

7. Our Strategy

Powered by fresh thinking, we strive for new and improved ways to deliver the world's most advanced end-to-end online grocery shopping and delivery solutions. Our strategy is designed to deliver shareholder value through our three strategic objectives of driving growth, maximising efficiency and utilising proprietary knowledge. In order to achieve our strategic objectives we align the business to operate through five strategic actions. Our objectives and actions allow us to provide a market leading proposition to our customers and shape the online grocery market of the future.

Objectives



Driving Growth



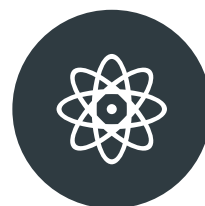
Continually enhancing the value of our proposition for our retail and corporate customers.



Maximising Efficiency



Harnessing our years of learning we continually strive to innovate and develop our technology and operations to consistently improve our economic and operating performance.



Utilising Proprietary Knowledge



Utilising our IP to create competitive advantages in our retail business and to monetise IP through our platform business.



Read more about Driving Growth on pages 16 and 17

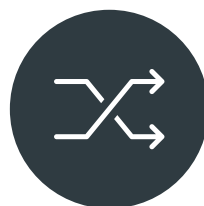


Read more about Maximising Efficiency on pages 18 and 19



Read more about Utilising Proprietary Knowledge on pages 20 and 21

Actions



Constantly improve proposition to customers

- For our retail customers, this is centred on the three core pillars of the proposition to customers — service, range and price
- For our corporate customers, it is embedding the improvements to our retail proposition into Ocado Smart Platform and extending our offering with new capabilities including store fulfilment and pick up

Strengthen our brands

- Develop and expand brand offerings to appropriate retail and corporate customer groups
- Reinforce brand equity and values to existing customers

Continuously develop more capital and operationally efficient infrastructure solutions

- Operating efficiency: Optimise every aspect of the fulfilment and delivery life cycle to improve our economics and our customer proposition
- Capital efficiency: Continuously lower the cost of investment required for online grocery activities to support growth in our own retail business and those of our Ocado Smart Platform partners

Constantly enhance end-to-end technology solutions

- Remain the best in the world by constantly evolving and innovating
- Use the developments of Ocado's technology and engineering teams to innovate and improve our end-to-end processes

Enable Morrisons and future partners' online business

- Continuously develop and enhance Ocado Smart Platform to enable a compelling customer proposition and competitive economics to add significant value for partners



Read more about Strategic Actions in the CEO's Review on pages 22 to 25