



Cabinet Office

CARBON REDUCTION PLAN GUIDANCE

Notes for Completion

Where an In-Scope Organisation has determined that the measure applies to the procurement, suppliers wishing to bid for that contract are required at the selection stage to submit a Carbon Reduction Plan which details their organisational carbon footprint and confirms their commitment to achieving Net Zero by 2050.

Carbon Reduction Plans are to be completed by the bidding supplier¹ and must meet the reporting requirements set out in supporting guidance, and include the supplier's current carbon footprint and its commitment to reducing emissions to achieve Net Zero emissions by 2050.

The CRP should be specific to the bidding entity, or, provided certain criteria are met, may cover the bidding entity and its parent organisation. In order to ensure the CRP remains relevant, a Carbon Reduction Plan covering the bidding entity and its parent organisation is only permissible where the detailed requirements of the CRP are met in full, as set out in the Technical Standard² and Guidance³, and all of the following criteria are met:

- The bidding entity is wholly owned by the parent;
- The commitment to achieving net zero by 2050 for UK operations is set out in the CRP for the parent and is supported and adopted by the bidding entity, demonstrated by the inclusion in the CRP of a statement that this will apply to the bidding entity;
- The environmental measures set out are stated to be able to be applied by the bidding entity when performing the relevant contract; and
- The CRP is published on the bidding entity's website.

Bidding entities must take steps to ensure they have their own CRP as soon as reasonably practicable and should note that the ability to rely on a parent organisation's Carbon Reduction Plan may only be a temporary measure under this selection criterion.

The Carbon Reduction Plan should be updated regularly (at least annually) and published and clearly signposted on the supplier's UK website. It should be approved by a director (or equivalent senior leadership) within the supplier's organisation to demonstrate a clear commitment to emissions reduction at the highest level. Suppliers may wish to adopt the key objectives of the Carbon Reduction Plan within their strategic plans.

A template for the Carbon Reduction Plan is set out below. Please complete and publish your Carbon Reduction Plan in accordance with the reporting standard published alongside this PPN.

¹Bidding supplier or 'bidding entity' means the organisation with whom the contracting authority will enter into a contract if it is successful.

²Technical Standard can be found at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991625/PPN_0621_Technical_standard_for_the_Completion_of_Carbon_Reduction_Plans__2_.pdf

³Guidance can be found at:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/991623/Guidance_on_adopting_and_applying_PPN_06_21__Selection_Criteria__3_.pdf

Carbon Reduction Plan

Supplier name: Octopus Electroverse Limited (part of Octopus Energy Group Limited)

Publication date: 17th October 2025

Achieving Net Zero

Octopus Energy Group Limited has approved near and long-term science-based emissions reduction targets with the SBTi, we commit to reaching net-zero greenhouse gas emissions across our value chain by FY2040.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: FY2024 (1 st May 2023 – 30 th April 2024)	
Additional Details relating to the Baseline Emissions calculations.	
<p>FY2024 is the first year Octopus Energy Group has completed an emissions baseline.</p> <p>We have measured scopes 1, 2, and 3 emissions in line with the Greenhouse Gas Protocol's Corporate Accounting and Reporting Standard, with our measurement partner Altruistiq. The Altruistiq platform is ISO 14064-1 recognised as assured by Lloyd's Register Quality Assurance.</p> <p>We've used the Operational Control Approach to account for GHG emissions, as we believe it is the most valuable in helping business leaders make impactful and sustainable decisions. This means we have measured and included emissions from all our facilities (UK and international) and operations over which we have control (including Octopus Electric Vehicles.)</p> <p>We do not have emissions associated with categories 5, 8, 9, 10 & 14.</p>	
Baseline year emissions (market-based): 14,187,154tCO ₂ e	
EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	2720
Scope 2 – location based	814

Scope 2 – market based	937																																
Scope 3 <i>We use a market-based methodology for Category 3 and 11 emissions which relate to our wholesale energy purchases.</i>	14,183,496tCO₂e <table> <tr> <th>Scope 3 emissions category</th><th>tCO₂e</th></tr> <tr> <td>1. Purchased goods and services</td><td>21,858</td></tr> <tr> <td>2. Capital Goods</td><td>N/A (included in category 1)</td></tr> <tr> <td>3. Other Fuel & Energy Related Activities</td><td>2,327,547</td></tr> <tr> <td>4. Upstream Transportation and Distribution</td><td>N/A (included in cat 3 as transport & distribution)</td></tr> <tr> <td>5. Waste</td><td>Category 5 has been excluded as waste from our offices was calculated to be negligible (<0.01% of total footprint)</td></tr> <tr> <td>6. Business Travel</td><td>5,398</td></tr> <tr> <td>7. Employee Commuting</td><td>7,337</td></tr> <tr> <td>8. Upstream Leased Assets</td><td>N/A</td></tr> <tr> <td>9. Downstream Transportation and Distribution</td><td>Captured in purchased goods and services (category 1), for wholesale energy related emissions T&D is captured in category 3</td></tr> <tr> <td>10. Processing of Sold Products</td><td>N/A</td></tr> <tr> <td>11. Use of Sold Products</td><td>11,520,263</td></tr> <tr> <td>12. End-of-life Treatment of Sold Products</td><td>31</td></tr> <tr> <td>13. Downstream Leased Assets</td><td>10,311</td></tr> <tr> <td>14. Franchises</td><td>N/A</td></tr> <tr> <td>15. Investments</td><td>290,751</td></tr> </table>	Scope 3 emissions category	tCO ₂ e	1. Purchased goods and services	21,858	2. Capital Goods	N/A (included in category 1)	3. Other Fuel & Energy Related Activities	2,327,547	4. Upstream Transportation and Distribution	N/A (included in cat 3 as transport & distribution)	5. Waste	Category 5 has been excluded as waste from our offices was calculated to be negligible (<0.01% of total footprint)	6. Business Travel	5,398	7. Employee Commuting	7,337	8. Upstream Leased Assets	N/A	9. Downstream Transportation and Distribution	Captured in purchased goods and services (category 1), for wholesale energy related emissions T&D is captured in category 3	10. Processing of Sold Products	N/A	11. Use of Sold Products	11,520,263	12. End-of-life Treatment of Sold Products	31	13. Downstream Leased Assets	10,311	14. Franchises	N/A	15. Investments	290,751
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Emissions reduction targets

Octopus Energy Group Limited is committed to achieving net-zero greenhouse gas emissions across its entire value chain by FY2040, aligning with the Group's 1.5°C campaign ambition.

Near term targets:

Scope 1 & 2:

Reduce absolute Scope 1 and Scope 2 GHG emissions 42% (respectively) by FY2030 from a FY2024 base year.

Scope 3:

Reduce Scope 3 emissions from all sold electricity 88% per MWh by FY2030 from a FY2024 base year.

Reduce absolute Scope 3 GHG emissions from the use of sold products (natural gas) 59% by FY2034 from a FY2024 base year.

Long-Term Targets:

Scope 1 & 2:

Reduce absolute scopes 1 & 2 (market-based) GHG emissions 90% by FY2040 from a FY2024 base year.

Scope 3:

Reduce absolute scope 3 GHG emissions 90% by FY2040 from a FY2024 base year.

Reduce absolute emissions associated with the sale, transmission and distribution of fossil fuels by 90% by FY2040 from a FY2024 base year.

Reduce scope 3 GHG emissions from all sold electricity 88% per MWh from FY2034 through FY2040 from a FY2024 base year.

All these targets will also apply to 100% owned subsidiaries of OEGL.

Carbon Reduction Plan

Completed Carbon Reduction Initiatives

Our operations:

We are committed to reducing our operational emissions. Market-based building electricity emissions decreased 43% from FY2024 to FY2025 as we continue to switch facilities to renewable electricity, increasing the percentage of facility electricity coming from renewable sources to 74%.

Our Energy Saving Opportunity Scheme (ESOS) Phase 3 compliance was submitted in August 2024, followed by our ESOS Action Plan in February 2025. This plan outlines the strategies we are implementing, developed in collaboration with Planet Mark through site audits, to reduce our energy consumption and Scope 1 and 2 emissions across our UK facilities.

In FY25, supply chain constraints temporarily slowed our Octopus Energy Services (OES) fleet's transition away from internal combustion engine vehicles, yet we still delivered a remarkable shift in electrifying these fleet vehicles. Starting the period, 50% of our services fleet were

Internal Combustion Engine (ICE) vehicles and Battery Electric Vehicles (BEV's) respectively, by year end 93% were BEV with the remaining 7% being ICE, of which we continue to progress phasing out.

Market-based fleet electricity emissions increased at a slower rate than OES's BEV fleet growth, emissions roughly doubled whilst BEV's tripled during the period. This was achieved by increasing the proportion of renewable electricity used to charge our fleet vehicles from 59% to 87%. Key initiatives included installing EV chargers in our service engineers' homes and implementing a fleet-wide rollout of Octopus Electroverse top-up cards for all engineers.

Across fleet and facilities, we significantly increased the proportion of our purchased electricity from renewable sources, rising from 66% to 83% during the period.

Our products and services:

Our commitment to a zero-carbon future extends to our products and services. 100% of our wholesale electricity originates from zero-carbon sources. We achieve this by purchasing energy certificates and directly buying renewable electricity from over 850 UK sites through Power Purchase Agreements (PPAs). Furthermore, Octopus Energy Generation (OEGEN), one of Europe's largest renewable energy investors, manages over 270 large-scale green energy projects with a combined capacity of 4.9GW, enough to power 3.2 million homes annually. These projects span 23 countries worldwide, with a combined worth of £7 billion. All OEGEN's UK-based wind and solar projects consider biodiversity net gain and will purchase statutory biodiversity credits when necessary, in line with UK government guidance. Through the expansion of renewable generation, demand-response schemes (like Free Electricity Sessions) and our flexible and smart tariffs, we aim to accelerate the electrification of heating and transport and prevent the curtailment of green electrons on the grid.

We are at the forefront of heat pump technology and innovation in Great Britain. Since 2021, we have invested over £50 million to drive the rollout of heat pumps and decarbonise the UK. Our investments include the manufacture and design of our own air-source heat pump (Cosy), aiming to make it more affordable and accessible. We have increased production and expanded the product portfolio of our flagship "Cosy" series heat pumps (Cosy 6, Cosy 9, Cosy 12), all designed to help customers reduce bills and their carbon footprint. In addition, we have established a training facility to address potential skills gaps by training heat pump engineers, crucial steps in making heat pumps widely available and accelerating the electrification of heat. We accompany this with a suite of energy management technology, including home control systems and room temperature sensors, alongside smart tariffs. These offerings make the running costs of a heat pump attractive and straightforward for consumers, facilitating the transition to a low-carbon household.

Beyond heat pumps, we install smart meters, batteries, solar panels, and EV chargers, experiencing phenomenal year-on-year growth in heat pump (+409%) and solar installations (+231%). Across the UK and Europe, we installed approximately 903,000 meters (FY24: c. 749,000) and 65,000 other low-carbon technology devices (e.g., heat pumps, EV chargers, solar panels, and batteries; FY24: c. 30,000) in our customers' homes.

Octopus Electric Vehicles (OEV) plays a vital role in reducing carbon emissions by simplifying the switch to electric vehicles. In the last financial year, OEV's leased Battery Electric Vehicle (BEV) fleet in the UK grew by approximately 72% from FY24, reaching over 27,500 vehicles and securing a position among the top ten largest EV leasing businesses in the country. As of

October 8, 2025, the fleet has further expanded to over 35,000 vehicles on the road, with an additional 4,500 due for delivery. Electroverse has solidified its position as Europe's largest public charging network, now encompassing over 1.1 million public EV chargers in more than 40 countries. We anticipate continued expansion of our offerings, with all products and services designed for international scalability alongside our retail presence.

To complement our low-carbon technology deployment, we are championing consumer flexibility, enabling households to shift electricity consumption to support a decarbonising system and reduce system costs. By harnessing demand flexibility, we facilitate higher renewable energy penetration in the energy mix and save millions of tonnes of CO₂ emissions. We continue to grow one of the world's largest flexibility portfolios (2.3GW under management) through an expanding range of customer products (smart tariffs and campaigns) and tolling arrangements, while Octopus Energy Trading optimises the utilisation of this portfolio. Kraken, our end-to-end digital solution for utilities, powers grid flexibility and network management, and facilitates the rollout of low-carbon technologies. Kraken is licensed to support 74 million accounts across 27+ countries. The increasing number of Battery Energy Storage Systems (BESS) expands the market for Kraken's products. Kraken currently manages 50% of the UK's grid-scale battery sites, including Scotland's Blackhillock battery, one of Europe's largest, projected to save approximately £170 million and reduce CO₂ emissions by 3.4 million tonnes over 15 years.

Our innovative capabilities converge in "Octopus Zero Bills," a pioneering energy tariff that guarantees zero energy bills for up to ten years for homes equipped with specific solar panels, a home battery, and a heat pump. This year, we launched our first Zero Bills homes in Scotland, Wales, Germany, New Zealand and for social housing residents with SNG in England, providing access to green and affordable housing. We also attempted our first Zero Bills retrofit to an existing home, with plans to roll this out to many more homes. Whilst also launching Tenant Power, a brand-new tariff designed to help social housing tenants save money while encouraging landlords to go green.

We will continue our advocacy for policy and regulatory changes that support heating decarbonisation. This includes promoting consumer flexibility programs, low-carbon technologies deployment, and policy certainty that electrification is the preferred solution for home heating. We will also continue to push for reforms of the energy market and the planning system and improved home efficiency standards. We are vocal advocates for these policies in all our operational markets and in multilateral forums such as the European Commission, COP, and Davos. Additionally, we have chaired a Clean Tech Homes project under the Sustainable Markets Initiative to convene private sector stakeholders to address barriers to electrified heating deployment.

In the future we hope to implement further measures such as:

- Procure 100% renewable electricity for our facilities globally by FY30
- Electrify 100% of our OES fleet vehicles by FY30
- Reducing the emissions related to gas (Scope 3 Category 11) by driving the electrification of heating in the retail markets we operate in
- Investing \$20 billion into offshore wind globally which will go towards the generation of 12 GW of renewable electricity capacity; enough power for 10 million homes

- Investing £2 billion in UK renewable electricity projects by 2030
- Delivering 100,000 “Zero Bills” homes by 2030
- Continue to build the world’s largest Virtual Power Plant (VPP) through Kraken
- Continue to grow Electroverse (currently operating on 1.1 million public EV chargers in 40 countries,) Octopus Energy’s electric vehicle (EV) charging platform, to reduce charging costs and utilise abundant green energy
- Working to expand the number of charge point operators (CPOs) Octopus supplies with 100% renewable electricity. This alone will help decarbonise the fuel mix of the public charging network and encourage uptake of electric vehicles (EVs)

Declaration and Sign-off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the [GHG Reporting Protocol corporate standard](#) and uses the appropriate [Government emission conversion factors for greenhouse gas company reporting](#).

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the [Greenhouse Gas Protocol Corporate Value Chain \(Scope 3\) Standard](#).

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier:



Date: 17th October 2025

Disclaimer:

The Group’s principal activity is as an energy technology pioneer, driving the green energy revolution through technology. As part of the Group, Octopus Electroverse Limited contributes to the Group’s carbon footprint whilst also helping deliver our carbon reduction initiatives as we aim to deliver full energy-system change, reinventing the way energy is consumed through physical and technological innovation. Therefore the ambitions and deliverables of the Group’s decarbonisation pathway also apply to Octopus Electroverse Limited.