For professional advisers and paraplanners only. Not to be relied upon by retail clients.

Octopus Titan VCT

Consumer duty product pack for distributors

October 2025





octopus investments

A brighter way

How Octopus is positioned to prioritise good outcomes for customers

Octopus is a group of innovative entrepreneurial businesses investing in the people, ideas and industries that will help change the world.

AUM: **£9.9bn**
Employees: **600+**
Investors: **70,000+**

Supporting more than **11,000 advisers** through **55 technical specialists** and a **dedicated intergenerational planning team**

150+ dedicated investment professionals across sector specific teams

Award winning:

GROWTH INVESTOR 2021 AWARDS – WINNER BEST VCT INVESTMENT MANAGER

WINNER TWO TIMES Investment Life & Pensions Moneyfacts Awards 2023 -2024 – Best Venture Capital Trust Provider

FT ADVISER Financial Adviser Service Awards 2023 – 5 Star Winner Investments Octopus

Five star rating in the **Financial Adviser Service Awards** for 10 years running

Strong balance sheet:

AKG B – FINANCIAL STRENGTH RATED – DFM SECTOR STRONG – WWW.AKG.CO.UK – ISSUED: 13/03/2024 – OCTOPUS INVESTMENTS LTD

Certified B Corporation

- Meeting the highest standards of verified social and environmental performance, public transparency and legal accountability.
- Working to redefine success in business by measuring success by more than just profit.
- The interests of employees, customers, communities, environment and shareholders are treated equally.

OUR PEOPLE ENVIRONMENT CUSTOMER COMMUNITY SHAREHOLDERS

[1]Octopus to 30 June 2025. FuM includes undrawn commitments, segregated accounts, funds under advisory mandates and funds monitored, and is based upon the latest available information at the time of calculation. The figure includes Octopus Investments, Octopus AIF Management and Octopus Investments Australia

Titan VCT – Review of Strategy

Review of Strategy and Consumer Duty

To address recent underperformance and deliver better outcomes for investors, between September 2024 to October 2025 the Board of Titan VCT carried out a comprehensive review of the VCT's strategy. The review which was supported by independent advice and investor feedback, has led the Board to implement a series of actions aimed at improving future performance and investor outcomes.

Based on the review findings the following actions have been put in place.

1. A revised investment approach prioritising existing portfolio companies.
2. A new divestment strategy designed to return capital to investors.
3. The creation of a Portfolio Management team to enhance support for portfolio companies.
4. Reduced management fees and improved structure.
5. A focus on running the VCT sustainably by closer aligning cash outflows with company exits.

Products and services

We undertake a complete review of this product every year to ensure it continues to deliver good outcomes for customers.

Target for a good outcome	Outcome achieved	
	Last 12 months	Since inception (2007)
Income goal: receiving at least 5%* dividend yield per year	✗	✓
Performance goal: deliver a positive total return over the long term	✗	✓
Liquidity target: Running at least one buyback for investors each year at a discount of 5% to NAV	✗***	✓
Tax relief: VCT qualification status maintained	✓	✓
Product passed annual stress and scenario testing	✓	✓
Product sold only via the defined distribution channels	✓	✓
Survey distributors to understand processes in place to ensure product is sold within the target market	✓	N/A**

*Dividend target updated to 5% of opening NAV per share for 2024 onwards (previously 5p per share)

**Distributor target market reporting introduced in 2018 and has been completed annual since then.

***Titan last completed a share buyback in October 2024. While this report is being published prior to the 12-month anniversary, a further buyback is not expected before that date. As such, this has been marked as 'not achieved

Customer outcomes are typically considered holistically and over the long term (e.g., five years), however Octopus acknowledges that, in the most recent period, outcomes have fallen short of expectations across several key areas affecting customers and a good customer outcome has not been achieved.

Price and value

A good outcome is every customer being provided with the core product services, product features being achieved and no equivalent level of product and service being available for a lower fee elsewhere.



Target for a good outcome	Major relevant factors	Last 12 months			Since inception (2007)		
		✓	✗	Evidence	✓	✗	Evidence
1) Important product outcomes are achieved for every investor	Income target: dividend paid of 5% of opening NAV		✗	Annualised dividend yield of 2%	✓		Dividend of 5p+ paid for the last 8 years, average of 6.8p per year since inception
	Positive NAV total return		✗	Total return reduction of –14.1% YoY	✓		Yes, 73% total return since inception
	Liquidity to investors		✗	0 buybacks held	✓		Buybacks of £200m+ since inception
	VCT qualification status	✓		90% of investments in qualifying shares	✓		Consistently achieved VCT qualification status
2) It is not possible for an investor to achieve an equivalent product or service for a lower fee	VCTs identified with equivalent pricing but none offer customers the same proposition	✓		**Pricing** – in line with other available VCTs **Proposition** – This VCT is managed by Octopus Ventures, one of the most active specialist venture managers in the UK. The scale of diversity across the existing holdings in the portfolio is unmatched by other VCTs at 100+ companies.			
3) Every investor is provided with the core product services	VCT shares are issued in the relevant tax year	✓		100% of investors allotted shares in the tax year requested XX complaints made (0.XX% of the investor base), no complaints were referred to FOS.	✓		100% of investors allotted shares in the tax year requested. Since 2014 c400 complaints ever received against a current investor base of more than 30,000. No case ever referred to FOS.

Customer outcomes are typically considered holistically and over the long term (e.g., five years), however Octopus acknowledges that, in the most recent period, outcomes have fallen short of expectations across several key areas affecting customers and a good customer outcome has not been achieved.

Consumer understanding

A good outcome for our customers is being able to understand all of our communications and collateral to make informed investment decisions.

We have defined a good outcome as	How we assess it	Last 12 months/ most recent assessment:
All our customer communications and fin proms have gone through the defined production process	Has all material left the building with the relevant sign-offs?	✓
The benefits and risks of the product are clear and not misleading in our collateral	Has a readability assessment been carried out on core collateral at launch or if there has been a major change?	N/A – not completed in last 12 months
Our core collateral provides enough information to allow our customers to decide whether or not to invest in the product	Has a focus group been held at which at least 50% of participants were from the target market, where the majority understood the following from the core product collateral? - the product risks - the product benefits - reasons to invest - tax reliefs available	N/A – not completed in last 12 months
The tax reliefs offered by the product are clear in our material		

A good outcome for customers understanding was achieved over the review period.

Consumer support

A good outcome for customers is when they have been supported throughout their journey with us

Category	We have defined a good consumer outcome as:	Last 12 months:
Customer service resource	We have accessible and appropriate customer service resource (email, phone, in person) including a dedicated intergenerational planning team and we are within our SLAs	✓
Customer journey	All customers receive timely communications at identified touchpoints	✓
Avenues for feedback	Customers continue to use various methods to tell us where things could work better	✓
Feedback received	The Customer Feedback report is reviewed monthly and acted on where appropriate	✓
Complaints – responsiveness	All complaints are responded to within 2 days and concluded within 8 weeks	✓
Complaints – severity	No complaint is upheld by FOS	✓
Provisions for vulnerable clients	Vulnerable customers are identified, MI is reviewed, and actions taken to accommodate them	✓
Service team	Overall happiness score based on service from team is over 95%	✓
Abandoned calls	Abandoned calls are less than 3%	✓
3rd Party Suppliers (Computershare)	Feedback reviewed monthly and acted on where appropriate	✓

A good outcome for customers understanding was achieved over the review period.

Technical product information



Target market – European MIFID template

		Codification	Additional information
Investor type	Investor type retail	**Yes**	
	Investor type professional	**Yes**	
	Investor type eligible counterparty	**Yes**	
Knowledge and / or Experience	Basic investor	**Yes**	
	Informed investor	**Yes**	
	Advanced investor	**Yes**	
Client ability to bear losses	Compatible with clients who can not bear capital loss	**No**	
	Compatible with clients who can bear limited capital loss	**Neutral**	The product itself has the potential for 100% capital loss however it is compatible in a portfolio of investments where limited capital loss is being achieved through other elements of the portfolio. Moreover, 30% up front tax rebate offers a form of limited capital loss.
	Compatible with clients who do not need capital guarantee	**Yes**	
	Compatible with clients who can bear loss beyond capital	**Yes**	
Client objectives and needs	Return profile preservation	**Neutral**	The product is not designed to preserve capital however it is compatible in a portfolio of investments where capital preservation is the key objective
	Return profile growth	**Neutral**	The VCT targets investments with the opportunity for high levels of growth, but rather than increasing the value of its NAV, the VCT aims to return this investment performance back to shareholders in the form of tax-free dividends. This is consistent with most VCTs in the market.
	Return profile income	**Yes**	Annual target dividend of 5% of opening NAV, plus special dividends if portfolio companies are sold at a significant profit.
	Minimum recommended holding period	**L**	5 years (long term investment horizon and minimum holding period to retain up front income tax benefit)
	Specific investment need	**O**	
Distribution strategy	Execution only	**B**	
	Execution with appropriateness test or non advised services	**B**	
	Investment advice	**B**	
	Portfolio management	**B**	
Risk tolerance	Risk tolerance PRIIPs methodology	**6**	
	Risk tolerance internal methodology for non PRIIPs and non UCITs	**-**	

Definitions and key



Basic investor	Informed investor	Advanced investor	Key	Negative target market:
Investors having the following characteristics: • basic knowledge of relevant financial instruments (a basic investor can make an informed investment decision based on the regulated and authorised offering documentation or with the help of basic information provided by point of sale); • no financial industry experience, i.e. suited to a first time investor	**Having one, or more, of the following characteristics:** • average knowledge of relevant financial products (an informed investor can make an informed investment decision based on the regulated and authorised offering documentation, together with knowledge and understanding of the specific factors/risks highlighted within them only) • some financial industry experience	**Investors having one, or more, of the following characteristics:** • good knowledge of relevant financial products and transactions • financial industry experience or accompanied by professional investment advice or included in a discretionary portfolio service	**1** = ISO 6166 for ISN code **99** = Code attributed by the undertaking ✓ = Yes ✗ = No **Neutral** = neutral ***Risk Tolerance PRIIPS Methodology** = Range of 1-7 or Empty **H** = High **Long Term** = L **Other** = O **P** = Professional **B** = Both (Retail and professional) * **Distribution Strategy** = N = Neither (Retail and Professional)	**We have considered whether there any customer groups for whom the service would be unsuitable.** • Investors who are not willing to take any risk with this investment • Investors who need access to this investment in the short-term

Fees charged for the Octopus Titan VCT

Investing through an adviser

Type of charge	Rate	Occasion of charge
Initial fee	3%	On investment
Annual management charge	2%	Annually
Non-Investment Services fee (CoSec and Finance)	0.3%	Annually
Performance fee	20%	Annually, if the total return at the year-end (31 December) exceeds the previous High-Water Mark.

Investing direct or through a non-advised intermediary

Type of charge	Rate	Occasion of charge
Initial fee	5.5%	On investment
Non-advised ongoing charge	0.5%	Annually
Annual management charge	2%	Annually
Non-Investment Services fee (CoSec and Finance)	0.3%	Annually
Performance fee	20%	Annually, if the total return at the year-end (31 December) exceeds the previous High-Water Mark.

The above fees relate to the product fees charged by Octopus Investments. Separate charges, such as adviser payments, may be facilitated in addition to the above.

Key investment risks

Capital at risk

VCTs are high-risk investments.

The value of an investment, and any income from it, can fall as well as rise.

Investors may not get back the full amount they invest.

Tax treatment

Tax treatment depends on an investor's personal circumstances and may change in the future.

Qualifying status

Tax reliefs depend on the VCT maintaining its VCT-qualifying status.

Volatility and liquidity

VCT shares could fall or rise in value more than other shares listed on the main market of the London Stock Exchange.

They may also be harder to sell.

Past performance is not a reliable indicator of future results.

The investments discussed are not suitable for everyone. This document does not constitute advice on investments, legal matters, taxation or any other matters. Any recommendation should be based on a holistic review of a client's financial situation, objectives and needs.

This advertisement is not a prospectus. Investors should only subscribe for shares based on information in the prospectus and Key Information Document (KID), which can be obtained from octopusinvestments.com.

Investors should read the product brochure before deciding to invest, this can be found at **octopusinvestments.com.**

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