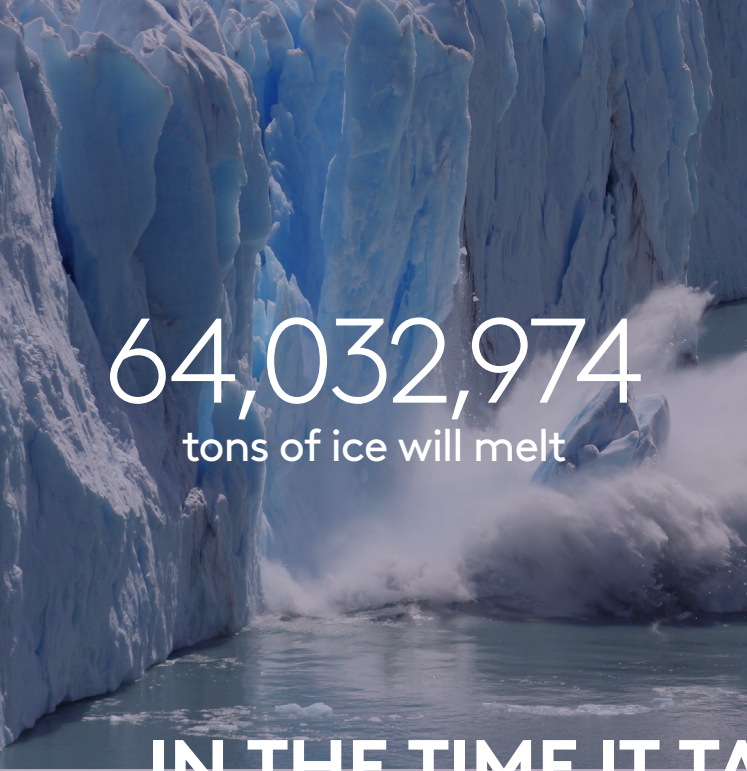


# Octopus snapshot 2023



octopus

A brighter way



64,032,974

tons of ice will melt



736

people will die because they can't access good quality care



7M

people in the UK will have worried about money

IN THE TIME IT TAKES YOU TO READ THIS SNAPSHOT...



111,301

tons of food will be wasted



3,168

Olympic swimming pools could be filled with the water used in the fashion manufacturing processes



\$12M

will be invested into oil and gas stocks

# Welcome to Octopus

As you'll find out, we're a bit different to other companies. Both in what we do, and how we do it.

We're also a private company (and always will be). But being private doesn't have to mean being secret. Which is why we've put this snapshot together. It's designed to help you understand a bit more about our group of companies.

We've tried to be as straightforward and as transparent as possible. But if there are other things you'd like to know, simply send me an email ([simon@octopusgroup.com](mailto:simon@octopusgroup.com)) and I'll get back to you.

Simon Rogerson  
Founder and Group Chief Executive



# 5,835

employees

# £4.5B

annual turnover

# 63%

owned by current and former employees, including founders

# 158x

the return our original shareholders have made since they backed us in 2000

# 5.1M

customers in the UK (almost one in every five households)

# £12.8B

funds under management\*

\*Funds Under Management data includes undrawn commitments, funds under advisory mandates, funds monitored and assets managed by Octopus Renewables Limited as of 31<sup>st</sup> December 2022.

# Why we get out of bed in the morning

The pace of human progress has been faster over the last 30 years than at any time in history.

1.2 billion people have been lifted out of extreme poverty, life expectancy has increased by 14% and the number of children not in education has halved.

In many ways, however, the world has never been more broken. Our planet is deteriorating, global inequality is increasing, and mental health is a bigger problem today than ever before.

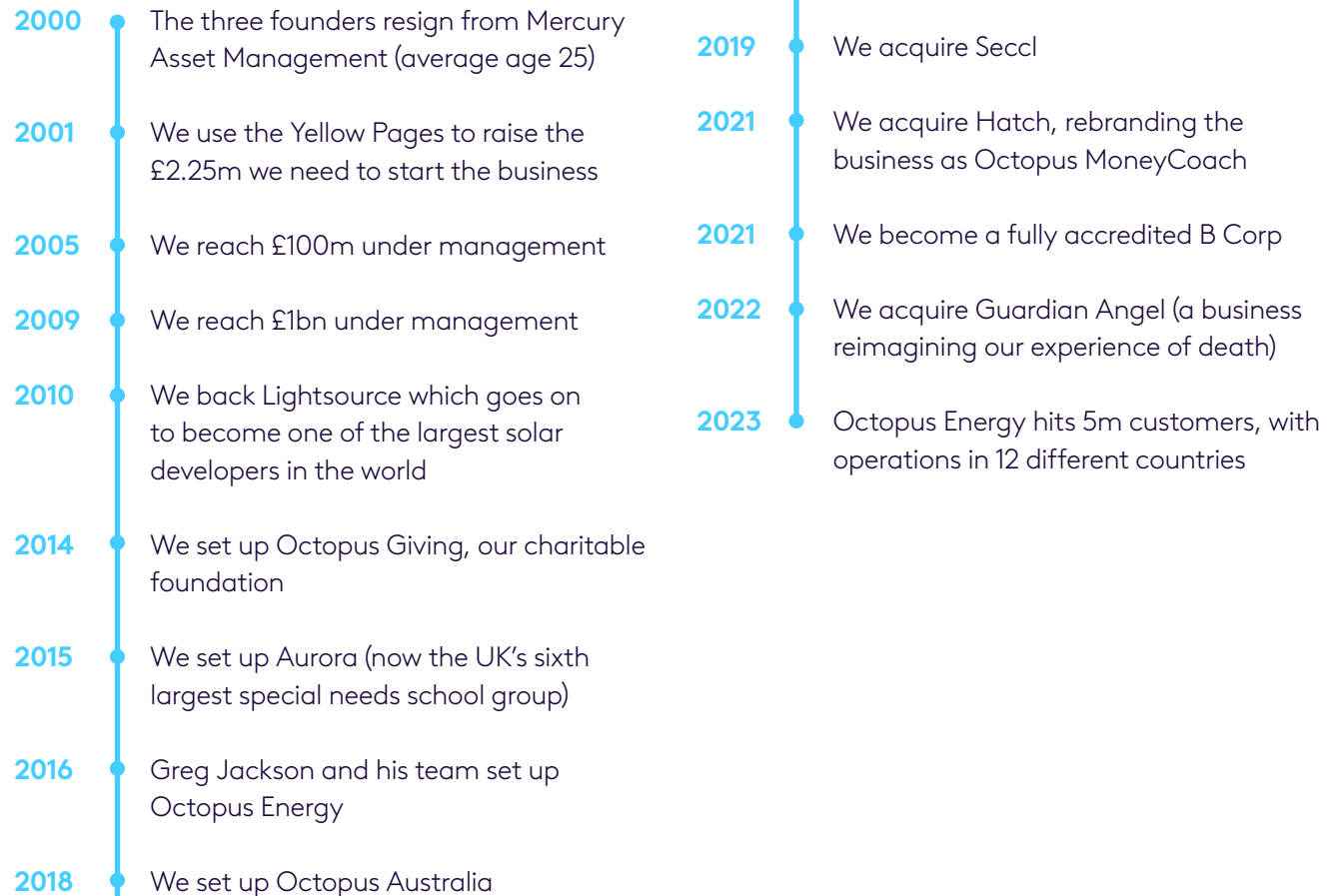
The solutions to these problems won't come from charities or governments. They'll come from businesses. Specifically, from entrepreneurs, society's true agents of change.

For the last few years, we've focused our efforts, and our investments, on the three areas where we think we can make the biggest impact. Whether we're backing entrepreneurs, or building our own businesses, our efforts have been focused on building a more sustainable planet, empowering people and revitalising healthcare.

**Our mission is simple.**

**We invest in the people, the ideas and the industries that will change the world.**

## Key moments in our journey

- 
- 2000** • The three founders resign from Mercury Asset Management (average age 25)
  - 2001** • We use the Yellow Pages to raise the £2.25m we need to start the business
  - 2005** • We reach £100m under management
  - 2009** • We reach £1bn under management
  - 2010** • We back Lightsource which goes on to become one of the largest solar developers in the world
  - 2014** • We set up Octopus Giving, our charitable foundation
  - 2015** • We set up Aurora (now the UK's sixth largest special needs school group)
  - 2016** • Greg Jackson and his team set up Octopus Energy
  - 2018** • We set up Octopus Australia
  - 2018** • We set up Octopus Wealth
  - 2019** • We acquire Seccl
  - 2021** • We acquire Hatch, rebranding the business as Octopus MoneyCoach
  - 2021** • We become a fully accredited B Corp
  - 2022** • We acquire Guardian Angel (a business reimagining our experience of death)
  - 2023** • Octopus Energy hits 5m customers, with operations in 12 different countries

# We're a B Corp

The problem with most companies is that they sacrifice the interests of others (their employees, their customers, their communities and the environment) for their own financial benefit.

This needs to change.

Firstly, because business done right has the power to transform the world in which we live.

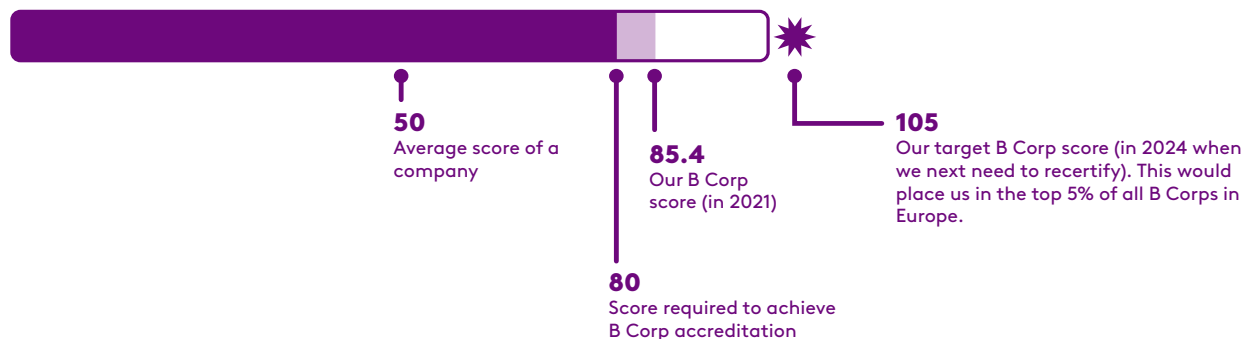
Secondly, because behaviour is inextricably linked to building a valuable business. So rather than focusing our energy on outsmarting, outpricing or outmanoeuvring the competition, we've developed an alternative strategy. We focus on out-behaviour (this isn't actually a word but we think it should be).

This out-behaviour comes from building an organisation where people instinctively do the right thing, even when no one is watching. It's a simple idea that ripples through everything we do.

It's why, in 2021, we decided to become a B Corp.

Think of B Corp accreditation a bit like a Fairtrade coffee stamp for companies. In our case, we even changed our Articles of Association (the rules that govern how we run our businesses) so that we consider the interests of all our stakeholders (our people, our customers, our community, the environment and our shareholders) in every decision we make.

## Score required to achieve B Corp accreditation



# octopus

A brighter way

## We are a B Corp™

Certified



Corporation

# Who owns Octopus?

Reach for your handkerchief but when we started back in 2000, we (the three founders) didn't have any money. And, unsurprisingly given how naïve we were, no venture capitalists were interested in investing. So we did what seemed normal to three 24-year-olds.

We turned to the Yellow Pages and cold called people until we'd raised the £2.25 million we needed to get the business off the ground. It took us nine months, but we eventually persuaded 84 individuals that Octopus was a great investment opportunity.

We're delighted (and more than a little bit surprised) that so far, these 84 people have made

158x their original investment, equivalent to an IRR, or annual rate of return, of 26.4% per annum.

We have, however, always wanted as much of the business as possible to be owned by the people working here. Largely because we think owners behave differently — both to our customers and to one another. Over the years we've put all kinds of share incentive plans in place and the majority of our employees have chosen to invest their own money in these schemes.

Today, Octopus is owned 18% by our employees (past and present), 45% by the founders and their families, and 37% by friends, family and networks of employees, many of whom have backed us since we were founded in 2000.

We'll never be a public company. We don't think it would suit our entrepreneurial nature or our approach to business (we think about the interests of all our stakeholders — not just our shareholders — in every decision we make). We do, however, want our shareholders to see a return on their investment. So back in 2013 we created an annual liquidity event for our shareholders. This allows our shareholders to buy or sell shares in Octopus.

Over the last few years, this liquidity event has been around £33M a year in size.

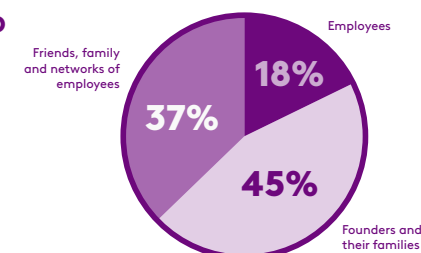
In the interests of transparency, the eight largest shareholders in Octopus are:

Simon Rogerson & family	19.14%
Chris Hulatt & family	14.69%
Guy Myles & family	10.96%
The Taylor Brothers	7.05%
Monty Investments	6.04%
Paul Latham	3.29%
David Tovey	1.53%
Charles Breese	1.12%



Simon Rogerson and Chris Hulatt

## Octopus Group Holdings ownership



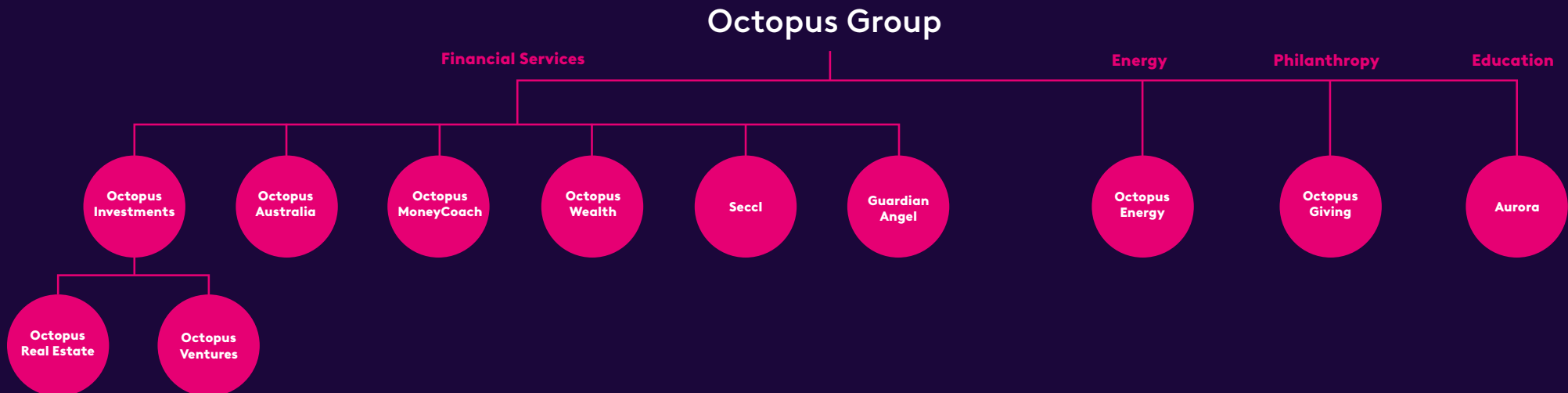
# Our group of companies

Our group structure includes companies operating in the financial services, energy and education sectors as well as our philanthropic arm, Octopus Giving. All the companies within our Group are shown below.

## The legal bit

From a legal perspective, all our financial services businesses (and Aurora, our special needs school business) sit under a company called Octopus Capital, which sits under Octopus Group Holdings Limited. This company is also where we fund all our new businesses from (this company has around £260M of cash on its balance sheet, with no debt).

We demerged our energy business (Octopus Energy) from this corporate structure in 2022. We did this because it is managed and run by an independent management team and had outgrown our ability to fund the business on our own. Our stake in Octopus Energy is 41%, including 36% voting rights. From a legal perspective, our stake in Octopus Energy is held in a company called OE Holdco Limited. OE Holdco Limited is owned 18% by our employees (past and present), 45% by the founders and their families, and 37% by friends, family and networks of employees.



# Octopus Investments

This is where it all started.

Founded in 2000, Octopus Investments set out to be a financial services company with a difference. We wanted to build an investment company which not only put its customers first but also invested in opportunities that helped to make the world a better place. We did this partly because we thought it was the right thing to do, but also because we think this is where investors will generate the best returns.

Today we manage more than £12.8 billion on behalf of our retail and institutional investors. 85% of this £12.8 billion is invested in line with our three main themes — empowering people, building a sustainable planet and revitalising healthcare.

We manage money on behalf of both retail and institutional investors, focusing on five specialist asset classes: renewable energy, sustainable infrastructure, real estate, healthcare and venture capital.

## Octopus Investments 2022 highlights

- Launching the Future Generations Venture Capital Trust, our first new VCT launched in over a decade
- Launching the Octopus Sustainable Infrastructure Fund, with the UK Infrastructure Bank as the cornerstone investor, to invest in a new generation of infrastructure companies helping to solve climate change
- Launching an Affordable Housing Fund to accelerate the much needed delivery of affordable homes in the UK
- Being named the most active Series A and B venture capital investor in Europe backing more than twice the average number of businesses invested by funds at this stage

## Octopus Investments in numbers

668

number of employees

£12.8B

funds under management

59,000

number of investors

9

years in a row that we've been voted 5 stars for customer service at the FT Adviser Service Awards

41%

current number of women in senior roles, with a commitment to raise this to 50% by 2025

4

the number of \$1B 'unicorn' companies we've backed



FT ADVISER



5 Star Winner  
Investments  
Octopus





# Octopus Australia

Matt Setchell pestered us for years to set up a renewable energy investments business. In 2008, at the third time of asking, we eventually (and thankfully) agreed. He's gone on to build an investments business managing £6 billion of renewable energy assets across 10 countries.

One of his key lieutenants on this journey was an Australian called Sam Reynolds. So when Sam approached us in 2018 to build a renewable energy investments business in Australia, he only had to ask us once.

Sam started with a team of seven and now his team of 35 has gone on to raise two new funds, built Darlington Point (Australia's largest solar farm), and created an indigenous joint venture that has the potential to change the shape of the energy landscape in Australia.

## Octopus Australia 2022 highlights

- Raised our first institutional fund, called OASIS, with 3 key investors: Hostplus Superannuation Fund, CEFC (Australia's Green Bank), and Octopus Energy Generation's very own Sky fund (backed by NEST UK)
- Raised our first non-tax wholesale fund, called OREO, to co-invest alongside OASIS into renewable energy, with one of Australia's largest private banks as the cornerstone investor
- Sourced three new offices for the team, in Melbourne, Sydney and Auckland
- Launched Desert Springs Octopus, our indigenous joint venture to open up renewable energy, agriculture and other infrastructure opportunities across Northern Australia



## Octopus Australia in numbers

1M

number of solar panels on Darlington Point Solar farm

3M km<sup>2</sup>

land under indigenous title we're hoping to open up for renewable energy projects

220m

the height of the blade tips for a wind farm the team has built

500

number of lorries, escorted by police from the port to the site, during the construction of a wind farm

\$AUD 300M

the amount of capital the team raised in 2022

# Octopus MoneyCoach

We're a money brand on a mission to help one million people live the lives they really want.

The average UK household is tens of thousands of pounds worse off than it should be. And on top of that, money worries have become a leading cause of poor mental health in the UK.

That's probably because the entire money system feels like it's been designed to be confusing. Most schools don't teach money and society makes it taboo to even talk about. It's time to change all of that.

That's why we partner with the UK's most progressive workplaces to give all their employees someone to talk to about money – and help them make real changes to improve their financial health. We believe everyone deserves to feel good about money.

## Octopus MoneyCoach 2022 highlights

- 206% growth in monthly client sign-ups
- 5x more workplaces signing up every month versus 2021
- We trained and accredited 46 new money coaches – more than any other UK provider
- We unveiled our shiny new money planning tool, called Propeller

**We're a money brand on a mission to help one million people live the lives they really want.**

## Octopus MoneyCoach in numbers

170K+

the number of employees with access to one of our money coaches

4.8

our average client review (out of 5)

£289,326

the amount our clients are better off by when they reach retirement

1

the number of money plans with a goal to buy a horse



# Octopus Wealth

We started Octopus Wealth in 2018. It's run by Joseph McLean and Andrew McMillan who, along with the rest of the founding team, saw an opportunity to disrupt the advised wealth management market and start to fill the advice gap in the UK of only one adviser for every 2,700 people.

At the heart of the business is its innovative Lifeline technology. This technology helps clients marry their life goals to their finances.

Wealth is reinventing the role of an adviser. Leaving boring spreadsheets behind, we're helping our clients to live the lives they dream of. We're there alongside them tackling their biggest life events and charting a course towards better and more fulfilling lives.

To make advice more accessible we've redesigned the advice journey, making it easier to engage with. We've done away with lengthy written reports and created a paperless, digital product that is

presented visually, in a clear and simple way that our customers understand and enjoy interacting with.

## Octopus Wealth 2022 highlights

- Doubled our client base
- Teamed up with Octopus MoneyCoach to provide financial education and coaching in workplaces and online
- Reached £1 million in annual recurring revenue

**We're helping our clients to live the lives they dream of. We're there alongside them tackling their biggest life events and charting a course towards better and more fulfilling lives.**

## Octopus Wealth in numbers



the number of employees



our score on Trustpilot (out of 5)



the number of households we look after



in assets under management



client base doubled in 2022



# Seccl

Seccl is the embedded investment platform that's helping more people to invest — and invest well.

It was founded in 2016 by a guy called Dave Harvey. He'd worked in financial technology for many years, at big institutions and adviser platforms. And the experience convinced him that change was drastically needed.

Wealth management is about the most technologically backward sector you'll find. It's held back by old technology, dismal processes and misaligned interests. Together, they create pointless complexity for financial planning and investment professionals, and provide outdated, overpriced experiences for customers.

Dave decided to start again. Leaving all legacy assumptions behind, he set about redesigning the architecture of investment technology from the ground up — and from his shed. ('Garden office', if you're Dave).

Today, Seccl's low-cost, hyper-efficient and API-first technology infrastructure is powering some of the most forward-thinking investment platforms in the UK.

## Seccl 2022 highlights

- 307% year-on-year growth in monthly net flows, making it the fastest-growing platform technology provider in the market
- Quadrupled our client base to 20 live firms, plus 10 currently onboarding and £5 billion+ of immediate pipeline
- Launched a fully digital, entirely paperless pension product — after only six months' build time
- Dave Ferguson joined as CEO (Dave founded Nucleus, the best-rated adviser platform in the market)
- Won Best Use of Technology at the Moneyfacts Group plc awards



## Seccl in numbers

135K

the number of investors who rely on Seccl's technology and services

25.6M

the number of API requests in the last 30 days

380K

number of client payments each operations employee can process each year

10 seconds

time it takes between receiving a clients' money and investing it

4 months

time between engaging with GoHenry and the transfer of its entire Junior ISA book



# Octopus Energy

I'll be forever grateful to Stuart Quickenden.

Stuart used to run Boston Consulting Group in London and came to see me back in 2015. I asked if he knew anyone who he thought could build an energy business and he introduced me to Greg Jackson.

Within five minutes of meeting Greg I knew he was special. And, so far at least, that's turned out to be very, very true.

Greg set up Octopus Energy in 2016. It began life as a start-up British energy supplier, disrupting a broken industry. Today it supplies green energy to more than five million homes in the UK, as well as hundreds of thousands of homes in Germany, the USA, Japan, Spain, Italy, France and New Zealand.

And more than an energy supplier, Octopus Energy Group is a global energy transition collective. Ten

businesses operating across four continents, all committed to making the energy transition faster and cheaper for tens of millions of people.

## Octopus Energy 2022 highlights

- Increased customers from 2m to 3.2m and doubled revenue from £2bn to £4.2bn (+110%)
- Net assets more than doubled (+130%) from £204m to £473m due to equity investment from Generation Investment Management and CPPIB
- Most awarded energy company in the UK with 50 industry awards achieved (including Which? Recommended for the fifth year running)
- Best-in-class Trustpilot rating maintained despite the energy crisis
- Doubled number of customer support specialists from 498 to 998 (+100%)



## Octopus Energy in numbers

30M

number of accounts powered by Kraken Technologies

4,000

employees globally

£4.2B

turnover in the year to April 2022

6

the number of times in a row that Octopus has been the only energy company to be recommended by Which?

£6B

renewable energy assets in Octopus Energy Generation's portfolio

1,000

electric cars delivered by Octopus Electric Vehicles a month

# Octopus Giving

When we first started out, we relied on a very small number of people who gave us a chance and chose to invest in our dream. We never forget that.

Octopus Giving, which we set up in 2014, is our way of giving something back, by helping to give others their chance.

The charities we support started out small, like us. But they have big ambitions. And they help people, or causes, which could very easily slip through the cracks.

Octopus's two charity partners are Thames21 and GoodGym, which we are partnering with for 3 years. We provide unrestricted funding, the holy grail of charity funding and significant amounts of behind the scenes volunteering to help these small charities at an important point in their journey.

Thames21 is tackling the climate emergency by improving the health of urban rivers, while GoodGym is pioneering a unique approach to volunteering that combines healthy, active lifestyles with community action.

## Octopus Giving 2022 highlights

- Opened up our charitable programme to the wider Octopus family starting with our shareholders and portfolio companies
- Opened up our office space to GoodGym for free so their staff have a fantastic environment to thrive in
- Worked with Thames21 on a green finance bid to help protect London's rivers
- Helped Thames21 lobby the government for the ban of non-biodegradable wet wipes which are damaging our rivers



## Octopus Giving in numbers

£2.3M

our donation to charities since setting up Octopus Giving in 2014

2

the number of charity partners we support, which change every three years

2

days of volunteering by every Octopus employee per year

22K

hours volunteered by Octopus employees since 2014

# Aurora

Established in 2015, Aurora is the UK's sixth largest provider of education, care and support services for children and young people with special educational needs and disabilities.

Its schools and colleges transform the lives of students through innovative, high-quality education, care and support, enabling pupils to thrive and fulfil their aspirations.

The group also has a small number of residential services for children and young adults, providing vibrant yet homely spaces.

**Aurora is the UK's sixth largest provider of education, care and support services for children and young people with special educational needs and disabilities.**

## Aurora 2022 highlights

- Opened three new day schools, in Gloucestershire, Cambridgeshire and Surrey
- Invested in our people - 87 staff members currently working towards externally recognised qualifications
- Increased pay rates to above Real Living Wage for all of our staff everywhere in the country
- Our schools won industry awards including Winner at Children & Young People Now awards and NAS Autism Specialist Award
- Started work towards our Net Zero 2030 plan, expanding one of our schools with a new net-zero classroom block, powered with solar panels and heated with air source heat pumps

## Aurora in numbers

900

the number of children and young people with special educational needs across our schools

96%

the % of our leavers who go on to further education, training and employment

1,150

the number of employees

74%

the % of staff who are female

88%

the % of schools rated Good or Outstanding by Ofsted



# Our financials

While it's important to us that we build valuable businesses it's not the reason we get up in the morning.

So we tend not to obsess about the short-term profitability of our businesses. Largely because the time horizon over which we measure the success of our businesses is much longer than most companies (ideally we'd like Octopus businesses to last for generations).

The table below sets out the basic financials for all the businesses within our group.

All these companies are part of Octopus Capital.

YE April 2022						
	Turnover (£'M)	% vs last year	Net profit / (loss) (£'M)	% vs last year	# of employees	% vs last year
Octopus Investments	268.7	41%	92.7	98%	638	-3%
Octopus Australia	3.2	23%	(1.4)	-250%	26	37%
Octopus Moneycoach	0.5	400%	(2.5)	-317%	13	86%
Octopus Wealth	1.3	86%	(2.8)	-180%	40	111%
Seccl	0.9	125%	(6.7)	-60%	76	85%
Aurora	51.1	21%	12.7	359%	1,042	7%
<b>TOTAL</b>	<b>325.7</b>	<b>38%</b>	<b>92.0</b>	<b>158%</b>	<b>1,835</b>	<b>7%</b>

While Octopus Energy grew its revenues 110% to £4.2 billion and increased its retail customer base by 161% to 3.4 million, it's worth explaining the loss it made.

The core UK retail business posted a net loss of £161 million, largely because it took the decision to hold Standard Variable Tariff prices as far below the price cap as possible for as long as possible — the only large energy supplier to do so. This customer-focused decision incurred over £150m in reduced revenue and earnings. This choice was driven from Octopus's belief that doing the right thing by customers and society delivers long term value.

Within Octopus Energy Group, we also have a business called Kraken. Kraken is our technology arm which powers some of the leading energy businesses around the world. Revenues in Kraken grew from £69m to £115m over the last year, having migrated 7.4 million non-Octopus accounts onto our technology platform.

YE April 2022				
	Turnover (£'M)	% vs last year	Net profit / (loss) (£'M)	% vs last year
Octopus Energy	4,224.6	110%	(161.6)	-10673%



# What next?

I'm a very lucky person. I spend my time surrounded by people solving some of the world's biggest problems.

It's not their ideas that get me excited. It's their sense of optimism. In a world that's as broken as it's ever been, their relentless energy and flat-out refusal to accept that something isn't possible, gives me hope.

These entrepreneurs believe in a new reality. One where the most successful companies are a force for good. They recognise that in our hyper-connected, transparent world, the walls that companies have built around themselves are being ripped down. They

understand that future generations want to work for, buy from and invest with 'good' companies.

Our hope — and our belief — is that this shift in mindset will reshape the world of business for the better. For our part, we plan to invest £50 billion in the people, ideas and industries that will change the world, by 2030.

2023 will see Octopus expand its existing businesses far beyond where they are today.

While what's below is far from exhaustive, I hope 2023 will see us enter new sectors and build or invest into businesses focused on:



**Electrification  
of transport**



**Connecting the  
UK to a superfast  
fibre network**



**Reimagining death**



**Solving the financial  
illiteracy problem  
in the UK**



**Building schools  
where the syllabus  
is focused as much  
on life skills as  
traditional education**

Simon Rogerson

If you're interested in finding out more about Octopus Group or receiving regular media updates from us, please email the Octopus Communications team at [press@octopusgroup.com](mailto:press@octopusgroup.com)

Our offices at 33 Holborn, London

