



Octopus Australia

Impact Report

For the year ended 31 December 2022

octopus investments

A brighter way

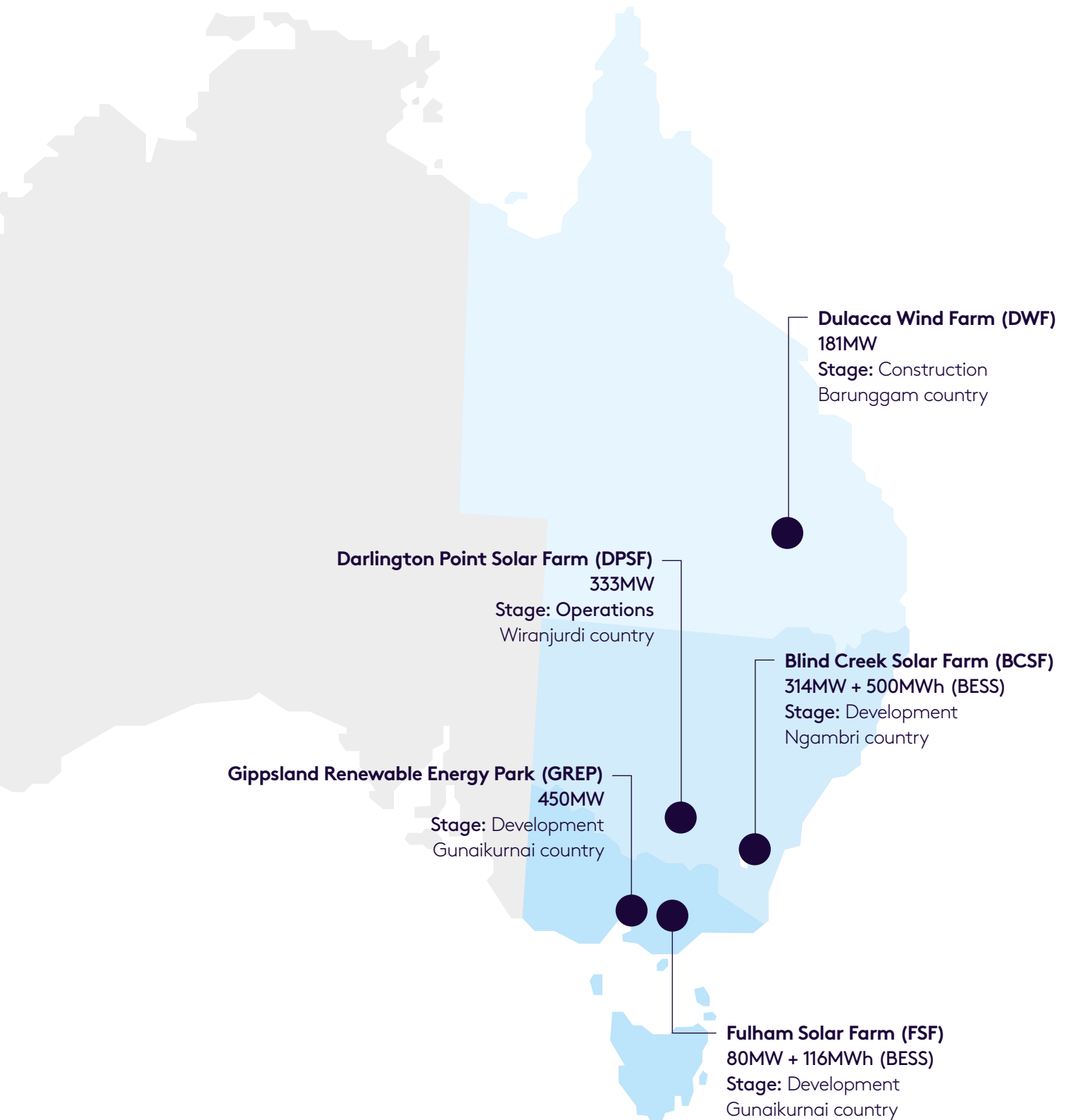
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Our Assets

As at 31 December 2022





Impact Report

As at 31 December 2022



\$3.5bn

Total value of all renewable investments¹



956k

Equivalent cars off the road to avoid the same carbon^{1,2}



2.1m

Estimated annual tonnes of carbon avoided^{1,3}



532k

Equivalent Australian Homes powered by clean energy^{1,4}



10m

Equivalent new trees required to avoid the same carbon^{1,5}

¹Based upon completion.

²Equivalent cars is calculated using a factor for displaced cars derived from the GHG Conversion Factors for Company reporting.

³Carbon avoided is calculated using the International Financial Institution's approach for harmonised GHG accounting.

⁴Homes Powered is based on latest regional average household consumption in the region of production.

⁵Trees equivalent is based on Woodland and Peatland carbon statistics.



Managing Director's Statement

Accelerating to Net Zero with impact investing

The COP26 conference in November 2021 has made clear that both a rapid transition away from fossil generation to a system driven by renewables is needed and that there is widespread support for delivering this.

To achieve this, there needs to be a significant increase in the pace of investments into renewable generation and infrastructure. Clean, green electricity is the key to decarbonising not just the power system but wider industry sectors.

Foreseeing how this transition might progress, Octopus Australia (OA) updated its Investment Policy to allow investment into development stage assets. Having access to a pipeline of early stage assets provides greater additionality than an investment into funds focussed primarily on existing operating assets.

However, we don't just rely on the greenness of our assets, there is a much bigger opportunity to create additional impact. By building Australian infrastructure in communities, we have the opportunity to create jobs and support local businesses, creating economic sustainability as much as environmental sustainability. It is vital we mitigate any possible negative impacts and risks to communities as we develop, construct and operate a portfolio of renewable energy assets.

OA are not your traditional investment managers. We make long term investments that require a long term view both at the initial investment decision stages and in subsequent asset management stages.

One thing I am personally passionate about is the launch of our latest venture, Desert Spring Octopus, that will develop renewable energy and other infrastructure opportunities for First Nations Australians in Australia. This provides a great opportunity for our First Nations communities to contribute to our journey as a nation towards net zero. We also see this as a valuable point in time to learn from our indigenous communities.

With the momentum created by Desert Springs Octopus and project impact initiatives, coupled with investing in earlier-stage assets, we are confident that we are playing a crucial role in accelerating the world to a net zero future.

Sam Reynolds
Managing Director
Octopus Australia



By building Australian infrastructure in communities, we have an opportunity to create jobs and support local businesses, creating economic sustainability as much as environmental sustainability. It is vital we mitigate any possible negative impacts and risks to communities as we develop, construct and operate a portfolio of renewable energy assets."

A photograph of a wind farm in a desert landscape, featuring numerous white wind turbines on rolling hills under a clear sky. The image has a blue color cast. In the foreground, there is a fence made of vertical wooden posts.

Desert Springs Octopus



Desert Springs Octopus

OA is partnering with an Indigenous company to support an energy transition in Australia’s north to be led by First Nations communities and businesses.

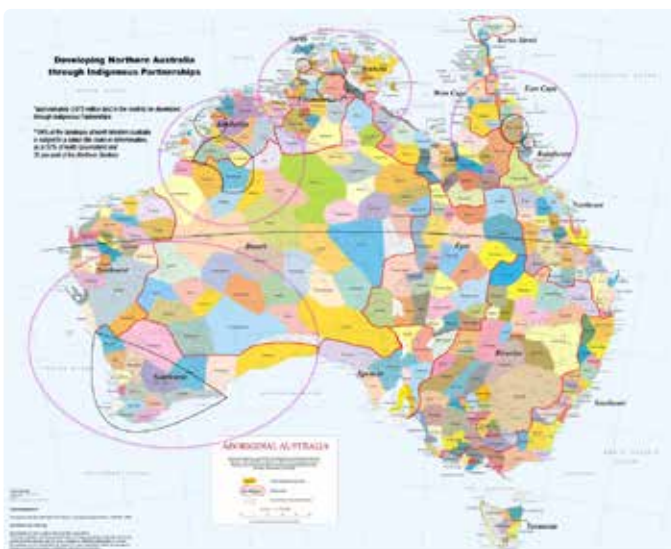
In February 2022, OA entered into a joint venture with Indigenous company, Desert Springs Renewables, led by Bevan Mailman, a respected member of the First Nations community and Principal of Indigenous law firm, Jaramer Legal.

Desert Springs Octopus (DSO) is a 70% Indigenous owned company which will partner with First Nations communities in northern Australia to develop renewable energy assets, working with those communities from day one to identify and co-design project opportunities.

DSO will change the approach taken by other infrastructure and resources companies, who historically have not involved Traditional Owners until after projects have been identified and feasibility has already been carried out.

DSO strives to support the broader goal of First Nation communities by creating opportunities for co-ownership and self-determination through the establishment of a circular economy, which will lead to generational wealth and independence in those communities.

Throughout 2022, DSO has engaged with a number of First Nations communities and organisations across northern Australia to develop relationships and support for DSO’s initiative.



This map shows all the First Nations tribal language groups across Australia. The nations circled with a black border are those identified as DSO’s proposed Indigenous community partners. The areas circled with a purple border identify the anticipated influence of those proposed partners in relation to other language groups in the region.



Octopus Giving



Octopus Giving

Some of society’s problems are best solved by partnering with amazing charities. This is where Octopus Giving comes in.

Octopus Giving Australia was set up in 2018 to help charities make the world a better place. As well as donating money and offering advice to our charity partners, we also actively encourage our people to roll up their sleeves and get involved.

We do this for two reasons. First, we know we have valuable skills to share. Secondly, we know that our people get a huge amount out of the time they give. Having the chance to make a positive impact on the planet and the people around them is one of the things that sets us apart from other companies.



\$36k

Total donations



6

Total charities supported



352

Total volunteer hours

OA is part of Octopus Group, which through Octopus Giving, donated £394,000 via matched funding and other charity initiatives and over 5,400 hours of volunteering during the year.

Our partner charity

OA’s charity partner for the next 3 years is One Voice. One Voice are a relatively small but ambitious charity working across Australia especially in the main capital cities to help restore dignity to over 250,000 people experiencing homelessness today.

OA will not only donate funds but also significant amounts of time to One Voice to help them at a really critical point in their journey.



In addition to One Voice, members of the OA team have been involved in volunteering and fundraising for a number of other charities.

For example, the Sydney team volunteered with the Salvation Army’s Street Level Mission, assisting in the kitchen and op shop run by the mission.

The background of the page is a photograph of a wind farm at dusk or dawn, with a teal color overlay. A large graphic on the left side consists of many thin, white, horizontal lines that form a triangular shape pointing to the right, overlapping the silhouettes of the wind turbines.

Impact Strategy



Impact Strategy

OA has a core impact goal of accelerating the transition to net zero through our investments into building and operating a diversified portfolio of renewable energy assets.

OA enables individuals and institutions to invest directly into a portfolio of renewable energy assets which generates a yield through renewable energy generation. The renewable energy generated supports the transition to net zero by replacing unsustainable energy sources with clean power. This intended outcome is our core impact objective.

The ability to invest in renewable energy assets is a powerful tool, which not only enables people to invest in line with their values, but also drives change; facilitating the transition to a more sustainable future.

Through our investments we consider a wide range of stakeholders when making decisions, including our customers, shareholders, employees, the community and the environment. This is aligned to our commitments as a certified B Corporation (B Corp).

The Impact Strategy also considers our activities through three lenses – People, Planet and Performance – to ensure that our activities integrate ESG risks and bring to life additional impact opportunities. The Impact Strategy defines ESG and Impact as:

- **ESG** – a vital risk management approach to identify and mitigate a range of potential issues to protect, and hopefully enhance, the long-term value of our investments
- **Impact** – what an investment does to the environment or society

OA makes long-term investments that require a long-term view to be taken both in initial investment decisions and in subsequent asset management; adopting lasting and sustainable business practices. Beyond the core objective of accelerating the transition to net zero, we seek to generate additional impact through People, Planet and Performance impact initiatives.

We have categorised the impact of initiatives into:

- **Sustainable momentum** – initiatives that drive a sustainable future and mitigate impacts of climate change.
- **Stakeholder engagement** – initiatives that set targets with partners or explore future collaborations to propagate positive change.
- **Equality and wellbeing** – initiatives that promote equality and wellbeing for all stakeholders.
- **Innovation** – initiatives that explore opportunities and invest in areas of entrepreneurship and asset optimisation.

More details and background information related to our Impact Strategy can be found on the [website](#).



OA, through parent company Octopus Group, is a certified B Corp.

B Corps are profit-making companies certified to meet very high standards of social and environmental performance, accountability and transparency.

The certification means that Octopus has met rigorous social and environmental standards which demonstrate our commitment to goals outside of shareholder profit. Octopus must regularly assess and be scored on how its activities impact all its stakeholders. Employees, community, environment, customers and shareholders are given equal importance.

B Corps strive for continuous improvement year on year, so investors can be comfortable companies like Octopus are authentic and not green washing.

Certified



Corporation





People



People

Impact Objective: Evaluate social considerations to mitigate risks and promote a 'Just Transition' to clean energy.



\$33k

project donations direct to local community groups¹



>100

students benefiting from social initiatives¹



1

reportable incident across the portfolio¹

Managing our impact on society

Investing in renewable energy has natural positive impacts on people (particularly for health reasons) and also for the wider society by benefiting the economy.

It is also vital OA mitigates any possible negative impacts and risks to people as it invests, develops, constructs and operates our portfolio of renewable assets.

OA and its asset contractors have clear policies and governance structures to achieve this. Some social factors that OA consider to be the most important during due diligence and ongoing monitoring of assets include:

- Health and safety
- Social licence
- Local employment
- Diversity and inclusion

¹Based upon construction or operations.



Health and Safety Approach

OA recognises its health and safety responsibilities, and keeping people safe remains its highest priority. We have put arrangements in place to ensure that health and safety risks are managed effectively. OA employs specialist HSE consultants to ensure that health and safety procedures are embedded into our model of investing and managing assets. This integration is achieved through:

- Technical compliance standards
- Diligence and benchmarking of contractors
- Audits and ongoing oversight
- Continuous improvement

Where health and safety activities are outsourced we ensure that they are managed by reputed counterparties who meet all the relevant industry and regulatory commitments. Expected standards are documented in all service contracts and adherence to these are continually monitoring by the Directors and Board of the companies.

OA actively tracks and monitors various accident and incident classifications from events where there is a statutory requirement to report to the relevant Australian government bodies. This includes incidents classified as accidents, near misses, dangerous occurrences, and general safety observations.

For OA's sites in construction and operation, there was 1 reportable incident, 5 near misses, 9 incidents causing minor equipment damage only and 28 environmental incidents (not reportable). All incidents have been satisfactorily closed out and where appropriate lessons learned. Each incident generated an incident report which was audited and closed by the appropriate company director.





Modern Slavery

OA have the utmost respect for human rights and are committed to seeking out and addressing any modern slavery risks we have influence over. We recognise that we can affect human rights not just in our own business operations but in our wider supply chain, both internationally and in Australia.

We engage closely with Tier 1 suppliers to ensure that they have the required policies and procedures in place to mitigate the risk of modern slavery. Our Anti-Modern Slavery Policy sets out our commitment to developing and implementing policies and procedures to better understand, assess and manage modern slavery risks in our operations and supply chain.

Our Anti-Modern Slavery Policy includes six key objectives, which are broken down in a separate 'Action Plan' into targets with individual owners and timelines. Our recently established internal 'Modern Slavery Group' meets regularly to discuss issues as they arise and to ensure that we are progressing with our Action Plan targets. The Group comprises a cross-section of people from across our Australian business, including development, construction and operations, finance, and legal.

OA is also part of the Clean Energy Council's (CEC) 'Modern Slavery Working Group' which meets periodically to discuss issues the renewable energy industry is facing, how to address them and to share experiences.





OA recently signed up to the CEC's Modern Slavery pledge, as follows:

In recognition of the global prevalence of modern slavery and risks for the rapidly developing renewable energy sector, the CEC and the undersigned members ('we', 'us' or 'our') declare our corporate responsibility to respect human rights.

Our common purpose is to work towards our operations and supply chains being free of adverse human rights impacts, including modern slavery. We each commit to:

1. Adopt adequate procedures to manage the risk of modern slavery in our operations and supply chains.
2. Take into account modern slavery risk when selecting and managing suppliers.
3. Seek to contractually oblige our suppliers to have in place adequate procedures to manage their modern slavery risk.
4. Build awareness of modern slavery risks in the various forms of clean energy.
5. Collaborate with CEC members, suppliers and other relevant third parties on fulfilling each of the above commitments, in accordance with competition laws.

There is evidence to suggest that a large proportion of the current global polysilicon supply chain is at high-risk of forced labour violations. Polysilicon is a raw material used in the majority of solar panels. Given the lack of transparency over the global solar panel supply chain, it is currently difficult for the sector to confidently rule out the use of forced labour in the polysilicon used to make solar panels. New regulations and industry-wide protocols around traceability are currently being developed to combat this issue. In the meantime, increasing visibility of the supply chain, for example through extensive supplier due diligence and CEC pledge, will help to add pressure.

OA will continue to monitor this evolving situation and is working closely with industry bodies such as CEC in their "Supply Chain Working Group" to accelerate solutions.



Promoting a “Just Transition”

Just Transition refers to the movement that encourages wider and fairer distribution of benefits as a result of the switch to clean energy. OA’s partners and subcontractors commit to standards promoting equal opportunities, ensuring workplace best practice standards are upheld, and encouraging diversity and inclusion for all. We engage key counterparties to understand what schemes they already have in place, and also encourages the use of local labour on construction sites (roughly within 30km radii). By engaging counterparties and local stakeholders early on, this ensures that social licence is generated for our investments.

OA has committed to demonstrating a tangible benefit to the local communities of each of our portfolios. This may be through sharing profits via community benefit schemes, creating educational opportunities for local schools via workshops and site visits, or providing funding for local charities that are fulfilling a need in the local area.

Applicability of community initiatives will be determined on a portfolio-by-portfolio basis.

Diversity and Inclusion

Equality and wellbeing are fundamental to OA’s impact ambitions. This is reflected in our policies and in the way we operate externally, through understanding the approach that our third party providers take to diversity and inclusion, and suggesting ways to improve this wherever possible.

We are part of the Clean Energy Council ‘Diversity and Inclusion working group’ that meets monthly to accelerate solutions and set best practice across the industry.

We provide directors to the underlying project companies and ensure diversity is considered when appointing them. Currently, company boards across OA are made up of a complementary mixture of social backgrounds with a gender composition of 30/ 70 (women/men). OA have targets to hit 50/50 in the coming years.





People initiatives

Alongside keeping people safe, we consider our potential impact on people. People initiatives contribute to solutions to engage communities and promote a “Just Transition” to clean energy. Examples of these initiatives are provided in the table below.

Projects

Project	Stage	People initiates	Outcome
DPSF	Operations	In response to COVID, OA delivered 40 personalised care packages to the most vulnerable in the local community of DPSF.	<p>Packages contained >560 goods (jams, pasta, olive oil, soap) sourced from local businesses at DPSF. These measures helped the community members feel more connected, promoted wellbeing and supported local businesses.</p> <ul style="list-style-type: none"> Equality & Wellbeing Innovation Stakeholder Engagement
DPSF	Operations	OA created an educational video on solar energy for the local primary schools near DPSF.	<p>The video was incorporated into the local school’s sustainable future curriculum, showcasing DPSF.</p> <ul style="list-style-type: none"> Equality & Wellbeing Sustainable Momentum
DPSF	Operations	The O&M contractor bought Christmas raffle tickets for 63 local school students at Darlington Point.	<p>Each student received a christmas gift from the local community businesses, including toys, bikes, games etc.</p> <ul style="list-style-type: none"> Equality & Wellbeing Stakeholder Engagement
GREP	Development	Sonia, OA’s co-head of Investment and Development, presented at the Gippsland New Energy Conference – a non for profit event organised by local shire council.	<p>The presentation promoted the benefits of renewable energy transition to a traditional coal mining area and talked through ongoing support of local communities through education and employment opportunities.</p> <ul style="list-style-type: none"> Equality & Wellbeing Sustainable Momentum Stakeholder Engagement



Case Study:

Dulacca Wind Farm celebrates diversity and encourages mental health awareness, employment and education for local community groups.

 Equality & Wellbeing  Stakeholder Engagement
 Innovation  Sustainable Momentum

Diversity at its best

In December, all 43 turbines were installed and completed at Dulacca Wind Farm.

To celebrate the huge achievement from the team, the lead contractor (Vestas) flew flags for the 25 different nationalities that worked on the project – diversity at its best!



Mental health awareness for workers

There were two sponsored site visits by men's mental health organisation, A Chance for Change (ACFC). Accompanied by an early morning BBQ (prepared by RES), ACFC discussed various aspects of mental health while working away from home and made themselves available for one-on-one discussions with construction workers.





Encouraging local employment

At peak, there were up to 200 workers active on the construction site, majority from the local community. The employment benefits extended through the local supply chains, including fuel providers, vehicle services, PPE suppliers, accommodation suppliers, food outlets, tools and equipment suppliers and many other businesses.

Beyond construction, the project will additionally create an anticipated 5 to 10 full time roles during the operations and maintenance of the facility. Based at the project site, these residential roles are anticipated to exist for the operational life of the project (30 years). The operational period is also anticipated to create further supply chain employment.

Supporting local community groups

The project directly supported seven for-purpose organisations and local community groups throughout the construction phase, with grants totalling \$18k. Construction personnel represented the project at various community events.

Site visit for Drillham Primary School

The Drillham Primary School had a site visit in mid-November. Feedback from parents was very positive following this visit and the kids were delighted to receive DWF water bottles.

A follow-up meeting with the Principal highlighted the opportunity school visits present to the community to demonstrate potential career opportunities to the students, while at the same time deliver positive messaging and promote the benefits of having renewable projects within their community.



Impact Tracker



Who

- >200 workers
- 30 local students
- 7 local charities
- 25 different nationalities



How much

- \$18k granted
- >200 employment opportunities
- 1 educational site visit for local school



What

- Mental health awareness
- Education
- Local employment
- Diversity and Inclusion



Impact Theme

- Stakeholder engagement
- Innovation
- Equality and Wellbeing
- Sustainable momentum



UN SDG specific contributions

4 QUALITY EDUCATION



4 Quality Education

4.1 and 4.7 Provide free, quality education leading to relevant and effective learning outcomes that can also promote sustainable development:

Partnership with ACFC to educate local workers on mental health awareness and raising funds through site BBQ. Partnership with local schools for educational site visits.

Partnership with Drillham primary school for local school visits to educate on sustainable future with renewable energy.

8 DECENT WORK AND ECONOMIC GROWTH



8 Decent Work and Economic Growth

8.5 Provide full and productive employment and decent work for all:

Extensive Health and Safety measures ensures employees are not exposed to risk.

Local community and businesses engaged from project inception to work on the project.

www.un.org/sustainabledevelopment/



Planet



Planet

Impact Objective: Consider environmental factors to mitigate risks associated with the development, construction and operation of assets, enhancing environmental potential, where possible.



2.1m

Equivalent tCO₂ avoided¹



10m

Equivalent new trees required to avoid the same carbon¹



100%

Investments qualify as sustainable in line with EU Taxonomy¹

Maximise our positive environmental impact

OA recognises the critical role that renewable energy plays in meeting net zero emissions targets, with an inherently positive impact on the environment.

Investing in renewable energy assets enables investors to generate returns from this transition to a cleaner future and directly support climate change ambitions.

OA commits to being transparent; measuring and reporting both positive and negative impacts on the planet. By reflecting on our potential negative impacts rather than ignoring them, OA can create meaningful targets for improvement and maximise the positive impact of our investments.

As part of this approach, OA will review and adopt relevant industry standards alongside initiatives to reduce its own carbon footprint.

¹Based upon completion.



Carbon measurement and reporting

Electricity generated by wind and solar resources prevents harmful emissions from other sources such as coal powered electricity. However, there are still emissions incurred in the manufacturing and transportation of the solar panels and wind turbines through the supply chain.

It is expected OA will quantify and report organisational GHG emissions²⁶ in alignment with the World Resources Institute's Greenhouse Gas Protocol 'Corporate Accounting and Reporting Standard' and 'Corporate Value Chain (Scope 3) Standard'. This approach consolidates the organisational boundary according to the operational control approach.

As OA itself has an annual energy usage of less than 40,000 kWh, it is deemed to be a 'low energy user' and therefore its energy and carbon information is not separately disclosed. The GHG sources that constituted OA's operational boundary for the reporting year are:

- **Scope 1:** No relevant emissions sources. The OA team have engaged with project suppliers to collect the necessary data. At this stage the data is not sufficient for us to make reasonable estimates.
- **Scope 2:** Purchased electricity – market-based.
- **Scope 3:** Purchased Goods and Services, Capital Goods, Upstream Transportation and Distribution, Waste and Fuel-and-Energy-Related Activities (FERA).

Given the nature of OA, OA's Scope 1 and 2 emissions are minimal, accounting only for <1% of the total emissions footprint.

The Scope 3 categories are yet to be determined and will be quantified in the next annual report. The team have engaged with project suppliers to collect the necessary data. At this stage the data is not sufficient to make reasonable estimates. Given Scope 3 is expected to be the most significant source of emissions, it is important that OA has an understanding of which supply chain activities contribute most to its emissions so that we can collaborate with the suppliers to reduce them as much as possible.



Sustainable Finance Disclosures Regime

Our ambition is to adopt regulatory requirements as soon as we are able – even if not yet obligated – in order to support transparency in sustainable investing.

The core sustainable investment objective of OA is to accelerate the transition to net zero through its investments, building and operating a diversified portfolio of renewable energy assets to help facilitate the transition to a more sustainable future. This directly contributes to climate change mitigation.

EU Taxonomy for Sustainable Finance

The EU Taxonomy is a classification system for sustainable activities designed to help investors identify “green” environmentally friendly activities. This is aimed to demonstrate investments that are sustainable, ones that make a substantial contribution to climate change mitigation or adaptation, while avoiding significant harm to other environmental objectives and complying with minimum safeguarding standards.

An initial analysis of OA’s investments against the EU taxonomy classification suggests that 100% of assets contribute to climate change mitigation. The OA team is undergoing work to confirm that OA’s investments are also in line with the “Do No Significant Harm” technical screening criteria.





Planet initiatives

Maximising the positive contribution to the environment through our investments is core to our Impact Strategy. Projects undertaken in the period are outlined in the table below.

Project	Stage	Planet initiates	Outcome
DPSF	Operations	DPSF was chosen as one of six sites to be featured in children's documentary titled "Six ways to save the planet". This short documentary was aired at COP27 in Sharm El Sheikh, Egypt and featured a member of the Octopus team being interviewed by a local school boy.	COP27 is where a collective group of world leaders meet to tackle climate change on a global scale. The focus of COP27 was reducing emissions, helping countries to prepare for and deal with climate change and securing technical support and funding for developing countries for the above. DPSF, as Australia's largest solar farm, is a great example of saving the planet by accelerating the transition to net zero. Sustainable Momentum Stakeholder engagement
DPSF	Operations	A \$5.5m biodiversity stewardship scheme has been established to generate the required biodiversity credits to offset the solar farm development.	DPSF is the first NSW utility scale solar development to secure its biodiversity offset obligations via the establishment of a new physical stewardship site, independent of the solar farm site. Biodiversity initiatives will safeguard large areas of native grasslands and offset any impact from the development of the solar farm. These grasslands, are undergoing registration under the Biodiversity Conservation Act 2016 (NSW) protecting them from further development. Sustainable Momentum Stakeholder Engagement
DPSF	Operations	DPSF featured in the Drive TV program showcasing electric vehicles.	Together with electric vehicles, DPSF promotes a transition to net zero. Sustainable Momentum Innovation



Project	Stage	Planet initiates	Outcome
DWF	Construction	The contractor’s onsite environmental representative provided site waste materials to local schools and residents for re-use.	<p>High school students fabricated outdoor chairs and tables for use in the primary school. Local residents used steel and timber for a range of fabrication works around their properties.</p> <p>Direct donations were well over 120,000kgs of steel for reuse as building materials. \$15k (150 brand new light fittings) were also provided to the local school for community projects.</p> <ul style="list-style-type: none"> Stakeholder Engagement Sustainable Momentum Equality & Wellbeing
DWF	Construction	The project site is located on a habitat of the endangered Woodland snail. All parties have worked to minimise impact of habitat.	<p>With support of landowner, an offset area has been secured, where snail habitat will be rehabilitated and protected.</p> <ul style="list-style-type: none"> Sustainable Momentum Stakeholder Engagement



Case Study:

Blind Creek Solar Farm won this years Clean Energy Council's Community Engagement Award for its pioneering solar farm benefit sharing scheme and agrisolar initiatives.

Equality & Wellbeing Stakeholder Engagement
 Innovation Sustainable Momentum

Equality & Wellbeing – The BCSF project was led by farmers who undertook an extensive community engagement process with their local community. BCSF worked with their local community to pioneer a benefit sharing scheme for solar projects which will share \$3.5 million in financial benefits over the lifetime of the project with neighbours and the community.

Stakeholder engagement/Innovation/sustainable momentum – The agri-solar project was also specifically designed to co-exist with sheep grazing, regenerative agriculture, a soil carbon sequestration project and biodiversity restoration.



Impact Tracker



Who

1 Planet
Blind Creek neighbours and local community



How much

\$3.5m in financial benefits over the lifetime of project



What

Benefit sharing with local community
Biodiversity restoration
Regenerative agriculture
Sheep grazing



Impact Theme

Equality and Wellbeing
Stakeholder engagement
Innovation
Sustainable Momentum



UN SDG specific contributions

7 AFFORDABLE AND CLEAN ENERGY



7 Affordable and clean energy

SDG 7.2 & 7a Increase renewable energy in the mix and stimulate investments into the renewable sector:

Provided renewable energy to the grid and provided renewable investment opportunities. BCSF is currently in development which in time will add to the renewable energy capacity.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



12 Responsible Consumption & Production

SDG 2.4 & 12.4 Promote proportion of areas under sustainable agricultural practices and promote sustainable management and efficient use of natural resources:

Partnerships with local farmers and groups to take advantage of the empty spaces of solar farms for their agricultural use.

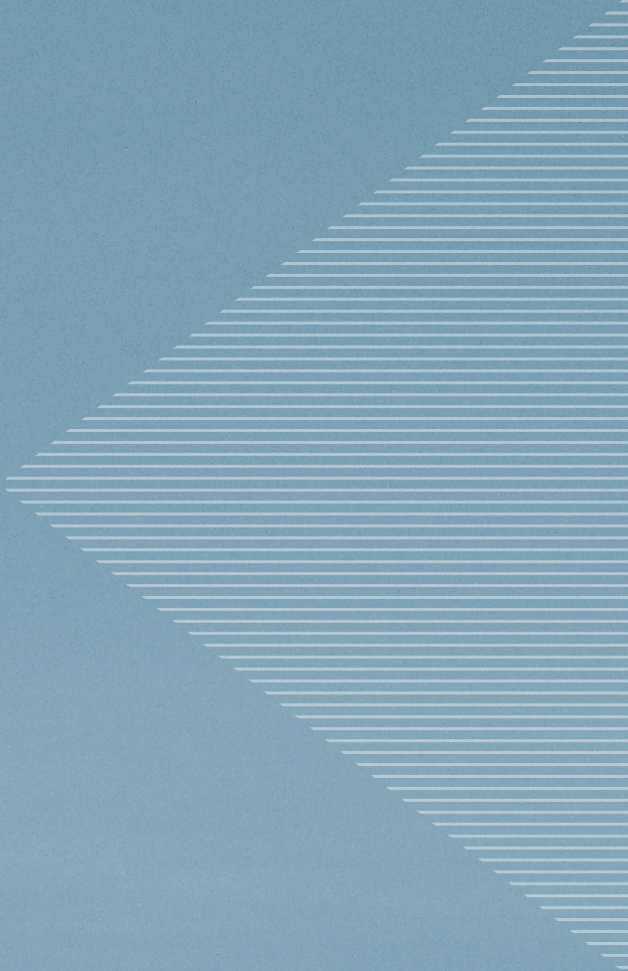
15 LIFE ON LAND



15 Life on Land

SDG 15.1 & 15.5 Conserve ecosystems and threatened species and take action to reduce the loss of biodiversity and degradation of habitats:

Threatened and non-threatened species monitored through ecological surveys and biodiversity plans. Additional biodiversity initiatives implemented beyond planning requirement. The agri-solar project specifically designed to co-exist with sheep grazing, regenerative agriculture, a soil carbon sequestration project and biodiversity restoration.

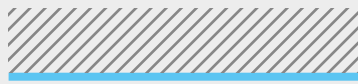


Performance



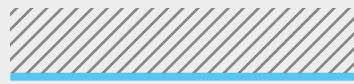
Performance

Impact Objective: Build and operate a diversified portfolio of renewable energy assets, mitigating the risk of losses through robust governance structures, rigorous due diligence, risk analysis and asset optimisation activities to deliver investment return resilience and the maximum amount of green electrons.



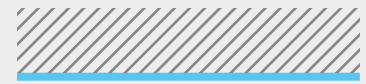
\$3.5bn

Total value of all renewable investments¹



3,174GWh

of annual renewable energy generation²



5

Renewable energy assets³

Delivering the investment objective

OA views the Impact Strategy as integral to the delivery of the core investment objective, and not as a cost. ESG processes and policies are a prudent risk management tool that improve the financial performance of the investments while reducing risks. The ultimate aim is to maximise the amount of green electrons produced by the portfolio.

Integration in to the investment cycle

Every investment we make is assessed against our People, Planet and Performance framework through an ESG scoring matrix. This ensures that our investments adhere to OA's ESG and Impact policy and minimum scoring threshold for investment approval, which all transactions met in the year.

Through this matrix, ESG risks are considered at every stage of investing in renewable energy assets by the team. It is used as a tool to drive ESG engagement and ensure that ESG risks are promptly identified, appropriately investigated, and carefully mitigated where necessary.

¹Upon completion.

²Generation on completion. 2,713GWh of which is additional generation from construction and development assets.

³Across development, construction and operations.



Materiality of risks included in the ESG matrix is determined using guidance from the Sustainability Accounting Standards Board (SASB) framework that identifies financially material ESG risks by asset class. The key risks for renewable energy assets are: political and regulatory; conflicts; environmental damage (biodiversity, carbon, pollution); health & safety; unfair advantage; and community relations.

At the post-completion stage, the investment team carries out an onboarding process to ensure that the asset management team continue to oversee any residual ESG risks.

Anti-bribery and corruption

It is OA's policy to conduct all of its business in an honest and ethical manner. OA takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly, and with integrity in all its business dealings and relationships wherever it operates.

Service Providers (including Directors of OA):

1. Must not promise, offer, give, request, agree to receive or accept a financial or other advantage in return for favourable treatment, to influence a business outcome or to gain any business advantage on behalf of themselves or of OA.
2. Must follow all the anti-bribery and corruption laws to which OA and Company Directors/ Service Providers are subject.
3. Are liable to disciplinary action, dismissal, legal proceedings and possibly imprisonment if they are involved in bribery and corruption. Appropriate action will be taken against those who fail to comply.

The asset management team seeks to ensure asset level service providers have appropriate policies in place and conduct due diligence as appropriate as part of completing the ESG matrix, for example anti-bribery, equal opportunities, modern slavery, and whistle blowing.

Task Force on Climate-related Financial Disclosures (TCFD)

OA, as part of the wider Octopus Group is a supporter of the recommendations of the Task Force on Climate-related Financial Disclosures.

Task Force on Nature-related Financial Disclosures (TNFD)

The TNFD will develop a framework for corporates and financial institutions to assess, manage and report on their dependencies and impacts on nature over the next two years. The TNFD will be designed to bring a similar robustness to the appraisal of nature-related risks as the TCFD has done for climate and should help redirect global financial flows towards nature-positive outcomes.

OA, as part of the wider Octopus Group, will continue to follow the progress of the TNFD launch and look to implement TNFD guidelines as soon as they become available.



Performance initiatives

Delivering investment performance is fundamental to the Impact Strategy, supporting the transition to net zero. Asset optimisation initiatives, alongside robust ESG risk management, aim to improve financial resilience and overall performance of OA.

Projects

The asset management team works with key partners to mitigate production risks and maximise performance of OA's assets. Some examples of this across the portfolio are as follows:

Project	Stage	Performance initiatives	Outcome
DWF	Construction	DWF has executed an agreement with Fluence, an automated bidding platform.	The platform is expected to increase net revenue by an estimate \$500-\$700k p.a as well as enhance compliance outcomes and reduce compliance risk with the network operator (AEMO) through automation. Stakeholder Engagement Innovation
FSF	Development	FSF has been awarded a supply contract by the Victorian Government under its reverse VRET2 auction. The VRET2 reverse auction helps the State meet its renewable energy targets by providing long-term offtake contracts to support investment certainty and build new energy generation projects.	This will: <ul style="list-style-type: none"> • Deliver numerous grid benefits in the Latrobe Valley and Gippsland region to replace generation as coal retires. • Provide a secure revenue stream from an investment grade counterparty, minimising risk of fluctuating energy prices when the site becomes operational. • Construct/develop innovative solar and energy storage with a DC- coupled battery to maximise energy shifting capabilities and improve performance in operations. Stakeholder Engagement Sustainable Momentum Equality & Wellbeing
DPSF	Operations	In September 2022, the team actively sold 20,000 LGCs from DPSF to Emerging Energy Solutions.	20,000 LGCs were sold at \$69.75 (\$1.4m) compared to the budget of \$47.95 (\$959k), recognising a profit of \$436k for investors. This was the highest price achieved for LGCs over the year. Stakeholder Engagement Innovation



Case Study:

Darlington Point Solar Farm securing PPA with Smartest Energy Australia (SEA).

Stakeholder Engagement Innovation Sustainable Momentum

A PPA was executed with SEA for 25% of output from DPSF, taking contracted revenues up to 80% with the existing Delta PPA. This demonstrates how the team contributed to 3 of the key impact themes by providing investors with a secure revenue streams at a very strong market price for the next 10.5 years.

Sustainable Momentum – SEA plans to sell the power from DPSF to a large Australian corporate which will help them meet their RE100 target of procuring 100% renewable electricity by 2025.

Innovation – energy markets are volatile. Securing the SEA PPA locks in power prices, reduces exposure to market fluctuations and provides long-term budget certainty.

Stakeholder management – SEA are backed by parent company Marunbeni which makes this PPA investment grade. It will also provide strong marketing potential and increased brand awareness by being associated with one of Australia’s largest corporates.

Impact Tracker



Who

Darlington Point Solar Farm
Smartest Energy Australia
A large Australian corporate



How much

25% of exported energy to a large Australian corporate



What

Risk mitigation
Secure revenue streams for 10.5 years
Long term cashflow certainty



Impact Theme

Stakeholder engagement
Innovation
Sustainable momentum





UN SDG specific contributions

7 AFFORDABLE AND CLEAN ENERGY



7 Affordable and clean energy

SDG 7.2 & 7a Increase renewable energy in the mix and stimulate investments into the renewable sector:

Provided renewable energy to the grid and renewable investment opportunities. DPSF is now in full operations adding to the renewable energy capacity.

17 PARTNERSHIPS FOR THE GOALS



17 Partnership for the Goals

17.17 Encourage and promote effective partnerships, building on the experience and resourcing strategies of partnerships:

Shared knowledge with key counterparties to ensure continued compliance to the ESG and Impact policy and achieving net zero targets.

www.un.org/sustainabledevelopment/

