

2021

FUTURE GENERATIONS REPORT



octopus

A brighter way

FSC® Certified

Meets the mark of responsible forestry.

Renewable Energy

Manufactured with 100% renewable green energy.

Arcoprint paper

Elemental Chlorine Free. FSC® Mix. Acid Free. Heavy Metal Absence. Long Life.

Processed Chlorine Free

Manufactured from sustainable raw materials that are free of chlorine chemistry.

World Land Trust

Through the Carbon Balanced scheme we have offset the equivalent of 1,795kg of carbon dioxide. This support will enable World Land Trust to protect 1,256m² of critically threatened tropical forest.



Octopus Group without Octopus Energy is a certified B Corp.

IN THE
TIME IT
TAKES
YOU TO
READ
THIS
REPORT:

64,032,974
TONS OF ICE WILL
MELT

736
PEOPLE
WILL DIE BECAUSE
THEY CAN'T ACCESS
GOOD-QUALITY CARE



111,301
TONS OF FOOD
WILL BE WASTED



3,168
OLYMPIC
SWIMMING
POOLS
COULD BE FILLED WITH THE
WATER
USED IN
FASHION
MANUFACTURING
PROCESSES





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STREETNOZ

Our mission
is to invest
in the
people,
ideas and
industries
that will
change
the world.

DEAR
EVERYONE

We believe capitalism needs to change.

Companies have spent far too long measuring their success through a single lens. Profit. They've sacrificed the interests of others (their employees, their customers, their communities and the environment) for their own financial benefit. They've lost the values and the personality that once made them human.

We believe a new breed of company is needed, one which understands that how it behaves is just as important as what it does.

Over the last 21 years, we've built Octopus into one of the most disruptive and innovative companies in the financial services and energy sectors. Today we're a team of 2,000 people serving more than two million customers.

We're also delighted to be a certified B Corporation, the equivalent of a Fairtrade coffee stamp, but for companies. We strongly believe there is no trade-off between 'doing good' and 'making money'. Indeed, we believe that 'good' companies, which understand what it means to make the world a better place, will deliver enormous financial returns for their investors over the coming decades.

In our first Future Generations Report, we ask ourselves one simple question:

"What are we doing to build a brighter future?"

Chris and Simon

Co-founders of Octopus



BUSINESS DONE RIGHT

Across all Octopus companies, we want to demonstrate the power of business as a force for good, and to inspire the companies we invest in to become partners in our vision for the future.

OUR MISSION

WE'RE ON A MISSION
TO INVEST IN THE
PEOPLE, IDEAS AND
INDUSTRIES THAT
WILL CHANGE
THE WORLD

We believe that it's possible to reimagine and redesign how huge sectors of the global economy function, so that we can help build a future that we, and our children, can be proud of.

That's why we're supporting and building companies that understand that *how* they behave is just as important as *what* they do. It is this behaviour, combined with their underlying business missions aiming to solve some of society's biggest problems, that work together to drive huge financial returns for our investors.

We are
BOLD
but with the humility to know
that we don't have all the answers.

We are
**STRAIGHT-
FORWARD**
and always speak our mind,
even when it's uncomfortable.

We are
HELPFUL
and use our experience, as
entrepreneurs and as investors,
to help unlock a better tomorrow.

SEEKING
OUR
O



A NEW BREED OF BUSINESS

WHAT IF COMPANIES WERE PEOPLE?

The problem with most companies is that they've sacrificed the interests of others (their employees, their customers, their communities and the environment) for their own financial benefit. Imagine these companies as people. They've behaved in a way our friends would not.

This needs to change.

First, 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. People increasingly want to work for, buy from and invest with 'good' companies.

“

OUTPRICING,
OUTSMARTING OR
OUTMANOEUVRING
THE COMPETITION
WON'T LAST FOREVER.
OUTBEHAVING
THEM WILL.”

SIMON ROGERSON
CEO, OCTOPUS GROUP

OUR FRIENDS-LENS

‘Good’ companies understand that *how* they behave is just as important as *what* they do. The best companies, in our experience, are all reassuringly human.

Our ‘friends-lens’ is a simple approach designed to capture the personality and behaviours of a business. We’ll ask every company that we invest into, or partner with, some simple questions so that we’re better able to understand the team and the values that drive them.

We recognise that there’s no right or wrong answer to these questions and that lots of companies, Octopus included, are at the start of this journey. That’s why, every month, we share the best ideas from our portfolio of companies so that we’re all able to learn from one another.



1 WHY DO YOU GET UP IN THE MORNING?

Fundamentally, we want the world to be a better place because of the companies we’ve built, or invested in.

So we look for restless companies with a sense of purpose. Companies that aren’t afraid to set big, hairy, audacious goals and aren’t fazed by trying to do something that everyone has told them isn’t possible.

2 ARE YOU DOING RIGHT BY PEOPLE?

We believe good companies do the right thing, even when no one is watching. They’re open-minded and they treat their employees, their customers and all their other stakeholders in the same way they treat their mum.

3 ARE YOU DOING RIGHT BY PLANET?

Good companies recognise the climate emergency we now face. And they’re taking action rather than talking about it, minimising their own impact and using their position to influence others to make the changes we need to see.

4 ARE YOU ‘MULLET’ ENOUGH?

The mullet is an interesting hairstyle – business at the front, party at the back. That’s the kind of company we’d like to be friends with.

We like companies that get stuff done, that aren’t afraid to be different and that always know how to make us smile.



At Octopus, we're both entrepreneurs and investors.

In this report you'll learn about the pioneering work that both we, and our portfolio companies, are doing to help build a brighter future.

You'll read about the billions of pounds we're investing in the infrastructure needed to build a greener, more sustainable future, as well as our investments in some truly game-changing entrepreneurs.

We're proud of the impact Octopus, and the entrepreneurs we back, are having on helping to build a better tomorrow.

We hope you enjoy their stories.

BUILDING A SUSTAINABLE PLANET

A stylized illustration of seven wind turbines. They are depicted in a light blue or white color, standing on a white, curved horizon line. The background is a solid dark blue. The turbines are arranged in a slightly staggered line, receding into the distance.

We've invested £4.4 billion
into solutions building a
sustainable planet.

What if we POWERED PEOPLE WITH PLANTS

EATING JUST THREE PLANT-BASED MEALS
EVERY WEEK FOR ONE YEAR SAVES...

600 kg CO₂
the equivalent of driving
from London to Egypt
(5,000 km).



370,000 litres
of water
the equivalent of leaving
the shower on for 33 days.



Almost one
acre of land
which could be used to
plant over 1,000 trees.



ALLPLANTS

Allplants has no need to set out a stall of moral principles—the global meat-reducing macro trend is taking care of that. They are simply aligned with changing consumer priorities, namely the desire for delicious plant-based food, made easy.

Allplants was born to inspire the planet to eat more plants, because they believe creating happy communities and healthy ecosystems starts on our plates.



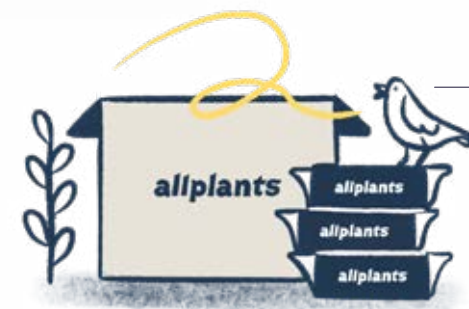
Plant-based meals

Every recipe is crafted to balance health and taste. Made by chefs, taste-tested by them, enjoyed by you.



Delivered frozen

To lock in nutrition and taste, from their kitchen to yours when you need it most.



Sustainably produced

From food to delivery, everything is designed to protect the planet.

What if **BEST BEFORE DATES WERE YESTERDAY'S PROBLEM?**

OLIO

Reducing food waste is the #1 solution to fighting the climate crisis. Olio's vision is to create millions of hyper-local-food-sharing networks all around the world. They're helping to create a future in which nothing of value goes to waste, and every single person has enough to eat – without destroying our planet in the process.

Olio is tackling the problem of food waste by connecting neighbours with each other, and volunteers with local businesses, so that surplus food can be given away, not thrown away. To date, 3 million people have joined the Olio community and they've shared 15 million portions of food, and counting.



An area
larger than China
is used to grow food that is never eaten.



25%
of the world's fresh water supply is
used to grow food that is never eaten.



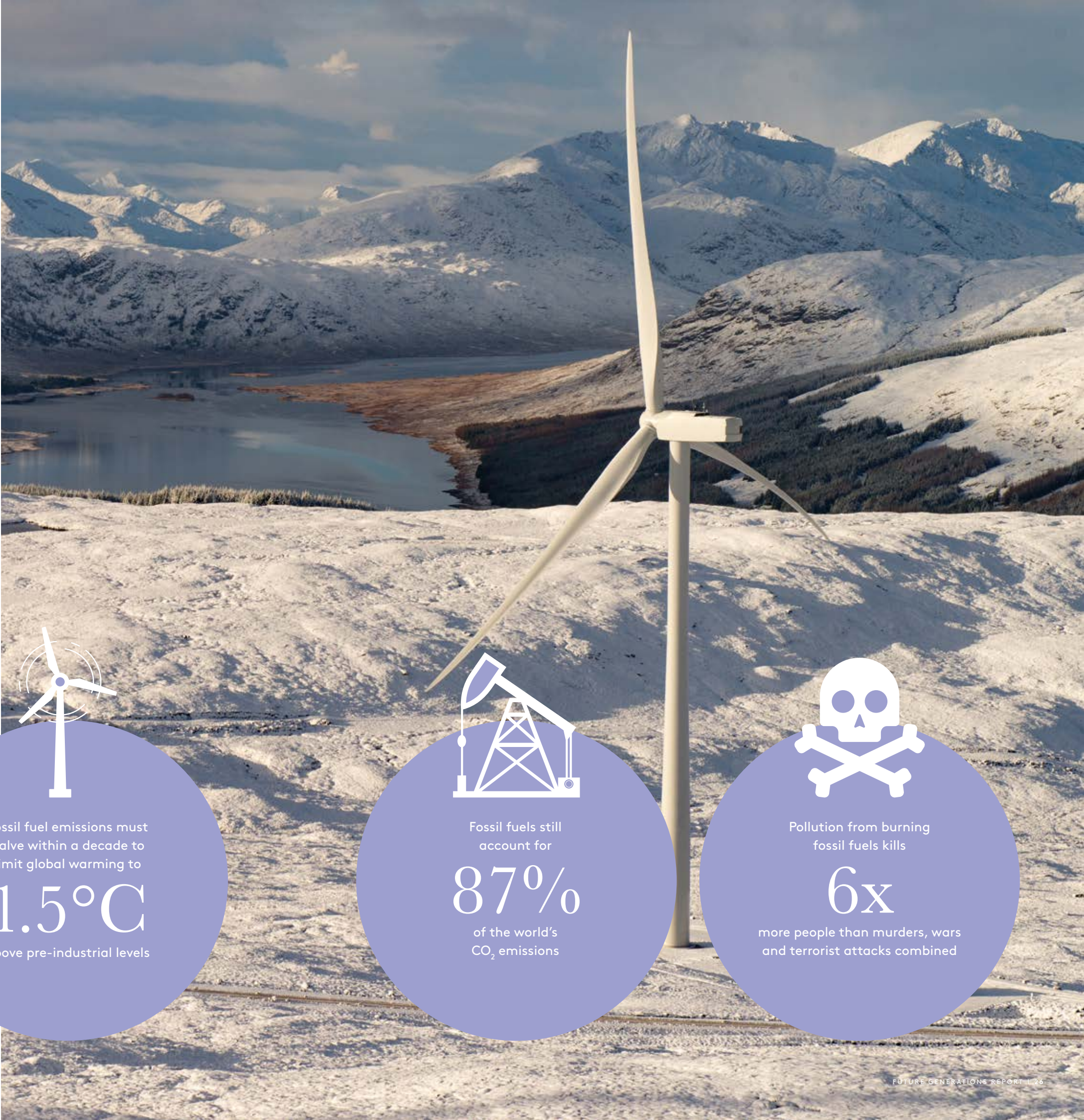
If food waste was a country,
it would be the **3rd largest**
emitter of greenhouse
gases (after China
and the US).

LIMITLESS CLEAN POWER

Our future sources of energy are already here. One hour of sunlight is equivalent to one year's worth of energy for the planet.

Trillions of pounds needs to be invested into renewable energy sources and Octopus is leading the way.

We currently manage a global portfolio of renewable energy assets valued at more than £3 billion, powering 1.1 million homes with clean energy.



\$900
billion

the cost to China each year
from air pollution caused by
fossil fuels



Fossil fuel emissions must
halve within a decade to
limit global warming to

1.5°C

above pre-industrial levels



Fossil fuels still
account for

87%

of the world's
CO₂ emissions



Pollution from burning
fossil fuels kills

6x

more people than murders, wars
and terrorist attacks combined

What if we SWAPPED RATHER THAN SHOPPED?

WHIRLI

Through the power of the sharing economy, Whirli has created a proposition that works for both parents and planet.

Whirli subscribers borrow toys instead of purchasing them. Any unloved or outgrown toys can be sent back to Whirli and swapped for something else. By borrowing, parents are

getting far better value for money and reducing their environmental footprint, and their children are getting more varied playtime.

Underpinning their business is Whirli's proprietary technology platform, which tracks over 50,000 toys as they circulate between households.



INVESTMENT



the average child has

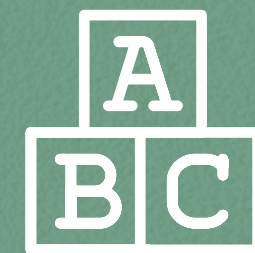
four

toys they've never even
played with



8.5 million

toys are thrown away
every year in the UK



80%

of all toys end up in landfill

“

WE ARE AT AN
INFLECTION POINT,
AND THE END OF
MASS PRODUCTION
AND CONSUMPTION.
NO MORE BUSINESS
AS USUAL.”

BRUNO MATTIA
HEAD OF SALES, UNMADE

What if **EVERYTHING** **WAS MADE TO** **ORDER?**



The average textile
finishing company uses

466g

of chemicals for
every 1 kg of textile



The fashion
industry accounts for

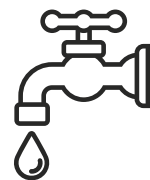
10%

of global CO₂ emissions



20%

of manufactured
garments are never sold
and end up in landfill



The fashion industry uses

1.5
trillion

litres of water every year

INVESTMENT

UNMADE

The fashion supply chain is broken, driven by mass production and mass demand. The future of manufacturing requires an on-demand supply chain, where products are pulled into the market rather than pushed.

Unmade's software platform connects consumer demand directly to product and production using patented automation and visualisation technologies. This enables brands to be more demand driven and leverage opportunities such as customisation, team sports and micro-fulfilment.

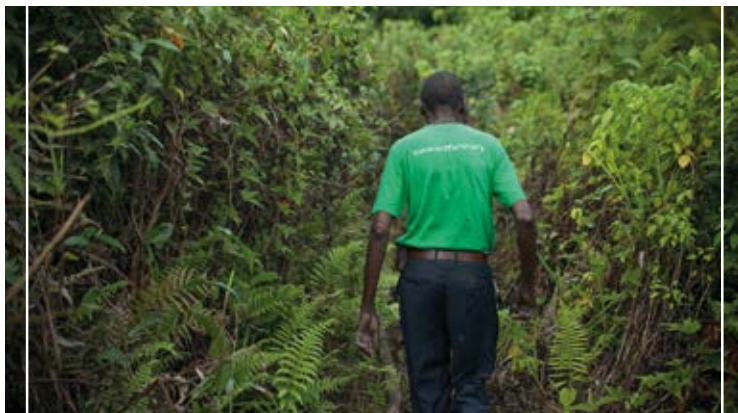


EMPOWERING PEOPLE



We've invested
£737 million into solutions
empowering people and
supporting communities.

What if **DAVID** **ALWAYS BEAT** **GOLIATH?**



WEFARM

Four of the five most-traded commodities on earth, and 70% of the world's food, are produced by smallholder farmers. No one has built a platform for these farmers. Until Wefarm.

Wefarm is the world's largest farmer-to-farmer digital network, allowing farmers to connect with one another.

Utilising the latest machine-learning technology, Wefarm generates bespoke, crowdsourced information to help farmers increase yields, gain insight into pricing, tackle the effects of climate change, source the best-quality seeds, fertiliser and loans, and diversify farmers' agricultural interests.

INVESTMENT



Smallholder farmers produce

70%
of the world's food



525
million

There are 525 million smallholder farms in the world

Small-scale farmers cultivating less than five acres live on less than



\$2 per
day



26.7%
of the world's population
derive their livelihoods
from agriculture

What if juggling CAREERS AND CHILDREN WAS MADE EASY (OK, EASIER)?

WHAT IS OCTOPUS SPRINGBOARD?

We've always wanted Octopus to be an army of entrepreneurs. That's why, in 2018, we launched the Octopus Springboard programme to give employees the confidence and the capital to leave Octopus and set up their own businesses. Karen Taylor, the founder of Parent Cloud, is one of these people.



SPRINGBOARD

PARENT CLOUD

Parent Cloud is helping to transform businesses by creating a workforce of healthier, happier parents.

Through Parent Cloud, employees can access experts in fields such as antenatal/birth/postnatal coaching, breastfeeding, nutrition, infant sleep, therapy sessions and career coaching. The benefits are clear – increased employee engagement, improved mental wellbeing and enhanced levels of gender inclusion.

of working women say it is hard to combine a successful career with caring responsibilities

of mothers at the end of maternity leave feel they don't have the confidence to return to work

less likelihood that a mother will be promoted than others

more stress for working parents than their peers

40%

50%

57%

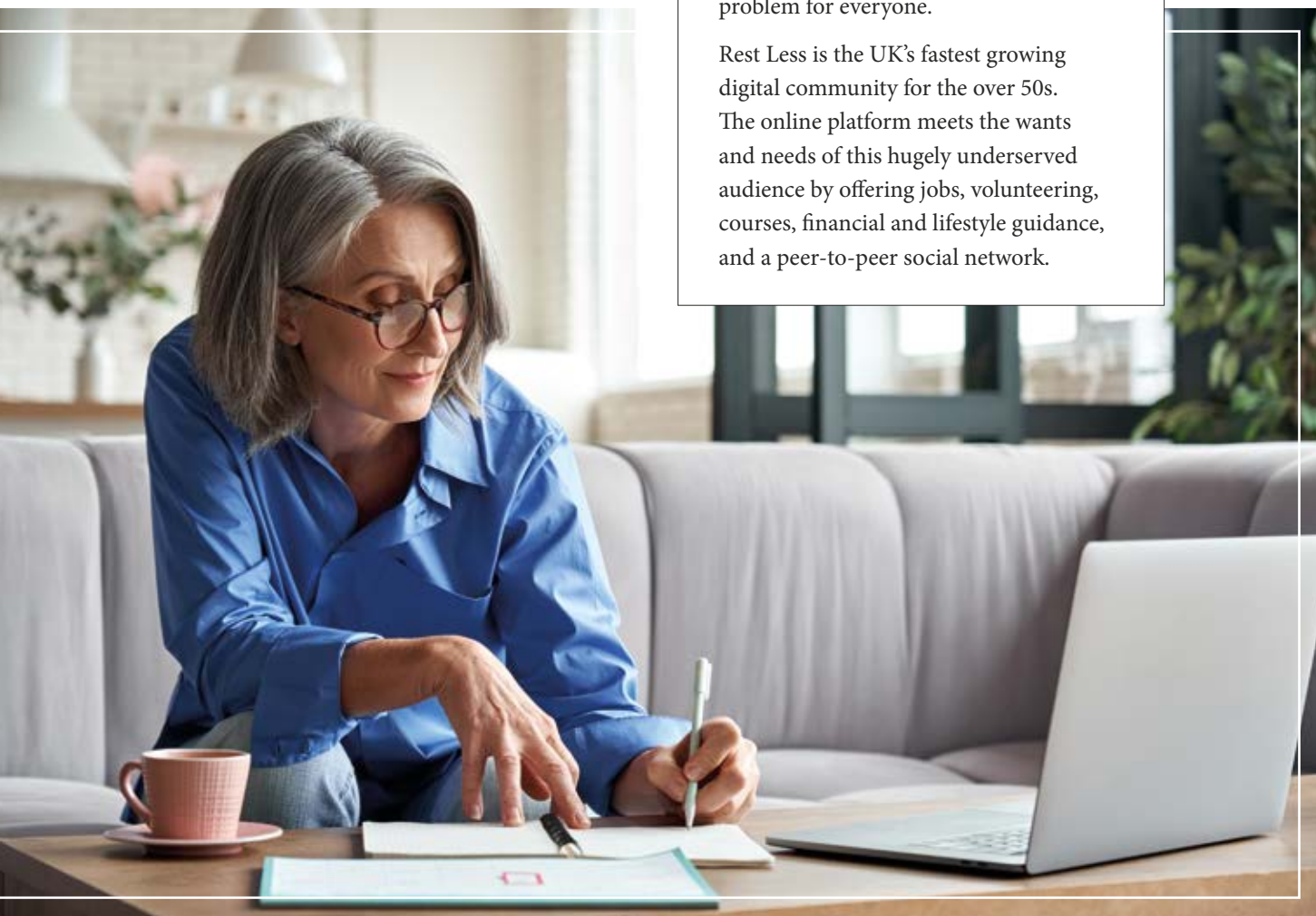
93%

What if we REPLACED 'OVER THE HILL' WITH 'WISE'?

REST LESS

We face the risk of a lost generation of unemployed and socially neglected over 50s who are being forced into early retirement. This is not only a personal tragedy for the older generation, it's a problem for everyone.

Rest Less is the UK's fastest growing digital community for the over 50s. The online platform meets the wants and needs of this hugely underserved audience by offering jobs, volunteering, courses, financial and lifestyle guidance, and a peer-to-peer social network.



240%

increase in the number
of redundancies
among the over 50s
since the pandemic



1 in 5

unemployed over 50s
have been out of work
for at least two years



>600k

people are claiming
universal credit after
more than three decades
in the workplace



59%

increase in economically
active over 50s compared
with 20 years ago

What if **'MONEY'** **WAS NO** **LONGER A** **DIRTY WORD?**

OCTOPUS MONEYCOACH

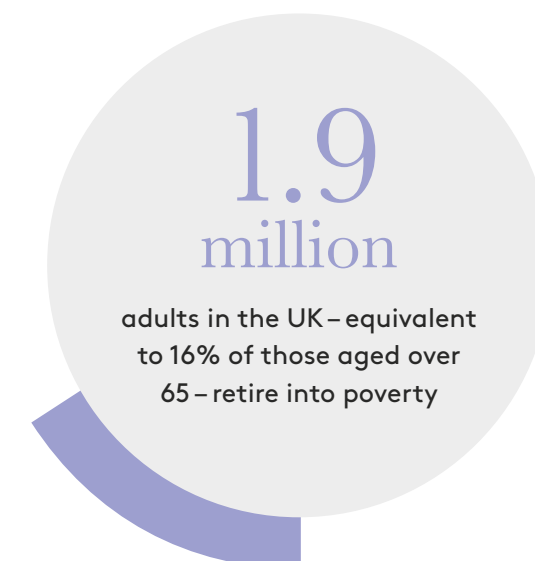
The #1 cause of stress in the UK is money. In fact, more than 18 million adults in the UK worry about money every single day.

And these worries span all age groups. Those at the start of their careers worry about their student debt, getting on the housing ladder or starting a family. And those in their 40s or 50s are often concerned about the cost of supporting their children or whether their pension pot will be sufficient to fund them

in retirement. But half of us never talk to anyone about these worries.

Octopus Moneycoach is working with employers to improve the financial wellbeing of everyone in the workplace.

Through a low-cost monthly payment, every employee receives their own financial coach to help them get on top of their finances and live the life they want.



WHAT IF WE LEVELLED THE PLAYING FIELD?

£59
billion

the economic benefit
to the UK economy
from full fibre networks

94%

of business owners consider
internet connection critical to
the success of their business

50%

of the lowest-income
households do not have
internet access at home

20%

of people who access the internet
do so via community libraries

20%

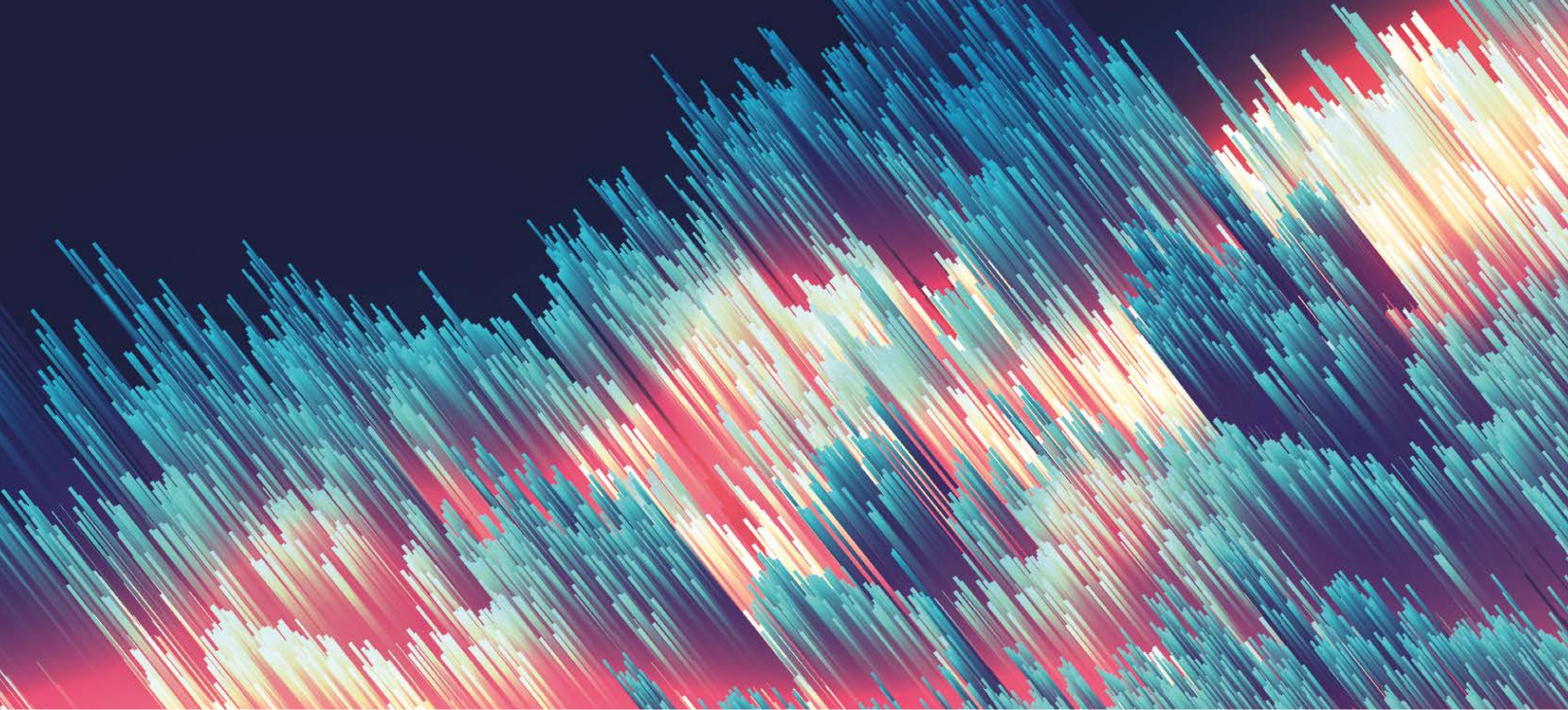
estimated global carbon emissions
reduction associated with
switching to high-speed, high-
capacity, full fibre broadband

18%

of UK premises are currently
equipped with full fibre
ultrafast broadband

10%

of adults in the UK do
not use the internet



Digital inequality and uneven access to the internet existed before the current COVID-19 crisis, but it's even more clear now. Remote working, learning and communicating are a new way of life and fast broadband provides opportunities to those who can access it.

JURASSIC FIBRE AND SWISH FIBRE

Jurassic Fibre and Swish Fibre are two companies that we've developed to roll-out state-of-the-art fibre networks capable of delivering superfast internet.

They're levelling the playing field by bringing full fibre solutions to communities across

the UK. This starts with providing access to high-speed connectivity and continues with community education – access for vulnerable groups, safe use of the internet for families, connectivity for schools, small businesses, public places, and more.

What if learning was **AFFORDABLE, ACCESSIBLE AND ACTUALLY USEFUL?**

HAVE YOU EVER CONSIDERED DOING AN MBA? A FEW YEARS BACK, IT WAS THE 'DONE THING' BUT AS A SOCIETY WE'VE STARTED TO BECOME MORE ENTREPRENEURIAL, MORE CREATIVE, MORE INVENTIVE.

JOLT

Jolt doesn't subscribe to the idea that business schools should only be accessible to those with the biggest bank accounts. They believe that the best leaders of the future are, in fact, self-made. The people who had to work hard for what they have. The people who learn through doing, because they've had to.

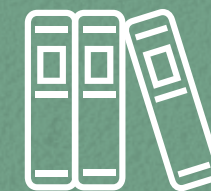
Jolt believes that learning should be affordable, accessible and packed full of implementable skills. That's why they're committed to teaching business administration using the world's most innovative, current business methodology: the start-up method.

INVESTMENT



>75%

of graduates believe higher education programmes are no longer fit for purpose



£78,500

the cost of a full-time MBA programme in the UK at London Business School



MBA jobs declined by

34%

between May 2019 and May 2020



What if 'SPECIAL NEEDS' REALLY MEANT 'SUPER POWERS'?

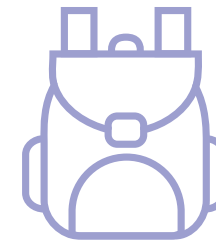


AURORA

The Aurora Group, owned directly by Octopus, is a trusted provider of education, care and support for children, young people and adults with special educational needs and disabilities.

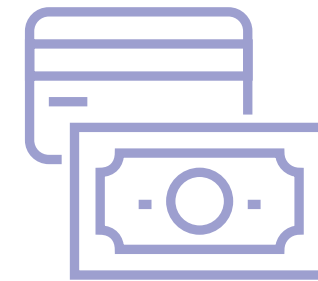
Through their network of pioneering schools, colleges and residential homes, they are ensuring that those in their care live fulfilling, independent lives.

Aurora is committed to creating a society in which everyone can thrive regardless of the barriers they face. Standing together with families, they are helping employers and communities understand and value the diverse attributes and contributions of each and every person.



1.4 million

pupils have special educational needs in England, **equivalent to 15.5% of the school population**



Only

6%

of UK adults with a learning disability are in paid work, compared to **76% of people aged 16 to 64** in the general population



A survey of 900 parents and carers of children with autism found that

30%

had been forced to give up their jobs as a result

REVITALISING HEALTHCARE



We've invested £1.7 billion
into solutions revitalising
our healthcare system.

What if WOMEN'S TECH ACTUALLY WORKED FOR WOMEN?



80%

of women wish they could
breastfeed for longer



1 in 3

women suffer in silence
with pelvic floor issues



<2.5%

of publicly funded
research is dedicated to
reproductive health

INVESTMENT

ELVIE

Elvie's mission is to improve women's lives through smarter technology. They approach problems as women and solve them as engineers, scientists and designers, starting with a real need and innovating around it.

Armed with genuine female insight and world-class design expertise, their first two products – a pelvic floor trainer and a silent, wearable breast pump – are transforming the way women think and feel about themselves.

**"WOMEN'S HEALTH AFFECTS
51% OF THE POPULATION
BUT IS OFTEN SEEN AS A
NICHE ISSUE."**

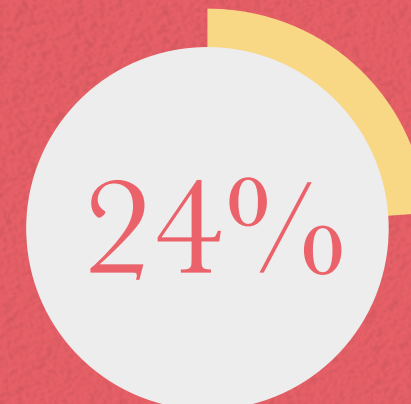
DR TANIA BOLER
FOUNDER AND
CHIEF EXECUTIVE,
ELVIE



WHAT IF WE BUILT AN INCLUSIVE SOCIETY THAT SUPPORTED THE HEALTH AND WELL- BEING OF OUR ELDERLY?



of older people in
England receive no help
or very little help with
their care needs



of people aged over 60
stated they sometimes
or often felt lonely

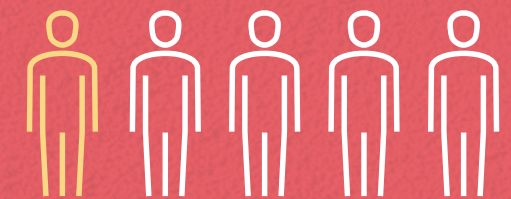


of adults aged over 55
said they had experienced
depression or anxiety



140,000

beds, equivalent to 6,500 care homes, are
at risk of closure over the next five years



By 2030,

1 in 5 people in the UK will
be aged 65 or over



1.4 million

older people do not have access to the
care and support that they need



The UK needs to spend

£15 billion

to upgrade existing beds to future
proof against the ageing population



CARE HOMES

Working with operators and our in-house Clinical Assurance Team, our investment teams are helping to build modern, fit-for-purpose care homes.

Across our portfolio of 60 care homes, we strive to create facilities and an environment that you'd choose for your loved ones.

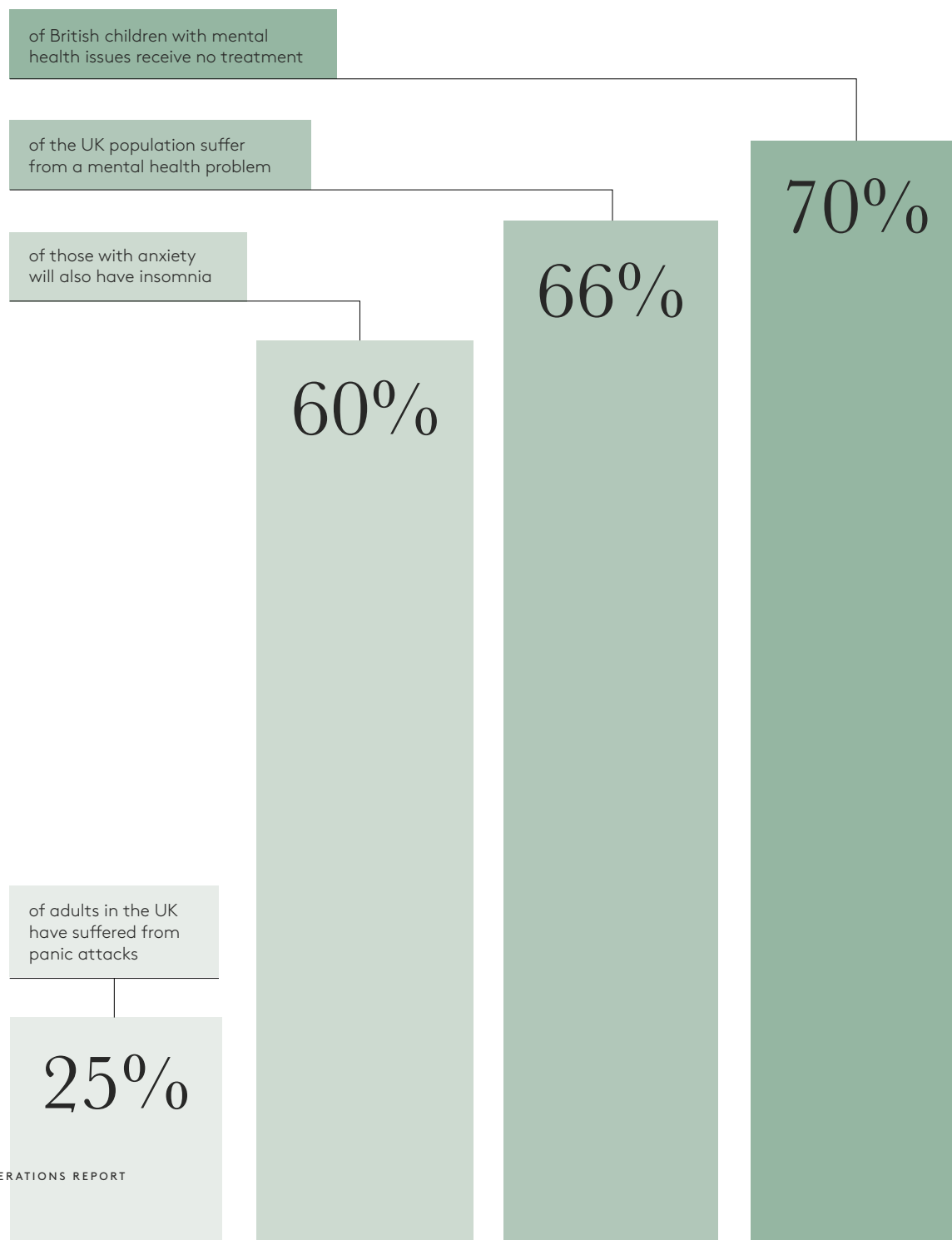


RETIREMENT LIVING

Our Investment Teams are working with leading operators to deliver retirement communities that meet the aspirations, and prolong the independence, of the UK's ageing population.

Based on great design and tailored to customer age, they aim to make the retirement years some of the best of people's lives.

What if we THRIVED RATHER THAN SURVIVED?



BIG HEALTH

Better mental health means lower costs. Analysis of Sleepio, Big Health's app, suggests that if scaled across England it could save the NHS £99 million.

Treating ethics as a duty, not a chore, Big Health is helping millions of people back to good mental health with scalable solutions to insomnia and anxiety.

SLEEPPIO

Sleep well, feel happier, worry less.
Sleepio is a digital sleep improvement programme that is scientifically proven to help overcome poor sleep and thereby improve mental health.



DAYLIGHT

The approachable new way to address worry and anxiety.
Big Health's digital therapeutic for worry and anxiety, Daylight is a fully automated yet highly personalised mobile app built with talent from Pixar and Radiolab: experts at building emotional connection at scale.



What if **THOSE MOST IN NEED WERE FIRST IN THE QUEUE?**

CLINIGEN

Between two and five billion people have low or non-existent access to the medicine they need.

Clinigen doesn't just help make medicines available, it gets them to the people who need them most, however challenging the circumstances might be.



INVESTMENT



80%

of the world's population has almost no access to medicines for relieving moderate to severe pain



1.6 million

people die of malaria, tuberculosis and HIV-related illnesses every year in Africa



100 million

people a year are forced to choose between healthcare and food



90%

of the population in low and middle-income countries purchases medicine through out-of-pocket payments

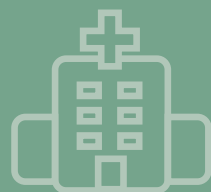
What if business **PREVENTED ADDICTIONS RATHER THAN FUELLED THEM?**



Each year, nearly half a million Americans die prematurely of smoking or exposure to second-hand smoke



Every day, 1,600 children in the US smoke their first cigarette



In 2019 reported deaths from drug overdose in the USA and UK reached an all-time high



More than 1.4 million people are dependent on alcohol in the UK

INVESTMENT

QUIT GENIUS

1 in 4 Americans battles a substance addiction that adversely affects health and happiness.

Quit Genius is set to change this with a digital clinic model that allows users to access a proven treatment programme 100% remotely. The therapy treats the whole person, not just the individual addiction.

So far their product has achieved a smoking quit rate of 53% across 60,000 users and they're already the #1 digital clinic for substance addictions.



OUR PROMISES

At Octopus, we want to demonstrate the power of business as a force for good and to inspire the companies we invest in to become partners in our vision for the future.

“

WE'RE APPROACHING
A SEISMIC SHIFT IN
THE WAY MONEY IS
INVESTED. THE TIPPING
POINT WILL COME WHEN
PEOPLE REALISE THAT
VALUE IS NEVER JUST
ABOUT THE NUMBERS."

JACK CRACKNELL
IMPACT &
SUSTAINABILITY MANAGER,
OCTOPUS GROUP

We're constantly frustrated by the apathy, denial and greenwashing we see from most companies.

They know things need to change, but they're not willing to make the sacrifices that are necessary.

That's why we wanted to end our 2021 Future Generations Report with three simple promises.

Promise #1

WE'RE PUTTING OUR MONEY WHERE OUR MOUTH IS BY INVESTING A FURTHER £1 BILLION INTO 'GOOD' COMPANIES NEXT YEAR.

To date we've invested **£6.8 billion** into building a sustainable planet, empowering people and revitalising healthcare. This means that **67%** of our total funds under management are invested in 'good' companies

Increasing this percentage – year after year – is critical to achieving our overall mission.

That's why, by April 2022, we've set ourselves the target of investing a further **£1 billion** in helping to build a better future.

So you know, here are our stats today:

£4.4 billion

currently invested in building a sustainable planet

£1.7 billion

currently invested in solutions revitalising healthcare

£737 million

currently invested in solutions empowering people

We look forward to showing you how the £1 billion was invested in next year's report.

Promise #2

WE'RE GIVING OUR MOST VALUABLE RESOURCE TO WORTHY CAUSES: WE'RE COMMITTING 5,000 HOURS OF OUR TIME TO THE CHARITIES WE WORK WITH.

In 2015, we set up our charitable foundation – Octopus Giving. Octopus Giving is here to support and work with charities targeting the same social and environmental issues as our core business.

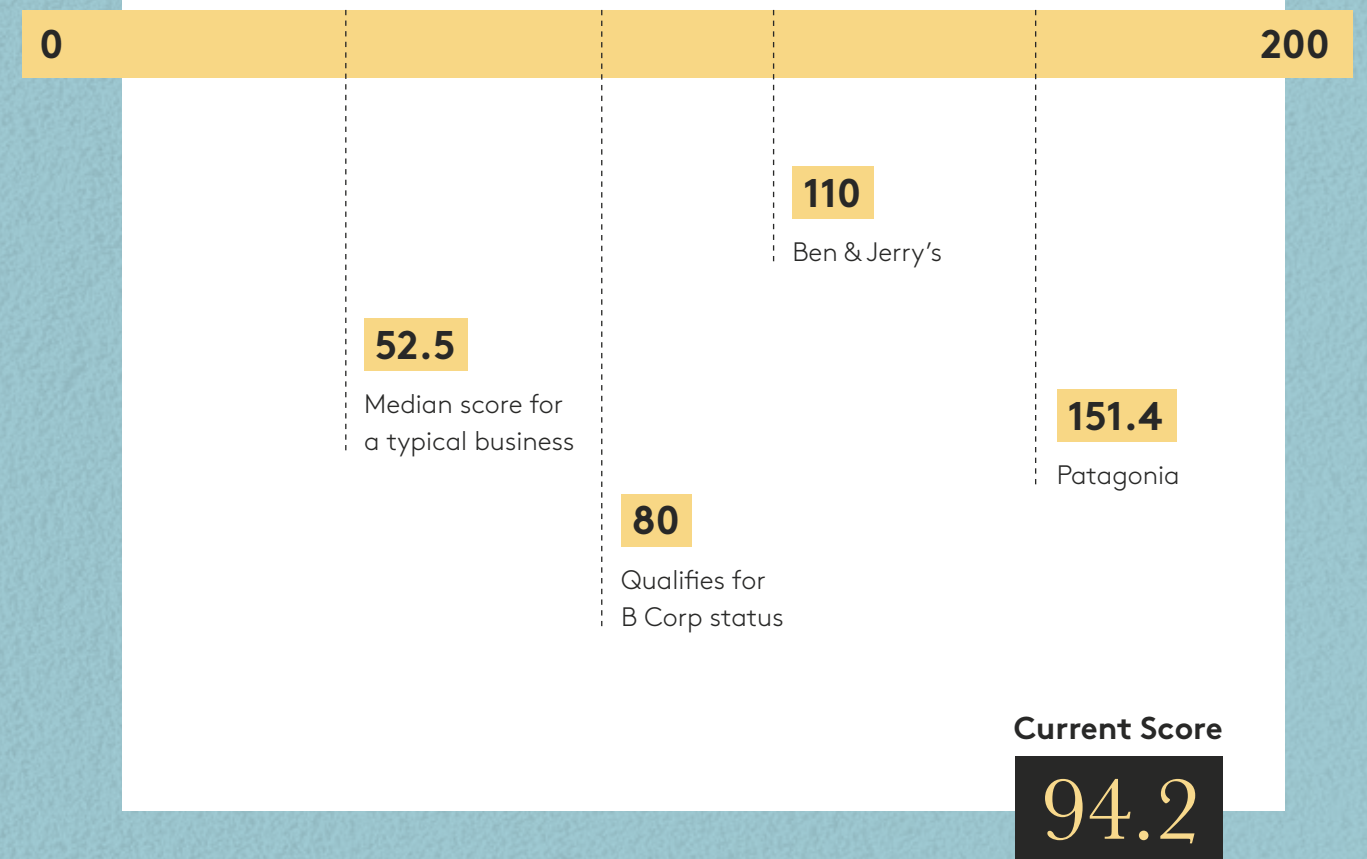
While we recognise that our financial donations are important, we're more motivated by the time that our people choose to give to these causes.

Promise #3

INCREASING OUR B CORP SCORE TO OVER 100

All Octopus businesses are certified B Corporations, the equivalent of a Fairtrade coffee stamp, but for companies. B Corporations are businesses that meet the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose.

Today we score 94.2. While that's comfortably above the minimum qualifying score of 80, there are lots of things we'll need to improve to achieve Patagonia-like status (151.4). We're aiming to increase our score to **100** by this time next year.



octopus

A brighter way