to lead the online supermarket in the right direction on this important issue.

Yours sincerely

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Neill Abrams

Executive Director & Group General Counsel Ocado Group plc