SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Validation Statement

NEAR-TERM SCIENCE-BASED TARGETS

DATE OF APPROVAL: September 22 2025

*SBTi Services has validated that the greenhouse gas emissions reduction target(s) submitted by **(Octopus Group)** conform with the SBTi Criteria and Recommendations **(Financial Institutions' Near-Term Criteria Version 2.0 and SBTi Private Equity Sector Science-Based Target Guidance)**.*

The official validated target language:

Scope 1 and 2: Octopus Group commits to reduce absolute scope 1 and 2 GHG emissions 90% by 2030 from a 2023 base year.

Octopus Group commits to increase active annual sourcing of renewable electricity from 87% in 2023 to 100% by 2030.

Scope 3 category 1-14: Octopus Group commits to reduce scope 3 in-use operational GHG emissions of owned and leased buildings 66% per m^2 by 2030 from a 2024 base year.

Octopus Group commits to install no new fossil fuel equipment that are owned or financially controlled by the company in its buildings portfolios from 31 December 2030.

Scope 3 Portfolio Targets

Headline target: Octopus Group's portfolio targets cover 82% of its total investment and lending by total assets under management as of 2023. As of that year, required activities made up 82% of Octopus Group's total investment and lending by total assets under management while optional activities made up 16% and out of scope activities made up 2%.

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Scope 3 asset class level targets

Asset class	Method	Target language
Real estate	Sector Decarbonization Approach (SDA)	Octopus Group commits to reduce all in-use operational GHG emissions from its commercial real estate loan portfolio 50% per m^2 by 2030 from a 2023 base year.
Electricity generation project finance	SDA | Maintenance	Octopus Group commits to continue providing electricity generation project finance for only renewable electricity through 2030.
Listed equity	Temperature Rating	Octopus Group commits to align its scope 1 + 2 portfolio temperature score by invested value within the listed equity portfolio from 3.09°C in 2023 to 2.44°C by 2030. Octopus Group commits to align its scope 1 + 2 + 3 portfolio temperature score by invested value within the listed equity portfolio from 3.09°C in 2023 to 2.54°C by 2030.
Private equity	Portfolio Coverage	Octopus Group commits to 45% of its eligible private equity portfolio by invested value setting SBTi-validated targets by 2030 from a 2023 base year.

SBTI Services Limited is a limited company registered in England and Wales (15181058). Registered address: 66 Lincoln's Inn Fields, London, England, WC2A 3LH. SBTI Services Limited is a wholly owned subsidiary of Science Based Targets Initiative.

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Summary

Octopus will implement the following strategy and actions to achieve its targets:

Operational emissions for Octopus offices: Octopus will engage with their landlords to encourage them to move to 100% renewable electricity. Octopus headquarters will move into a more energy efficient building when the existing tenancy runs out. Until that happens, Octopus will follow the Energy Savings Opportunity Scheme (ESOS) Phase 3 guidance and advice, and implement the suggestions from the most recent report.

For their Private equity portfolio Octopus will engage with the companies that fall in the scope of the Portfolio Coverage target, inform them that Octopus have committed to the SBTi, and set out what the expectations are to meet the validated science-based targets. Octopus will offer education sessions and group learning sessions so companies can learn from each other. The companies will be made aware of the requirement to set their own targets by 2030.

The Real Estate equity portfolio will reduce operational emissions by reducing energy demand, optimizing usage and adopting renewables. Measures include building design enhancements, insulation, glazing, tenant education, LED lighting, heat pumps, smart meters, battery storage, and renewable energy sources like green electricity tariffs and solar panels.

For the Quoted listed companies, Octopus will engage with the highest emitting companies and encourage them to disclose their emissions data and then set targets against them.

Octopus will strive to gather precise operational emissions data related to commercial real estate loans. In cases where obtaining accurate data proves challenging, Octopus will collaborate with PCAF to attain the most reliable estimates.

Octopus has selected these actions because each asset class will need to take a different approach.