

Key Information Document

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Octopus Future Generations VCT Plc

ISIN: GB00BNGFHX14; SEDOL: BNGFHX1

This Key Information Document (KID) is issued and approved by Octopus Investments Ltd, authorised and regulated in the UK by the Financial Conduct Authority (FCA).

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Date of production 31/01/2022

You are about to purchase a product that is not simple and may be difficult to understand

What is the product?

New issue shares in Octopus Future Generations VCT plc (the "Company") which is a Venture Capital Trust (VCT) listed on the London Stock Exchange, launched in January 2022. The VCT intends to invest into unquoted UK smaller companies which are VCT qualifying and meet the company's sustainability investment criteria. It is important to note that the information contained within this Key Information Document is related to the subscription of new shares. If shares are purchased on the secondary market the costs may be different and you will not be eligible to claim the 30% income tax relief.

Investment policy

The Company's focus is on providing early stage, development and expansion funding to unquoted companies within three distinct themes; building a sustainable planet, empowering people and revitalising healthcare. The Company will typically make investments between £100,000 to £10 million. The company is targeting high levels of growth.

Investment decisions made for VCT qualifying investments must adhere to HMRC's VCT qualification rules. In considering a prospective investment in a company, particular regard is made to:

- The strength of the management team
- Large, typically global, addressable markets
- The investee company's ability to sustain a competitive advantage
- The existence of proprietary technology
- The company's prospects of being sold or floated in the future, at a significant multiple on the initial cost of investment.

Dividend Policy

As a new Company, it is not expecting it to pay dividends for at least the first 3 to 5 years from launch, during this period, any growth will instead increase the value of the VCT/VCT shares.

Who is this product suitable for?

A typical investor for whom the Offer is designed is a UK taxpayer over 18 years of age with an investment range of between £3,000 and £200,000 who consider the investment policy to be attractive. This may include retail, institutional, sophisticated investors and high net worth individuals who already have a portfolio of non-VCT investments.

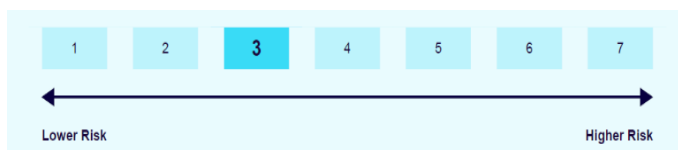
Investors need to be comfortable that investing in unquoted smaller UK companies is higher risk than some other investments and have a long investment horizon of at least 5 years. In addition, investors must understand that a newly launched VCT carries incremental risks compared to a well-established VCT which has been in market for a number of years. The VCT will initially have concentrated portfolio of companies which may cause performance to be more volatile, and that all portfolio companies will be at the start of their investment journey which may make them more susceptible to failure compared to more mature businesses.

Your shares may be difficult to sell, it may take time to find a buyer or you may have to accept a price lower than the NAV (net asset value – value per share on a specific date or time) of the investment.

Recommended Holding Period

There is no recommended holding period for VCT shares, although for the purposes of this Key Information Document (to allow you to compare this with other similar products) the recommended holding period is stated as five years. This is because VCT shares must be held for a minimum of five years in order to retain the 30% upfront income tax relief.

What are the risks and what could I get in return?



The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because you are unable to sell your shares.

We have classified this product as 3 out of 7 under the required methodology, which is medium-low risk class. This rates the potential losses from future performance at a medium low level, however poor market conditions are likely to impact the amount you could get back. The risk indicator is based on the historical share price total return.

Investment in unquoted companies, which constitutes most of the Company's portfolio, by its nature, involves a higher degree of risk than some other investments.

The value of the shares may go down as well as up. This product does not include any protection from future market performance so you could lose some or all of your investment.

There is no certainty that the market price of shares will fully reflect their underlying NAV or that any dividends will be paid, nor should shareholders rely upon any share buyback policy to offer any certainty of selling their shares at prices that reflect their underlying NAV.

The risk indicator assumes you keep the product for 5 years. If you sell early the risk indicator may be different.

For full details on the risks associated with the Octopus Future Generations VCT refer to the Prospectus dated January 2022 under the section titled 'What are the key risks that are specific to the securities' which is available on our website www.octopusinvestments.com/futuregenvct/

Scenarios		1 year	3 years	5 years (Recommended holding period)
Stress scenario	What you might get back after costs	£4,036	£6,298	£5,479
	Average return each year	-59.64%	-14.28%	-11.34%
Unfavourable scenario	What you might get back after costs	£9,120	£9,799	£10,853
	Average return each year	-8.80%	-0.68%	1.65%
Moderate scenario	What you might get back after costs	£10,151	£12,008	£14,205
	Average return each year	1.51%	6.29%	7.27%
Favourable scenario	What you might get back after costs	£11,770	£15,328	£19,366
	Average return each year	17.70%	15.30%	14.13%

This table shows the money you could get back over the next 5 years, under different scenarios, assuming you make an initial investment of £10,000. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products.

Market developments in the future cannot be accurately predicted. The scenarios shown are only an indication of some of the possible outcomes based on recent returns. Actual returns could be lower.

The scenarios presented are an estimate of future performance based on past data and specific formulas prescribed by the regulation and are theoretical and so not an exact indicator. What you get will depend on how the market performs and how long you keep the investment. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where you are unable to sell your shares.

The figures shown include all the costs of the product itself, where applicable, but may not include all the costs that you pay to your adviser or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

The figures shown do not include any upfront income tax relief you receive on your investment or take into account any penalties to which this investment may be subject, from HMRC, in the event of a sale before 5 years. Any dividends paid out by the VCT are also tax-free.

What happens if Octopus Future Generations VCT is unable to pay out?

If, after your five-year holding period, the Octopus Future Generations VCT is unable to facilitate a share buyback then you could sell your VCT shares on the secondary market. The number of buyers of second-hand VCT shares is limited, as a result, selling shares directly into the market can produce a poor result.

As a shareholder of Octopus Future Generations VCT you are not covered by the Financial Services Compensation Scheme (FSCS).

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for three different holding periods.

The figures assume you make an initial investment of £10,000. The figures are estimates and may change in the future. The person selling you or advising you about this product may charge you additional costs. If so, this person will provide you with information about their costs, and show you the impact that all costs will have on your investment over time. This does not take into account any penalties that may be incurred by HM Treasury for selling prior to the five-year holding period.

Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in at 5 years
Total costs	£923	£1,729	£2,613
Impact on return (RIY) per year	9.62%	5.74%	4.93%

The table below shows the impact each year of the different types of costs you might get at the end of the recommended holding period (five years) and, what the different cost categories mean. This table shows the impact on return per year.

One-off costs	Entry costs	1.22%	The impact of the costs you pay when entering your investment.
	Exit costs	0.00%	The impact of the costs of exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	0.08%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	2.23%	The impact of the costs that we take each year for managing your investments. The Investment Adviser's fee is 1.58%; property maintenance is 0.46%; Overheads are 0.41%; and third party borrowing costs are 5.15%.
Incidental costs	Performance fees	1.40%	The impact of performance fees which are 15% of the amount by which the total shareholder return exceeds a compound hurdle rate of 10% per annum calculated each year, subject to exceeding a high watermark.
	Carried interests	0.00%	

How long should I hold it and can I take money out early?

You must hold onto the shares for a minimum of five years in order to retain the upfront income tax relief. If you choose to disinvest before the 5 year holding period you will have to pay any income tax relief back to HMRC and there may be additional penalties. Your shares may be difficult to sell, there isn't an active market for VCT shares in the way there is for shares in many other listed companies. This means that if you decide to sell your VCT shares, it may take time to find a buyer, or you may have to accept a price lower than the NAV of the investment. The Octopus Future Generations VCT offers investors a share buyback facility, provided there are funds available and will purchase them at a small discount to the NAV price which is currently 5%. The buybacks are conducted at the Board's discretion, therefore there are no guarantees that shares will always be sold on request.

How can I complain?

If you have a complaint, you can contact Octopus Investments by phone on 0800 316 2295, by email complaints@octopusinvestments.com or in writing to 'The Complaints Manager, Octopus Investments Ltd, 33 Holborn, London, EC1N 2HT'.

Other Relevant Information:

Other relevant information relating to the Octopus Future Generations VCT can be found in the Prospectus (which acts as the Terms & Conditions of the offer) which is the last Prospectus under which investment was sought and available on our website. For full details of the VCT's risks please see 'What are the key risks that are specific to the securities?' in the VCT's Prospectus dated October 2021. This Key Information Document is in relation to subscribing to new issue shares, if shares are purchased on the secondary market the costs may be different and you would not be eligible to claim the 30% upfront income tax relief.

The cost, performance and risk calculations included in this Key Information Document follow the methodology prescribed by EU rules, as stated in the PRIIPs Regulation and as transposed in UK law in the FCA Handbook.