

octopus

A brighter way



*FUTURE
GENERATIONS
REPORT 2022*

Certified



Corporation

**FUTURE
GENERATIONS
REPORT 2022**

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OUR MISSION IS TO INVEST IN THE PEOPLE, IDEAS AND INDUSTRIES THAT WILL CHANGE THE WORLD

DEAR EVERYONE

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.

Our mission at Octopus is simple – to invest in the people, ideas and industries that will change the world. This year's Future Generations Report brings to life some of the progress that we, and the entrepreneurs we back, have made over the last 12 months.

I hope that these stories highlight not just what Octopus is doing, but also the role you can play in helping to build a better tomorrow.

Thank you, as ever, for your support.

Simon





“TOO MANY BUSINESSES ARE SITTING ON THE SIDELINES PRETENDING TO CARE. WE NEED ACTION. BOLD, COLLECTIVE ACTION.”

Jack Cracknell
Impact and Sustainability



CHANGING TODAY FOR A BETTER TOMORROW



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

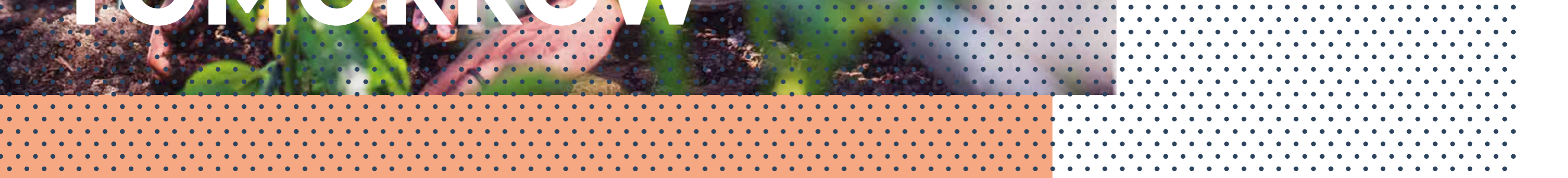
1.2 billion people have been lifted out of extreme poverty, life expectancy has increased by 14%, and the number of children not in education has halved.

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

In this section of the Future Generations Report we explore their vision for the future. We hope that they inspire you in the same way that they've inspired us.





Today we manage £6.2 billion in companies helping to build a more sustainable planet

We are moving towards a low carbon economy.

We believe that companies helping to accelerate this transition will create value at an unprecedented rate over the next couple of decades.

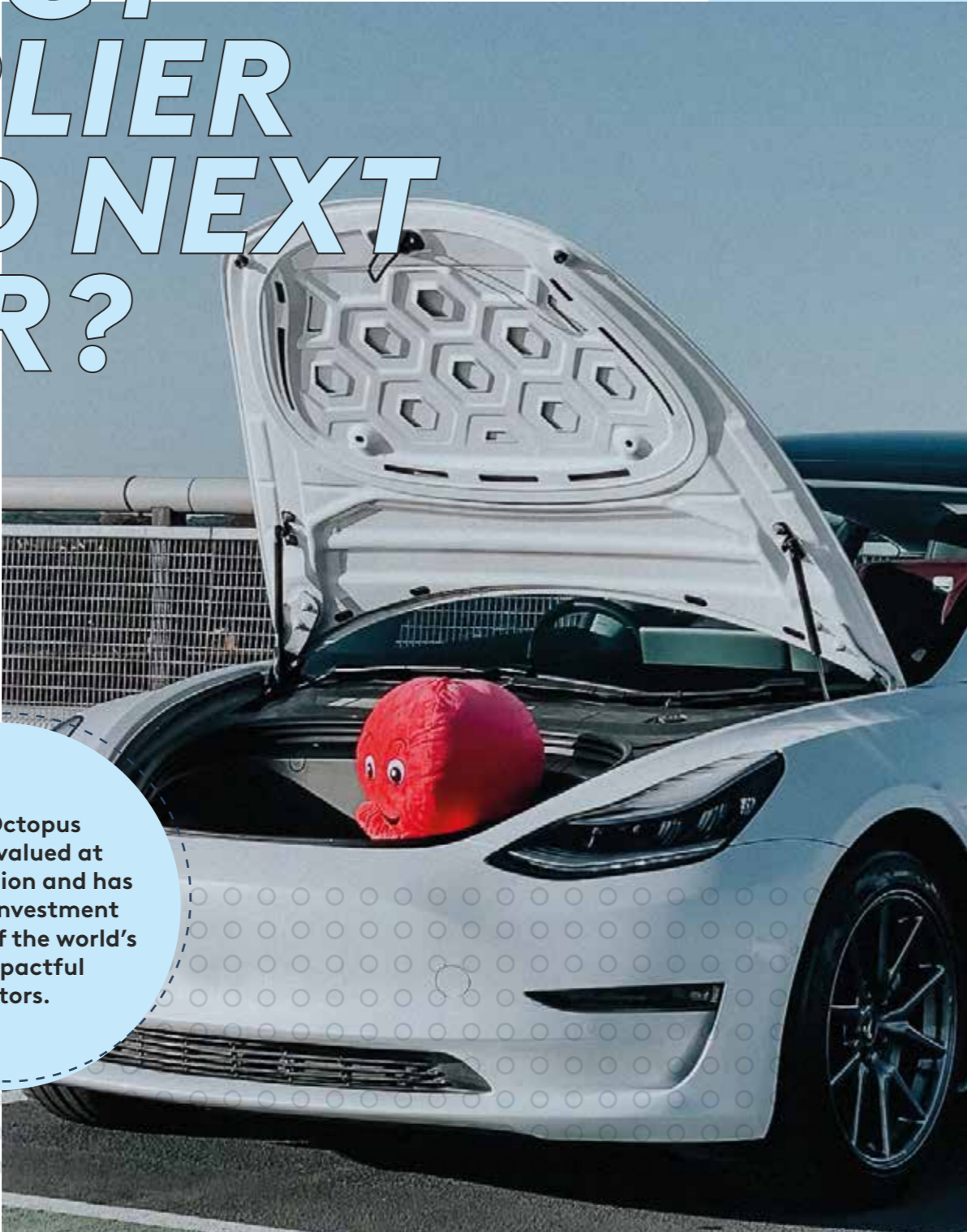
Because shaping a new world, where we give back to the planet more than we take, is the only way to secure a better tomorrow for future generations.

BUILDING A SUSTAINABLE PLANET





WHAT IF YOUR ENERGY SUPPLIER LIVED NEXT DOOR?



Today Octopus Energy is valued at about \$5 billion and has attracted investment from some of the world's most impactful investors.

OCTOPUS ENERGY

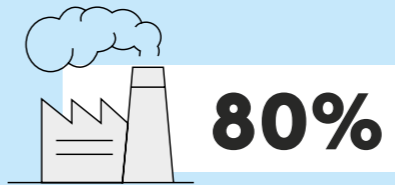
Greg Jackson set up Octopus Energy back in 2016. He wanted to use technology to make the world's transition to renewable energy cheaper and faster for hundreds of millions of people.

He's come quite a long way in the last five or so years. With 3.3 million customers of their own, and 23 million third-party accounts on their green technology platform (Kraken),

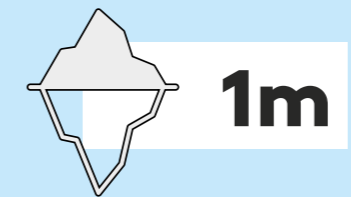
Octopus Energy is well on its way to making Greg's vision a reality.

In Greg's future, the energy grid will act as a marketplace between buyers and sellers. Your house will store energy when it's cheap (because the wind is blowing or the sun is shining) and sell it back when there's demand. Today this energy is sold back to the grid. Tomorrow it will be to your neighbour.

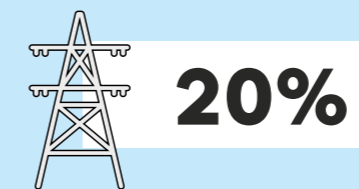
DID YOU KNOW:



Today **80%** of the world's energy supply comes from fossil fuels.



1 million tonnes of ice melts every minute.



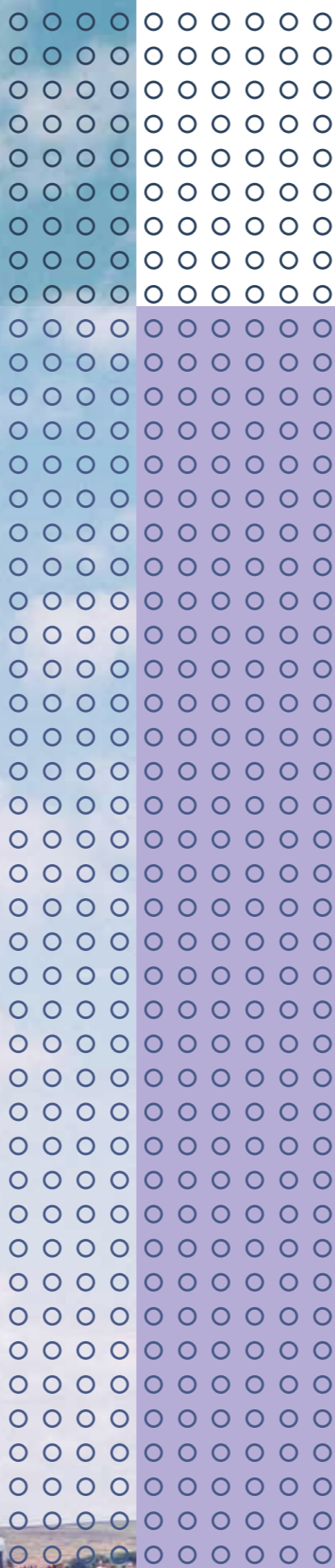
20% of the energy in our grid is wasted.

YOU HAVE THE POWER:

▲ The UK government has put in place a brilliant scheme to encourage adoption of Electric Vehicles (EVs). It allows you to pay for your car lease through your gross salary, making it very cost efficient.

▲ The average electric car only costs **£5** to fill up, taking between 30 minutes and 4 hours. Vehicle-to-grid technology means that when you're not using your EV you can get paid for the energy stored in its battery.

▲ The Octopus 'Fan Club' offers customers 20% off their unit rate whenever their local wind turbine is spinning (increasing to 50% when the wind picks up and the green electrons are really flowing).



**“WE’RE
UNLOCKING
EXCITING
OPPORTUNITIES
THAT MAKE
THE CHEAPEST
ELECTRONS THE
GREENEST.”**

Greg Jackson
Founder & CEO, Octopus Energy



WHAT IF DEVELOPMENT REPLACED DESTRUCTION?



Octopus Real Estate has lent more than £5.8 billion across over 4,000 UK residential, commercial, and development loans.

OCTOPUS REAL ESTATE

What if we stopped knocking things down? What if every existing building had to be preserved, adapted and reused? What if new buildings could only use materials that were already available? Could we continue to make and remake our cities out of what is already there?

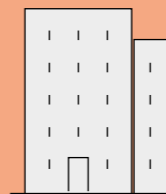
Benjamin Davis, CEO of Octopus Real Estate, thinks so. With his team he is helping house builders to develop the knowhow, and access funding, to build high quality energy efficient homes that will be enjoyed for generations to come.

DID YOU KNOW:



4-8%

Concrete is responsible for **4-8%** of the world's CO₂ emissions, which is more than airlines.



2x

The global square footage of buildings is **expected to double by 2060**. That's the equivalent of building another New York City every month, for 40 years.



50,000

50,000 buildings are demolished in the UK every year.

YOU HAVE THE POWER:

18%

Re-using a building's materials rather than disposing of them reduces construction costs by up to **18%**.

80%

Retrofitting double glazing to an existing window can improve efficiency by up to **80%**.

16-18%

Adding insulation can result in annual emissions savings of between **16-18%**.



OCTOPUS VENTURES



The entrepreneurs we back are reimagining how whole industries function.

They're replacing dirty, expensive products with cheap, clean and green solutions.

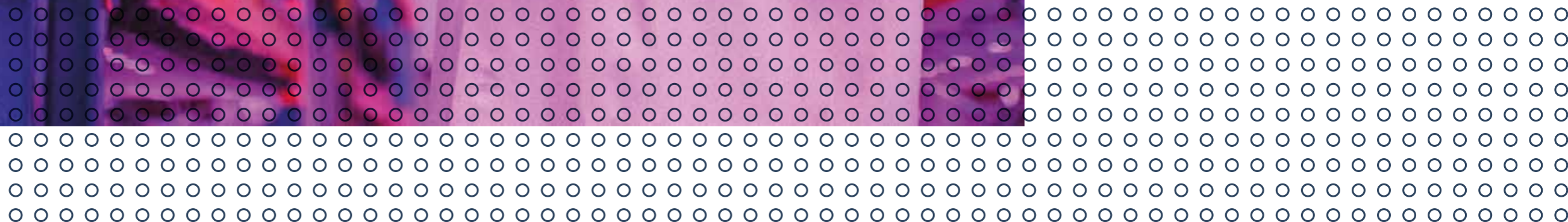
They're catalysts for wider societal change, designing technology that helps us all understand and account for our carbon emissions, accelerating the world's transition to a low carbon future.

BUILDING A SUSTAINABLE PLANET THROUGH OCTOPUS VENTURES

£90 million invested into companies building a sustainable planet.

Across **33** portfolio companies.

Impacting the lives of **7 million** customers.





MINIMUM

Octopus Ventures portfolio company

Freddie Green, Chris Winchurch, and Freddie Evans set up Minimum to simplify carbon accounting.

Over the last two years, they've built a sophisticated tech solution to help companies measure their carbon footprint, reduce their emissions to Net Zero, and report to stakeholders.

Their solution is brilliant. In fact, so brilliant that Octopus bought a global license so that we can offer it free of charge to all the businesses we partner with.

THE 'MINIMUM' SOLUTION

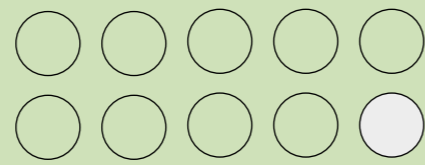
Automated carbon measurement.

Net zero planning.

100s of companies supported.

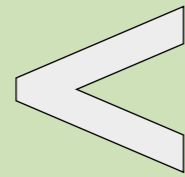
100,000s tonnes of CO₂ measured.

DID YOU KNOW:



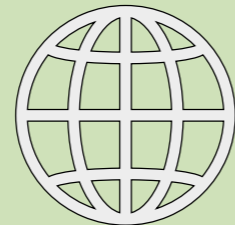
Only 1 in 10

companies in the UK measures its carbon footprint.



Less than

half of the UK's C-suite leaders believe their boss is truly committed to sustainability.



40%

40% of websites are 'misleading' consumers on environmental credentials.

TRAFI

Octopus Ventures portfolio company

Martynas Gudonavičius co-founded Trafi to make it easier and greener to travel through congested cities.

Trafi has two offerings: Trafi for Business & Trafi for Cities. Trafi partners with businesses to offer mobility alternatives to company cars, helping track and reduce employee emissions. For cities, Trafi powers an automated platform integrating all the mobility services available in a city.

THE 'TRAFI' SOLUTION

4 offices in four European cities.

A carbon neutral business.

3 million trips taken daily on their platforms.

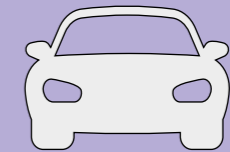
Spanning > 30 cities worldwide.

114 employees.

There are more than 1.4 billion passenger cars in the world. If you lined them up bumper to bumper they'd go around the world 100 times.

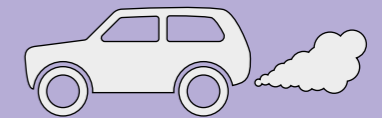


DID YOU KNOW:



161bn m²

The world's car parks take up a total space of 161 billion square meters, which is equivalent to the size of Beijing.



14%

14% of global emissions are caused by transportation.



HURR

Octopus Ventures portfolio company

Victoria Prew started HURR to address one of the world's most polluting industries - fashion.

The team is moving people from buying to borrowing, making fashion a circular economy that is both restorative and regenerative by design.

Everyone at HURR is making it their business to undo what the fashion industry started, one rental at a time.

THE 'HURR' SOLUTION

4,024,245kg of carbon saved from renting over buying.

The equivalent of:

- Planting **66,400** trees.
- Taking **1,000** cars off the road for a whole year.

The equivalent of one garbage truck full of clothes is burned or dumped into landfill every second.

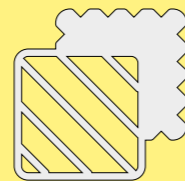


DID YOU KNOW:



10%

The fashion industry produces 10% of all humanity's carbon emissions and is the second-largest consumer of the world's water supply.



85%

85% of all textiles go to the dump each year.



50bn plastic bottles

Washing clothes releases 500,000 tons of microfibers into the ocean each year — the equivalent of 50 billion plastic bottles.

ISIZE

Octopus Ventures portfolio company

iSize is a team of PhDs and university professors who spend their time solving some very technical problems. When they worked out how to compress videos far more efficiently than anyone else, they developed a product that helps meet the world's insatiable demand for video content without crippling the planet (or breaking your WiFi).

Sergio Grce (the founder of iSIZE) and his team have done pretty well so far. As well as generating massive commercial engagement from some of the world's leading technology and streaming customers, they've also attracted Patrick Pichette, the Chairman of Twitter and an ex-CFO of Google, as one of their investors.

THE 'ISIZE' SOLUTION

Reducing the carbon footprint and cost of video streaming by up to **50%**.

Used by clients with billions of users.

4 patents granted.

Data centres contribute more to global emissions than the aviation industry.



DID YOU KNOW:

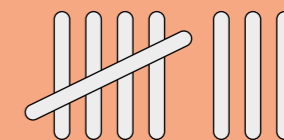


Every year YouTube emits more greenhouse gas than Glasgow.



82%

Streaming videos will make up 82% of all internet traffic by the end of 2022.



8x

Streaming in ultra high-definition produces 8x the level of carbon emissions.



Today we manage £1.4 billion in companies empowering people and communities

People are waking up. They don't want to engage with companies that fail to recognise their needs and those of their community.

The entrepreneurs we back are making it their mission to tackle inequality and improve access to products and services that empower people and build stronger communities.

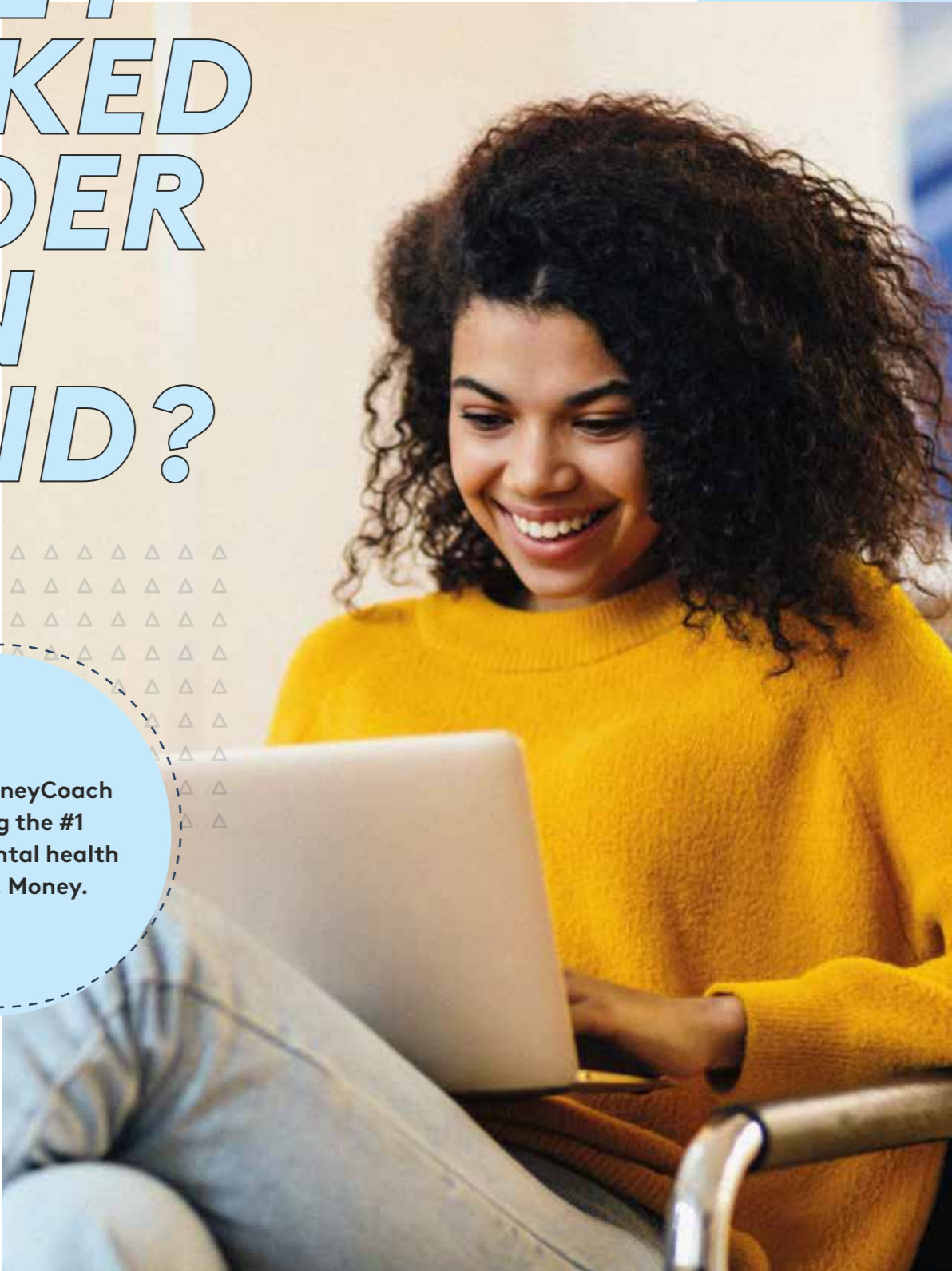
EMPOWERING PEOPLE





WHAT IF OUR MONEY WORKED HARDER THAN WE DID?

Octopus MoneyCoach is tackling the #1 cause of mental health problems. Money.



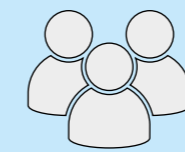
OCTOPUS MONEYCOACH

When Adam Price discovered the link between personal finance and mental health, he saw an opportunity to start a business that could change the way that people feel about money.

From budgeting and mortgages through to savings and investments, the coaches work hand in hand with their clients to ensure they're always getting the most from their money.

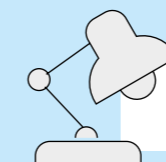
To date, the Octopus MoneyCoach team has offered over 100,000 employees a way to talk about their money.

DID YOU KNOW:



Employees with financial worries are:

- 15x more likely to have sleepless nights.
- 5x more likely to be suffering from depression.
- 4x more likely to be suffering from anxiety.
- 1.5x more likely to be looking for a new job.



8 in 10

8 in 10 people bring money worries to work.

YOU HAVE THE POWER:

£15.2bn

Addressing poor financial wellbeing could save employers an estimated **£15.2 billion per year** in costs due to absenteeism, reduced productivity and staff turnover costs.

75%

Three quarters of **25 - 34 year olds** are open to help.





WHAT IF WE ALWAYS LOOKED FORWARD TO OUR BIRTHDAYS?



Octopus manages the Retirement Living Fund (ReLF) which is developing 815 retirement homes across 7 UK developments.

OCTOPUS RETIREMENT VILLAGES

The UK has an ageing population, and we're not prepared. Over the next decade we need to learn from countries like Japan that have been through a similar transition.

Japanese retirees benefit from one of the world's most generous and comprehensive health insurance plans. It offers the elderly access to assisted-care living facilities, home

care and assistance with basic necessities like grocery shopping.

We're working with leading developers to create the infrastructure to support something similar here in the UK. Thoughtfully-designed, purpose-built buildings will make our retirement villages places where people can truly enjoy their retirement.

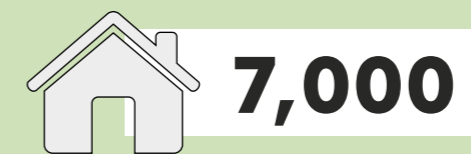
DID YOU KNOW:



By 2040 there will be **13 million** people above the age of 65 living in unsuitable housing.



180,000, 65+ age appropriate homes will need to be built over the next decade.



Just **7,000** new homes built each year are designed for older people.

YOU HAVE THE POWER:

- Walking is good, but pace matters. Brisk walking has been linked to better memory, better health and a longer life.
- Resistance training is as important for ageing as aerobic exercise, eating vegetables and sleeping well. From the age of 40, we lose muscle at the rate of 1% a year, increasing our risk of heart attacks, strokes and osteoporosis.
- Loneliness is as big a mortality risk as diabetes. Research links social isolation to dementia, heart disease, stroke, depression and a 29% greater risk of dying. There is a clear correlation between having a large social network and living longer.



WHAT IF GREAT EDUCATION WASN'T A POSTCODE LOTTERY?

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

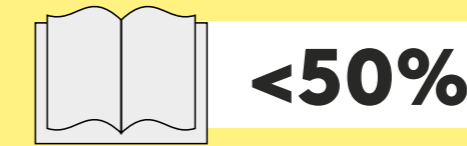


AURORA SCHOOLS

Thousands of children with special educational needs and disabilities are waiting for a school place or are being educated at home. Many more are excluded from schools, prompting fears that schools in England are becoming less inclusive.

Aurora (part of Octopus Group) is providing a solution through their network of pioneering schools and colleges that equalise access to great education. The team is creating a society in which everyone can thrive regardless of the barriers they face.

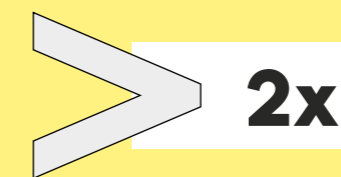
DID YOU KNOW:



Less than half of autistic children are happy in school.



Children with special educational needs are **twice as likely** as other children to be bullied.



Children and young people with a disability are **twice as likely** to live in poverty than those without a disability.

YOU HAVE THE POWER:

- ▲ There's a growing understanding that while individuals with developmental disabilities such as autism, ADHD and social anxiety disorders may struggle with social skills, they tend to have above-average abilities when it comes to things like analysis, information processing, and pattern recognition.
- ▲ People with differences do not need to be cured; they need to be understood.
- ▲ Neurodiverse teams are **30%** more productive.



WHAT IF DAVID BEAT GOLIATH?



The Quoted Companies Team manages nearly £3 billion in AIM listed companies.

OCTOPUS QUOTED COMPANIES

The world is changing more quickly than ever. This, in turn, is creating (and destroying) value at a rate we've never seen.

Take the FTSE 100 index as an example. Of the 100 largest quoted companies in 1984, only 28 are still in the index today.

That's because these large companies typically struggle with change. They stop taking risks and spend too much time focused on the present rather than the future.

The companies which thrive in this new world are smaller companies. Not burdened with the same legacy thinking, they're typically quicker to respond and adapt to the world around them.

Over the next few decades, we're pretty sure that the Davids of the corporate world will continue to beat the Goliaths.

DID YOU KNOW:



The Alternative Investment Market (AIM) is home to more than **800 companies** (nearly as many as the Main Market of the London Stock Exchange).



High-growth small businesses account for **33%** of all new jobs created in the UK each year.

YOU HAVE THE POWER:

IT'S EXPECTED THAT BY 2025:

85m
85 million jobs will be displaced by a shift in the division of labour between humans and machines.

97m
97 million new roles will emerge that are more adapted to the new division of labour between humans, machines and algorithms.



OCTOPUS VENTURES



We're reimagining daily life for millions of people. We're rethinking whole sectors of society, backing entrepreneurs on a mission to empower people and build stronger more connected communities.

These entrepreneurs are building tools that level the playing field to allow anyone to participate in an innovative new economy.

EMPOWERING PEOPLE THROUGH OCTOPUS VENTURES

£181 million invested in companies empowering people.

Across **25** portfolio companies.

Impacting the lives of **100 million individuals.**





REST LESS

Octopus Ventures portfolio company

Rest Less believes in a future where age is nothing but a number, and where it's always the right time to find a career you love.

Stuart Lewis and Sara Stephens founded Rest Less to help people navigate the many transitions that come with midlife. From dating and relationships, to health and wellness and work and finances.

THE 'REST LESS' SOLUTION

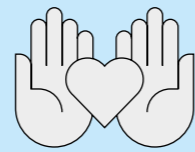
4.9 star rating on TrustPilot.

1,250 positive reviews.

The UK's fastest growing digital community for the over 50s.

870,000 members.

DID YOU KNOW:



78%

78% of those aged 50 or over feel under-represented or misrepresented.



74%

Age discrimination claims rose by 74% per cent during the pandemic.



71%

71% of UK workers think age discrimination is common in their workplace.



DEADHAPPY

Octopus Ventures portfolio company

In the UK, 8.5 million people have a need for life insurance but no cover. To make matters worse, existing solutions are incredibly dull.

Phil Zeidler and Andy Knott started DeadHappy to develop something better. They've built a sign-up process that takes less than five minutes to complete (there are only four questions to answer).

In the process, they've created a place where people can think about, plan for and share what happens when they die. So if you've always dreamed of having your ashes sent to space, or turning yourself into a diamond for someone else to wear, you know where to go.

THE DEADHAPPY SOLUTION

The UK's fastest growing life insurance company.

Signing up online is **6x** faster than the industry standard.

Life insurance policies from **69p** per month.

Rated **4.9 out of 5** on TrustPilot.

DID YOU KNOW:



31 million

31 million adults in the UK do not have a will.



50%

50% of parents have no life insurance in place (which translates to 50 children per day losing a parent with no life cover).



7yrs

The average life insurance policy is cancelled after seven years.



Today we manage £2.1 billion in companies revitalising healthcare systems

The UK population's health has been in decline for over a decade. Today as much as a third of middle-aged adults suffer multiple chronic health conditions, and mental health issues are endemic among younger generations.

Companies with solutions that address public health and wellbeing are creating social and financial value faster than ever before.



REVITALISING HEALTHCARE



WHAT IF CARE HOMES WERE EXPECTED RATHER THAN THE EXCEPTION?



The Octopus Healthcare Fund (OHF) is valued at more than £1 billion.

OCTOPUS CARE HOMES

In Sweden and Holland older people regard care homes as a personal right, much the same as the NHS in England.

Care home residents probably have the most complex care and support needs of any members of society. But in the UK most people still live in their own homes.

As a result, there are over 700,000 unpaid carers in the UK, and a lack of adequate care solutions for individuals who need it.

When we found out that 13 million older people could be living in unsuitable households by 2040, we set up our care homes business to start building a solution.

DID YOU KNOW:

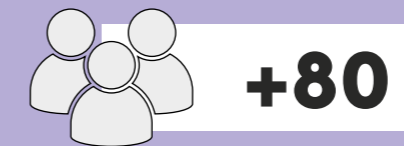


In the UK, around **800,000** older people who need care are not receiving it.

YOU HAVE THE POWER:

100hrs

When someone moves into a care home their relatives take back around 100 hours of their time each year.



In the next couple of decades, the number of people aged **over 80 will double.**

75%

Nearly three-quarters of residents feel happier and less isolated after moving to a care home.



OCTOPUS VENTURES



We're rethinking the meaning of good health, backing entrepreneurs on a mission to reimagine healthcare, food, and consumer goods so that we can all live happier, healthier and longer lives.

These entrepreneurs are creating a tech-enabled healthcare system, purpose-built to create better patient outcomes at a lower cost.

REVITALISING HEALTH THROUGH OCTOPUS VENTURES

£183 million invested into companies revitalising healthcare.

19 portfolio companies.

UK's most active private health investor.

Impacting the lives of over **7 million individuals.**





BIG HEALTH

Octopus Ventures portfolio company

Peter Hames had trouble getting anything other than medication to treat his insomnia. In the search for alternative solutions he discovered Dr. Colin Espie's book on cognitive behavioural therapy for insomnia. After successfully treating himself, he realised what had worked for him could work for millions of others.

Dr. Espie then became Peter's co-founder, and together they created Big Health. Its mission is simple: to help millions back to good mental health, initially focusing on treating anxiety and insomnia.

Big Health champions digital therapeutics over pills, and it's working: 71% of their patients achieved clinical improvement in anxiety and 76% of their patients achieved clinical improvement in insomnia.

THE 'BIG HEALTH' SOLUTION

The app Daylight lowers healthcare costs by **\$1,836 per person.**

The app Sleepio lowers healthcare costs by **\$1,677 per person.**

174 employees.

DID YOU KNOW:



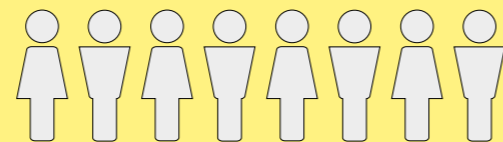
82%

82% of those who receive mental health care are prescribed medication (even though alternatives are available).



1 in 4

1 in 4 people experience a common mental health problem (like anxiety and depression) in any given week in England.



1.4 million

1.4 million people have been waiting for mental health care across England during the pandemic, with referrals to mental health services increasing by 75% since Spring 2020.

ELVIE

Octopus Ventures portfolio company

Despite her PhD in women's health, and launching the first ever global curriculum on sexual education, Tania Boler didn't learn about her pelvic floor until she was pregnant.

She set out to address the last big taboo in women's health. Her company Elvie is taking women's tech out of the dark ages and in the process, preventing a whole range of health and sex problems.

Their mission is to give women the tools to enable what their bodies have always been capable of, across every phase of womanhood.

THE 'ELVIE' SOLUTION

#1 best selling and most talked about breast pump.

#1 fastest growing health tech company in the UK.

20 patients.

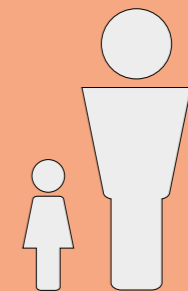
270 employees.

DID YOU KNOW:



<2.5%

Less than 2.5% of publicly funded research is dedicated to women's reproductive health (despite the fact that one in three women in the UK will suffer from a reproductive health problem).



5x

There is five times more research into erectile dysfunction, which affects 19% of men, than into premenstrual syndrome, which affects 90% of women.



**“IN A WORLD
WHERE GREAT
BUSINESS IS
SIMPLY ABOUT
HOW YOU
MAKE PEOPLE
FEEL, CULTURE
IS THE ONLY
SUSTAINABLE
COMPETITIVE
ADVANTAGE”**

Simon Rogerson
Founder and CEO, Octopus Group



OUTPERFORMING THROUGH OUTBEHAVIOUR



In our view, companies have spent far too long placing their own interests ahead of the broader stakeholders they serve. And we think things need to change.

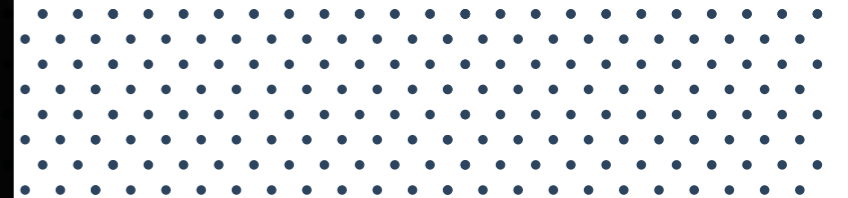
That's why, **in 2021, Octopus became a B Corp.** Think of B Corp accreditation a bit like a Fairtrade coffee stamp but for companies.

So rather than focus our energy on outsmarting, outpricing, and outmanoeuvring the competition, we've developed an alternative strategy. We focus on 'outbehaviour' (this isn't actually a word but we think it should be).

This outbehaviour 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.

In this section of the Future Generations Report, we explore what outbehaviour means to each of our five B Corp stakeholders: our people, customers, the environment, our community and our shareholders.



OUR PROMISES

HERE'S HOW WE FARED IN 2021:

There's a certain element of 'wishy washy' about how most companies talk about their credentials and commitments to being 'good'.

That's why last year, as part of our annual Future Generations Report, we set three concrete targets that our employees, and broader stakeholders, could judge us by.



PROMISE NO. 1

We wanted to invest an additional £1 billion into companies building a sustainable planet, empowering people, and revitalising health. In the end, we invested a further £3 billion, not bad in the face of a pandemic.

PROMISE NO. 2

We committed to give at least 5,000 hours of our time to our charity partners. Total volunteering stood at 5,400 hours at year end (double what we hit the previous year).

PROMISE NO. 3

We wanted to score above 100 in our B Corp Assessment (up from 94.6 when we were first accredited). We're currently tracking to score 110, roughly twice as high as the average UK company.

OUR COMMITMENTS 2022:



This year we thought we'd be really explicit and set out our commitments for each of our five B Corp stakeholders:

#1

STAKEHOLDER 1:
OUR PEOPLE

#2

STAKEHOLDER 2:
CUSTOMERS

#3

STAKEHOLDER 3:
ENVIRONMENT

#4

STAKEHOLDER 4:
COMMUNITY

#5

STAKEHOLDER 5:
SHAREHOLDERS

STAKEHOLDER 1:

OUR PEOPLE

We believe that great business is simply about how you make people feel.

This starts with your own people. Your people create your culture and define the relationships you build with your customers.

In our experience, owners behave differently. They're more accountable, to customers and to one another. That's why we've always encouraged share ownership within the business and why 75% of the business is owned by our founders and our employees, past and present.

OUR 2023 COMMITMENT:

85% of employees invest their own money in our share incentive plan.



OUR PEOPLE IDEAS WORTH STEALING

Aside from our employee share incentive schemes (we'll happily share the details if you're interested), here are two of the best people ideas we've had in the last 22 years.

OCTOPUS SPRINGBOARD

This is our internal entrepreneur programme, designed to encourage people to leave Octopus and start their own business (with our financial backing). Congratulations to Georgiana Barbanta who left in February 2022 to set up Start Up Lane.

ANCHOR

We believe that companies have a responsibility for the physical, mental and financial wellbeing of their employees. Anchor is our one-stop shop that everyone can use to access everything from meditation and mental health services through to childcare support and private medical cover.

STAKEHOLDER 2: CUSTOMERS

As an investment company managing more than £12 billion, we understand our privileged position in helping to build a better tomorrow.

And we absolutely want the world to be a better place because of where (and how) we invest our clients' money.

Importantly, we don't believe that you have to choose between doing good and making

money. In fact, we think the best returns in the future will come from investing in companies which not only solve some of society's biggest problems, but which also behave in a way that is reassuringly human.

Today, of the £12 billion we manage, more than 85% is invested across companies building a sustainable planet (£6.2 billion), empowering people (£1.4 billion) and revitalising healthcare (£2.1 billion).



Empowering
People



Building a
Sustainable Planet



Revitalising
Healthcare

OUR 2023 COMMITMENT:

Invest **£3 billion**
across our three
sustainability
themes.

AN INTERESTING IDEA

We're not convinced that ESG (a catch all term used to describe the consideration of sustainability issues within an investment process) offers investors access to what they really want.

It often feels more like some kind of giant spreadsheet rather than a mechanism for driving change.

That's why we're working with B Corp to design an engagement tool that helps us measure responsible investment against the same framework we use to measure responsible business.

As well as collecting the data we want to make informed decisions, we'll use this tool to share what we've learnt from building Octopus over the last 22 years.

Where we think the products and services we've embedded within Octopus will help our portfolio companies build a better business, we offer them access to do the same.

That's not just because we think it's the right thing to do, it's because we believe that 'good' companies will ultimately generate the best financial returns for investors.



STAKEHOLDER 3: ENVIRONMENT

We are the first generation to experience the impact of climate change, and the last who can do something about it.

and we're doing everything in our power to help the companies we invest into achieve the same goals.

The best companies are leading by example. They're measuring their carbon footprint and taking the tough decisions that are needed to get to net zero as fast as possible.

These are the companies that people (as employees or as customers) will want to be friends with. Hopefully we're one of them,

OUR 2023 COMMITMENT:

Help **25%** of our portfolio companies measure and reduce their carbon footprint.

IN 2021/22 OUR CARBON FOOTPRINT WAS 2,672 TONNES OF CO₂

Here's how that gets broken down across our business:

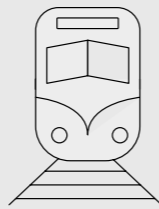
That's equivalent to powering 337 homes per year or having 576 cars driven per year.



Office and Building
7%



Business travel
3%



Commuting
3%



Marketing
9%



Software and Tech Services
40%



Other Goods and Services
38%

Octopus Group includes Octopus Wealth, Octopus Investments, Octopus Ventures, Octopus Real Estate, Octopus MoneyCoach and Secl. A more detailed breakdown of our carbon footprint and net zero plan will be released separately.

THIS YEAR WE SET OUT OUR PLANS TO REACH NET ZERO BY 2030 AS PART OF THE B CORP CLIMATE COLLECTIVE.

Here are some of the really exciting projects we're working on:

1

We're partnering with the world's best developers to build a new flagship, net zero building.

2

We're using our influence as an investment manager to encourage our portfolio companies to reduce their emissions. We're offering every company we work with access to a tool that will allow them to quickly and easily calculate and visualise their carbon footprint.

3

We're developing an offsetting tool that will allow us, and our portfolio companies, to offset their carbon footprint through nature based solutions.

4

Our care homes team are building the world's first net zero care home.

STAKEHOLDER 4: COMMUNITY

Companies have spent far too long focused on their own interests and their bottom line.

Thankfully, we think things are changing. Increasingly, we think people want to work for, buy from, and engage with companies which inherently care about the wider community they're part of.

To us, community is about paying suppliers on time. It's about leaving the world in a better place than you found it. And it's about using your resources (both money and people) to help support worthwhile causes.

OUR 2023 COMMITMENT:

Through Octopus Giving (our charitable foundation), give **7,000 hours** of our time to worthy causes.

Who's going to give their time?

- **100%** of our employees.
- **30%** of our shareholders.
- **20%** of our portfolio companies.



OUR CHARITABLE FOUNDATION, OCTOPUS GIVING, DONATES SIGNIFICANT SUMS OF MONEY EACH YEAR, BUT WE BELIEVE OUR MOST VALUABLE ASSET IS OUR TIME.

Every three years our employees choose our two new charity partners:

- Thames21 is on a mission to protect and improve rivers and connect communities.
 - We've given over 500 hours of our time at "river clean days" in and around London.
 - We're offering our skills and expertise to help Thames21 with recruitment and lobbying to reduce the use of plastic that is damaging our rivers.
- GoodGym connect people wanting to combine fitness and good deeds locally through community projects and people in need.
 - Employees complete good deeds, for example community gardening, helping out scout groups or dropping off prescriptions to local people. To get there, they run, walk, or cycle!
 - We're also helping GoodGym with staff recruitment and retention.

This year we donated more than 5,000 hours of our time and £300,000.

This summer we're giving everyone the change to make a real difference. We'll be sharing details on our social channels, so stay tuned!

STAKEHOLDER 5:

SHAREHOLDERS

We believe that the most valuable companies of the future will not only solve society's biggest problems, but also behave in a way that's reassuringly human.

In 2021, our shareholders agreed that Octopus should aspire to achieve B Corp certification. That decision changed the way we operated as a business, and today, all five of our stakeholders (our people, environment, customers, community and shareholders) are considered within every

business decision. We even changed our Articles of Association to reflect this.

Not only has this changed the way we manage our business, but it's also changed the way that we measure our success. Our B Corp score gives us a point of reference on our journey to become a better business, and because we believe that there is no trade off between doing good and making money, it's also an indication of how of how we think Octopus will perform over the coming years.

OUR 2023 COMMITMENT:

Score in top **10%** of all B Corps in the world.



OUR B CORP JOURNEY

In 2021, after 18 months of work, Octopus became a B Corp.

Last year we scored 94.6, which we thought was a pretty good start (the average company scores 50 and you have to score 80 to be certified as a B Corp).

This year we've put in a lot of work to increase our score to around 110, and we've set ourselves a target to score in the top 10% of all 8,800 B Corps before the end of the year.

If you or your business is interested in beginning the B Corp journey, we'd love to help. Just drop us an email at impactandsustainability@octopusgroup.com.

Certified



Corporation

