For distributors use only – not for onward provision to borrowers

Regulated Bridging Lending

Octopus Capital Regulated Bridging Lending Team
Consumer Duty Product Pack for distributors

June 2026

octopus capital
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: **£14.2bn**[1]
Employees: **550+**
Investors: **70,000**

Supporting more than **10,000 advisers** through **technical specialists** and a **dedicated intergenerational planning team**

90+ dedicated investment professionals across sector specific teams

Award winning:

FT ADVISER Financial Adviser Service Awards 2022 ★★★★★ 5 Star Winner Investments Octopus

SEVEN TIMES Investment Life & Pensions Moneyfacts Awards 2016 -2022

Best Tax and Estate Planning Solutions Provider

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 31 March 2026. Funds Under Management data includes undrawn commitments, funds under advisory mandates and funds monitored.

Octopus Capital (OC)

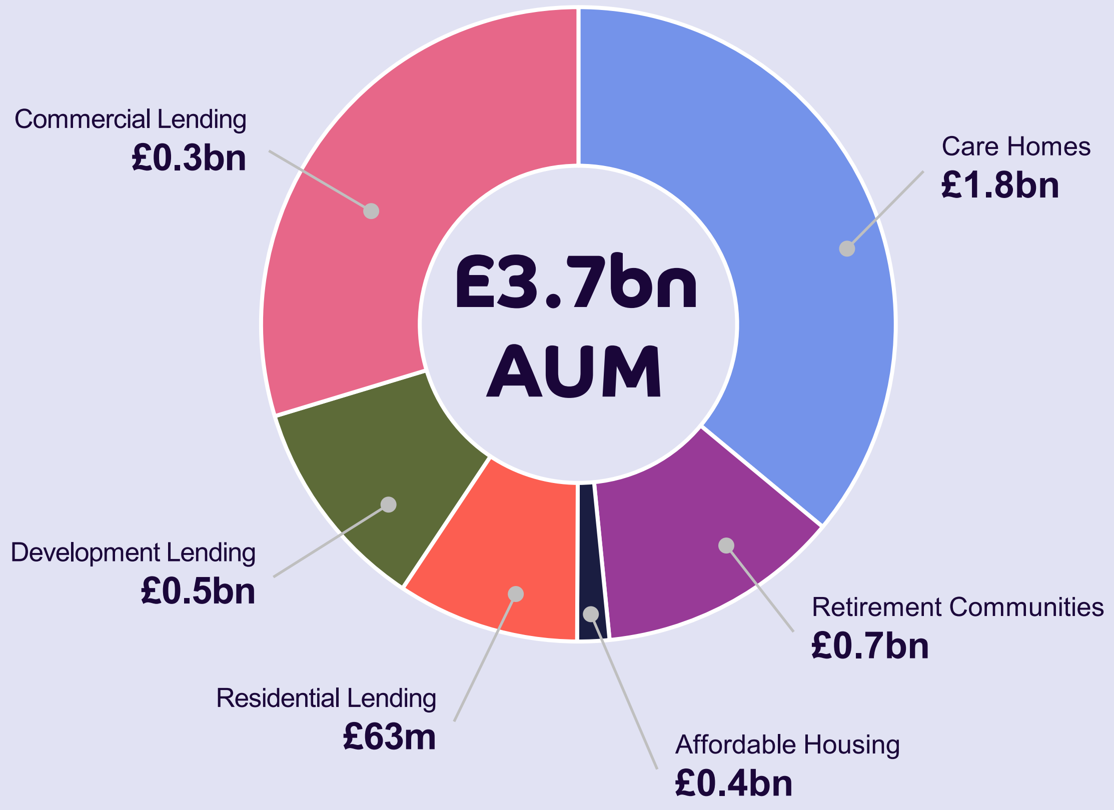
Funding the entire real estate lifecycle

Real Estate Investment

- Award-winning healthcare, later living and affordable housing investor[1]
- 15-year track record with over £2.5 billion of AUM across these sectors
- Team of 30+ including in-house Assurance team

Real Estate Lending

- Leading UK non-bank property lender
- 15-year track record with over £0.8 billion of AUM and £7.5 billion / 5,500 loans completed since inception
- Team of 50+ including in-house servicing and portfolio team



Source: Octopus Capital, as at 31 March 2026. (1) Octopus Capital awarded LaingBuisson 'Investor or the Year' 2023; HealthInvestor 'Property Investor of the Year' 2023; HealthInvestor 'Seniors Housing Investor of the Year' 2025, and New Private Markets Global Awards 'Real Estate Firm of the Year: ESG 2025. Numbers have been rounded and may not sum.

Consumer Duty at Octopus Capital Real Estate

Purpose of the Product Pack: Supports brokers to meet FCA Consumer Duty obligations for regulated bridging lending finance distribution effectively. This summary has been prepared to support our obligations under PRIN 2A.4.15R and PRIN 2A.3.12R and is intended to assist you in meeting your own responsibilities under PRIN 2A.3.16R and PRIN 2A.4.16R.

Product Understanding and Risks: Distributors must understand product design, target market, and risks to ensure suitable customer outcomes. This document is provided for intermediary use only and must not be shared with customers. Please note that you remain ultimately responsible for ensuring compliance with all applicable Consumer Duty requirements.

Broker contact: If you have any questions about this pack or Octopus's products, please contact us on 0800 294 6850

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

Target Market Considerations

Positive Target Market for Regulated Bridging Finance

- **Purpose of Bridging Finance**: Designed for short-term lending secured on residential property where speed and flexibility are crucial.
- **Typical Customer Needs**: Customers need to complete purchases before selling existing homes to resolve chain breaks quickly.
- **Clear Exit Strategy**: Positive target market has credible exit plans such as property sale or refinancing to mainstream mortgages.
- **Financial Capacity and Risks**: Customers must understand loan costs, manage delays, and have resilience to handle associated expenses.

Negative Target Market and Unsuitable Use Cases

- **Unsuitable Customer Profiles**: The product is unsuitable for long-term borrowers and those with access to cheaper mainstream mortgages within needed timescales.
- **Lack of Repayment Strategy**: Customers without credible exit or repayment plans fall outside the target market to avoid unaffordable outcomes.
- **Limited Risk Understanding**: Clients with poor understanding of short-term borrowing risks or reliance on uncertain future events are unsuitable.
- **Consumer Duty Compliance**: Identifying negative target market is vital to prevent foreseeable harm and ensure responsible lending practices.

Broker Responsibilities When Distributing the Product

Target Market Confirmation:	Brokers must ensure customers fall within the defined target market for regulated bridging finance products.
Suitability and Alternatives:	Brokers should assess if bridging finance is suitable and consider lower-cost alternatives like standard mortgages.
Transparent Disclosure:	Clear explanation of short-term nature, total costs, exit strategy, and full fee disclosure is essential.
Identifying Vulnerabilities:	Brokers should recognise customer vulnerabilities and escalate concerns about comprehension or exit risks promptly.
Fees:	Ensure all fees, including broker fees, are clearly disclosed.
Escalation:	Escalate foreseeable harm concerns or material customer support issues to Octopus.

Section A | Target Market and Product Design

Target for a good outcome	Outcome achieved	Comments and Enhancements
The product meets the needs, characteristics and objectives of the defined target market	Yes	Sales feedback and absence of complaints indicate continued alignment with target market; no evidence of customer harm identified
The target market remains clearly defined and appropriate	Yes – enhancements identified	Product design and features remain appropriate; enhancement identified to formally document target market alignment with sales data
Products are distributed only through appropriate channels and within agreed parameters	Yes	No breaches identified; all sales remain within defined distribution channels
Customers with different characteristics are not exposed to increased risk of harm (e.g. by cohort, vulnerability, product features)	Yes – enhancements identified	No evidence of harm identified; however, cohort and vulnerability analysis not yet fully evidenced – enhancement underway to strengthen MI
Product features are clear, understood and do not lead to poor outcomes or confusion	Yes	No complaints or evidence of customer misunderstanding; documentation and features remain appropriate

Overall conclusion: A good outcome for customers has been achieved over the review period, with the product operating in line with its defined target market and no evidence of customer harm identified. Enhancements to MI and formalised analysis are underway to further strengthen evidencing of outcomes in future reviews.

This product is designed for customers requiring short-term regulated residential bridging finance where there is a clear and credible repayment strategy, and where a standard term mortgage or other lower-cost alternative is not suitable within the required timeframe.

Section B | Price and Fair Value

Target for a good outcome	Outcome achieved	Comments and enhancements identified
The product provides fair value to customers overall	Yes	Pricing benchmarked against the market with no evidence of customer harm identified
Pricing reflects the benefits delivered (e.g. speed, certainty, flexibility and service)	Yes	Speed of completion and certainty of execution remain key customer benefits, particularly where traditional routes are not available
All costs are transparent, clear and understood by customers	Yes – enhancements identified	Largely achieved – no ERCs and fees disclosed; enhancement required to evidence full lifecycle costs and improve cost transparency
No identifiable customer subgroups receive materially poorer value	Yes – enhancements identified	No evidence of harm identified; however, subgroup analysis not yet fully evidenced – enhancement underway to strengthen MI
Broker fees and distribution costs are controlled and consistent with fair value	Yes	Broker fees capped at 2% with appropriate controls in place
Customers do not experience poor outcomes due to extensions or delayed redemptions	Yes – enhancements identified	MI not currently available; enhancement in progress to monitor extensions, redemptions and customer outcomes. however given team knowledge and involvement, there is comfort that this outcome has been achieved

Overall conclusion: No evidence of systemic poor outcomes has been identified to date however, MI is being enhanced to monitor extensions, delayed redemptions and associated customer outcomes more robustly.

Section C | Consumer understanding

Target for a good outcome	Outcome achieved	Comments and enhancements identified
Communications clearly explain the nature, purpose and risks of the product in a timely manner	Yes	No complaints or evidence of unclear or misleading communications identified
Customers understand key product risks (including exit risk, extension risk and repayment impacts)	Yes – enhancements identified	No evidence of misunderstanding; enhancement identified to strengthen MI evidencing customer understanding
Disclosure documents are accurate, timely and support informed decision-making	Yes – enhancements identified	Documentation considered appropriate; further evidence of how customers understand full cost and implications to be enhanced
Communications (including scripts and promotions) do not drive misunderstanding or omit key information	Yes	No evidence of misleading communications or omission of key information identified

Overall conclusion: Customer communications support good customer outcomes and effective understanding.

No evidence of customer harm has been identified. Targeted enhancements to MI have been agreed to further strengthen the assessment of customer understanding in future reviews.

Section D | Consumer support and customer journey

Target for a good outcome	Outcome achieved	Comments and enhancements identified
Customer service channels are accessible and effective	Yes – enhancements identified	Service accessibility maintained with improving call answering performance; further MI enhancements identified
Key customer touchpoints are timely and effective across the journey	Yes	Completion call moved earlier, improving engagement; minor inconsistency remains in delivery
Customers are supported appropriately when circumstances change	Yes – enhancements identified	Support processes in place; enhancement required to evidence this through MI (extensions, arrears, forbearance)
The customer journey is free from material friction points or foreseeable harm	Yes – enhancements identified	No material issues identified; opportunity to enhance MI through structured journey-stage feedback analysis

Overall conclusion: Overall, good customer outcomes are being achieved.

Customer support channels are effective and the journey continues to improve, with no evidence of material harm. Some minor inconsistencies and MI gaps have been identified, with actions in place to strengthen consistency and enhance evidence for future reviews.

Section E | Distribution and broker oversight

Target for a good outcome	Outcome achieved	Comments and enhancements identified
Products are distributed only through approved channels and appropriate brokers	Yes	Distribution remains within approved channels via an established broker network; no evidence of deviation identified
Broker remuneration is consistent with fair value	Yes	Broker fees capped and controlled; no evidence of overcharging, with remuneration structure supporting fair value
Broker-specific risks (e.g. complaints, poor quality submissions) are identified and monitored	Yes – enhancements identified	Monitoring processes exist; enhancement required to introduce broker-level MI (complaints, QA outcomes, file quality) to evidence oversight
Brokers receive sufficient information to distribute the product appropriately	Yes	Product documentation and fee structures are clear and approved; no evidence of mis-selling or misunderstanding identified

Overall conclusion: Overall, good outcomes are being achieved through appropriate distribution channels and controlled broker remuneration.

No evidence of customer harm or mis-selling has been identified. However, enhancements to broker-level MI are required to strengthen oversight and provide more robust evidence of monitoring in future reviews

Section F | Complaints, feedback, and root cause analysis

Target for a good outcome	Outcome achieved	Comments and enhancements identified
Complaints are monitored and analysed by volume, theme and journey stage.	Yes – enhancements identified	No product complaints recorded during the period; framework operating effectively, with enhancement to MI analysis identified
Root causes of complaints are identified and addressed.	Yes	No complaints recorded; requirement identified to formalise RCA framework to ensure readiness for future analysis
Complaints or feedback highlight issues relating to vulnerability, understanding, fair value or support.	Yes – enhancements identified	No evidence of issues identified; enhancement required to strengthen MI segmentation (e.g. vulnerability and customer characteristics)
Previous actions are tracked and demonstrate improved customer outcomes.	Yes – enhancements identified	Improvements implemented (e.g. fee cap, earlier engagement, call handling); formal tracking and effectiveness testing to be strengthened

Overall conclusion: Overall, good customer outcomes are being achieved, with no complaints recorded and no evidence of harm identified.

Existing processes appear effective; however, enhancements to MI, root cause analysis and action tracking are required to strengthen oversight and ensure robust evidence of outcomes in future reviews.

Section G | Vulnerable customers

Target for a good outcome	Outcome achieved	Comments and enhancements identified
Vulnerable customers are identified effectively throughout the journey	Yes – enhancements identified	Vulnerability captured through system and application journey; process in place, with opportunity to enhance MI reporting and consistency
Appropriate adaptations are made to support vulnerable customers	Yes – enhancements identified	Evidence of reasonable adjustments (e.g. accessible formats); enhancement identified to formally track types and volumes of adaptations
Vulnerable customers experience outcomes equivalent to other customers	Yes – enhancements identified	No adverse outcomes identified; enhancement required to introduce comparative MI across key metrics (e.g. complaints, timelines, support needs)
Insights from vulnerable customers drive improvements to processes and communications	Yes – enhancements identified	Enhancements implemented (e.g. application question, tailored communications); formalisation of outcomes review and impact assessment required

Overall conclusion: Overall, good outcomes are being achieved for vulnerable customers, with appropriate identification and support processes in place and no evidence of harm identified.

Further enhancements to MI, segmentation and formalised outcome monitoring are required to strengthen oversight and evidence delivery of fair outcomes in future reviews.

Section H | Outcome monitoring and prior actions review

Target for a good outcome	Outcome achieved	Comments and enhancements identified
Prior actions from previous reviews are clearly defined and tracked.	Yes – enhancements identified	A number of improvements have been implemented (e.g. call handling, vulnerability capture, fee cap reduction); enhancement required to formalise action logging and linkage to outcomes
Actions are completed on time and demonstrate effectiveness	Yes – enhancements identified	Actions appear to have been delivered and are positively impacting outcomes; formal tracking, timelines and effectiveness testing not consistently documented
Issues are monitored over time and recurring risks are identified	Yes – enhancements identified	No recurring material issues identified; improvements evident across key areas, with opportunity to strengthen year-on-year trend analysis

Overall conclusion: Overall, good progress has been made against prior actions, with clear improvements observed and no evidence of recurring issues.

However, enhancements to formal action tracking, timeline management and effectiveness testing are required to strengthen governance and provide robust evidence of outcomes in future reviews.

investorrelations@octopus-capital.com
www.octopus-capital.com

Octopus Capital
33 Holborn
London EC1N 2HT